

Yass Valley Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2024

"A diverse rural region that provides lifestyle, business and recreation choices, while sustaining our environment, history and community"



Yass Valley Council

General Purpose Financial Statements

for the year ended 30 June 2024

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Overview

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

209 Comur Street
YASS NSW 2582

Council's guiding principles are detailed in Chapter 3 of the *Local Government Act 1993 (NSW)* (the Act) and includes:

- principles applying to the exercise of functions generally by Council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

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.yassvalley.nsw.gov.au.

Yass Valley Council

General Purpose Financial Statements

for the year ended 30 June 2024

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2024.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the NSW Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Yass Valley Council

General Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management

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 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.

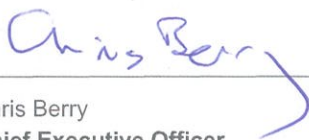
Signed in accordance with a resolution of Council made on 22 August 2024.



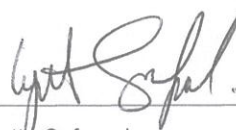
Allan McGrath
Mayor
22 August 2024



Cayla Rothan
Councillor
22 August 2024



Chris Berry
Chief Executive Officer
22 August 2024



Lynette Safranek
Director Corporate & Community
22 August 2024

Yass Valley Council

Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
Income from continuing operations				
20,451	Rates and annual charges	B2-1	22,098	19,788
7,207	User charges and fees	B2-2	5,900	5,622
408	Other revenues	B2-3	613	458
2,029	Grants and contributions provided for operating purposes	B2-4	8,601	9,978
14,853	Grants and contributions provided for capital purposes	B2-4	23,150	17,684
981	Interest and investment income	B2-5	2,010	1,220
606	Other income	B2-6	757	401
46,535	Total income from continuing operations		63,129	55,151
Expenses from continuing operations				
16,975	Employee benefits and on-costs	B3-1	13,891	12,850
14,884	Materials and services	B3-2	15,913	14,894
1,914	Borrowing costs	B3-3	720	693
9,500	Depreciation, amortisation and impairment of non-financial assets	B3-4	9,869	9,141
966	Other expenses	B3-5	2,448	963
–	Net loss from the disposal of assets	B4-1	1,607	2,344
44,239	Total expenses from continuing operations		44,448	40,885
2,296	Operating result from continuing operations		18,681	14,266
2,296	Net operating result for the year attributable to Council		18,681	14,266
(12,557)	Net operating result for the year before grants and contributions provided for capital purposes		(4,469)	(3,418)

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

Yass Valley 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		18,681	14,266
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	<u>29,069</u>	54,584
Total items which will not be reclassified subsequently to the operating result		29,069	54,584
Total comprehensive income for the year attributable to Council		<u>47,750</u>	<u>68,850</u>

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

Yass Valley Council

Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	12,817	11,333
Investments	C1-2	20,200	25,100
Receivables	C1-4	5,976	7,859
Inventories	C1-5	125	119
Contract assets	C1-6	4,192	2,604
Other	C1-9	488	644
Total current assets		43,798	47,659
Non-current assets			
Investments	C1-2	4,000	–
Infrastructure, property, plant and equipment	C1-7	585,823	538,027
Investment property	C1-8	7,000	6,688
Right of use assets	C2-1	57	181
Total non-current assets		596,880	544,896
Total assets		640,678	592,555
LIABILITIES			
Current liabilities			
Payables	C3-1	6,739	6,731
Contract liabilities	C3-2	4,430	4,273
Lease liabilities	C2-1	62	119
Borrowings	C3-3	859	824
Employee benefit provisions	C3-4	2,986	2,998
Other provisions	C3-5	–	940
Total current liabilities		15,076	15,885
Non-current liabilities			
Lease liabilities	C2-1	–	62
Borrowings	C3-3	12,292	13,024
Employee benefit provisions	C3-4	130	121
Other provisions	C3-5	2,569	602
Total non-current liabilities		14,991	13,809
Total liabilities		30,067	29,694
Net assets		610,611	562,861
EQUITY			
Accumulated surplus		313,857	295,176
IPPE revaluation reserve	C4-1	296,754	267,685
Total equity		610,611	562,861

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

Yass Valley Council

Statement of Changes in Equity

for the year ended 30 June 2024

\$ '000	Notes	2024			2023		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		295,176	267,685	562,861	280,910	213,101	494,011
Net operating result for the year		18,681	–	18,681	14,266	–	14,266
Other comprehensive income							
- Gain on IPPE revaluation	C1-7	–	29,069	29,069	–	54,584	54,584
Total comprehensive income		18,681	29,069	47,750	14,266	54,584	68,850
Closing balance at 30 June		313,857	296,754	610,611	295,176	267,685	562,861

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

Yass Valley 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				
<i>Receipts:</i>				
20,388	Rates and annual charges		21,434	19,064
6,788	User charges and fees		6,479	6,951
1,005	Interest received		1,546	966
16,966	Grants and contributions		22,218	29,340
786	Other		4,707	1,417
<i>Payments:</i>				
(16,969)	Payments to employees		(14,083)	(12,362)
(13,988)	Payments for materials and services		(17,439)	(20,020)
(1,893)	Borrowing costs		(753)	(848)
–	Bonds, deposits and retentions refunded		(477)	(1,019)
(757)	Other		(1,656)	(1,949)
12,326	Net cash flows from operating activities	G1-1	21,976	21,540
Cash flows from investing activities				
<i>Receipts:</i>				
10,809	Redemption of term deposits		35,610	27,800
–	Proceeds from sale of IPPE	B4-1	106	253
<i>Payments:</i>				
–	Acquisition of term deposits		(34,710)	(31,700)
(34,730)	Payments for IPPE		(20,682)	(20,112)
(23,921)	Net cash flows from/(used in) investing activities		(19,676)	(23,759)
Cash flows from financing activities				
<i>Receipts:</i>				
12,500	Proceeds from borrowings	C3-3	100	8,277
<i>Payments:</i>				
(1,174)	Repayment of borrowings	C3-3	(797)	(9,022)
(105)	Principal component of lease payments	C2-1	(119)	(178)
11,221	Net cash flows from/(used in) financing activities		(816)	(923)
(374)	Net change in cash and cash equivalents		1,484	(3,142)
8,260	Cash and cash equivalents at beginning of year		11,333	14,475
7,886	Cash and cash equivalents at end of year	C1-1	12,817	11,333
7,093	plus: Investments on hand at end of year	C1-2	24,200	25,100
14,979	Total cash, cash equivalents and investments		37,017	36,433

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

Yass Valley 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 22 August 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 NSW Office of Local Government (OLG) directs Council to amend the financial statements.

The material accounting policy information related to these financial statements are set out below. Accounting 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* (the Act) and *Local Government (General) Regulation 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 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 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. fair values of investment property – refer Note C1-9
- ii. fair values of infrastructure, property, plant and equipment – refer Note C1-7
- iii. tip remediation provisions – refer Note C3-5
- iv. employee benefit provisions – refer Note C3-4.

Significant judgements in applying Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 to B2-4.

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 (NSW), all money and property received by Council is held in Council's Consolidated Fund unless it is required to be held in 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

Volunteer services

Council receives volunteer services from the community advisory committees for a number of purposes, which unquestionably provide value to Council. However, the value of volunteer services has not been recognised within Council's financial statements. This is because the value of the services provided often cannot be reliably measured in order to meet the recognition requirements within Australian Accounting Standards. Where the volunteer services could be reliably measured, Council has assessed those services in accordance with the relevant Australian Accounting Standards and has determined

A1-1 Basis of preparation (continued)

that the services would not be purchased if they were not donated. As such, recognition in Council's financial statements is not required.

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 not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2023.

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 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

For example the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

Council is to assess and does not expect any material impact from the above amendments and to its classification of liabilities as current or non-current.

This standard has an effective date for the 30 June 2025 reporting period.

AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

This Standard amends AASB 16 to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 from Contracts with Customers to be accounted for as a sale.

AASB 16 already requires a seller-lessee to recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. The amendments made by this Standard ensure that a similar approach is applied by also requiring a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that does not recognise any amount of the gain or loss related to the right of use it retains.

Council does not expect any material impact from the above amendments due to there is no lease liability in a sale and leaseback business activity.

This standard has an effective date for the 30 June 2025 reporting period.

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

This Standard amends AASB 13, including adding authoritative implementation guidance and providing related illustrative examples, for application by not-for-profit public sector entities.

In particular, this standard provides guidance on:

- (a) highest and best use
- (b) financially feasible uses
- (c) use of assumptions
- (d) nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence when using the cost approach.

There is not expected to be significant impact on the Council's reported financial position, however Council reviewed the fair value methodology to ensure that it is in accordance with the guidance included in AASB 2022-10.

This standard has an effective date for the 30 June 2025 reporting period.

A1-1 Basis of preparation (continued)

New accounting standards adopted during the year

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 [amends AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2]

This Standard amends a number of standards as follows:

- AASB 7 to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- AASB 101 to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- AASB 108 to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- AASB 134 to identify material accounting policy information as a component of a complete set of financial statements; and
- AASB Practice Statement 2 to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The most significant change introduced by these standards is to remove the requirement to disclose significant accounting policies and instead require disclosure of material accounting policy information. Council has assessed the new standards and non material accounting policy disclosures have been removed from the 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/activities										
Our Civic Leadership	16,375	16,373	6,558	6,895	9,817	9,478	2,299	2,846	43,317	44,802
Our Community	627	399	2,128	3,296	(1,501)	(2,897)	388	120	1,995	1,897
Our Economy	1,373	1,120	2,329	1,813	(956)	(693)	10	286	7,037	6,722
Our Environment	2,359	1,457	3,289	2,599	(930)	(1,142)	2,093	1,218	67,981	53,595
Our Infrastructure	42,395	35,802	30,144	26,282	12,251	9,520	26,961	23,192	520,348	485,539
Total	63,129	55,151	44,448	40,885	18,681	14,266	31,751	27,662	640,678	592,555

B1-2 Components of functions or activities

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

Our Civic Leadership (Systems of Government or Management)

Our leaders operate ethically and implement good governance. We empower our residents with the tools to participate actively in the development of our communities. Civic leadership includes:

- Continuous Improvements
- Accountability and Compliance
- Participation and Communication
- Resourcing and Support

Our Infrastructure (Facilities, Transport and Systems serving the area)

Our community is well serviced and connected to built, social and communications infrastructure. Providing infrastructure includes:

- Quality built environment and places
- Efficient Transport and access
- Effective essential services

Our Community (Life and Welfare in the community)

We are a network of vibrant, inclusive and diverse communities that value our cooperative spirit, self sufficiency, and rural lifestyle. Working for our community includes:

- Community health and wellbeing
- Creative culture and recreation
- Good community relations
- Community resilience

Our Environment (Conditions and influences in the area and sustainability)

We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations. Working for our environment includes:

- Protecting the land
- Maintaining healthy waterways
- Protecting Biodiversity

Our Economy (Generation, Distribution, Use of Income and Business development)

We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities. Providing for our economy includes:

- Efficient and careful resource use
- Healthy economic activity
- Meaningful work and employment

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2024	2023
Ordinary rates		
Residential	7,081	7,088
Farmland	4,710	4,506
Business	984	886
Less: pensioner rebates	(136)	(136)
Rates levied to ratepayers	12,639	12,344
Pensioner rate subsidies received	71	72
Total ordinary rates	12,710	12,416
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	2,219	1,862
Water supply services	2,154	1,959
Sewerage services	2,733	2,514
Drainage	60	60
Onsite sewerage management services	139	–
Waste management services (non-domestic)	2,136	1,035
Less: pensioner rebates	(132)	(132)
Annual charges levied	9,309	7,298
Pensioner annual charges subsidies received:		
– Water	27	26
– Sewerage	22	21
– Domestic waste management	30	27
Total annual charges	9,388	7,372
Total rates and annual charges	22,098	19,788

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	2024	2023
Specific user charges (per s502 - specific 'actual use' charges)		
Water supply services	2,381	2,104
Sewerage services	147	55
Waste management services (non-domestic)	740	730
Total specific user charges	3,268	2,889
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s608)		
Planning and building regulation	644	671
Private works – section 67	33	–
Section 10.7 certificates (EP&A Act)	114	90
Section 603 certificates	35	30
Total fees and charges – statutory/regulatory	826	791
(ii) Fees and charges – other (incl. general user charges (per s608))		
Caravan park	535	623
Cemeteries	123	89
Companion animals	39	43
Emergency services reimbursements	224	267
Engineering Services	171	213
Public health and environmental protection	26	165
Library and art gallery	17	14
Quarry revenue	108	–
Sporting grounds	38	25
Swimming centres	123	123
Transport for NSW works (state roads not controlled by Council)	–	284
Visitors centre sales	83	84
Other	319	12
Total fees and charges – other	1,806	1,942
Total other user charges and fees	2,632	2,733
Total user charges and fees	5,900	5,622

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 or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenues

\$ '000	2024	2023
Diesel rebate	84	20
Fines	52	20
Insurance claims recoveries	61	5
Legal fees recovery – other	1	36
Recycling income (non-domestic)	295	217
Workers' compensation incentive	38	–
Investment recovery income	–	125
Other	82	35
Total other revenue	613	458
Timing of revenue recognition for other revenue		
Other revenue recognised over time	–	–
Other revenue recognised at a point in time	613	458
Total other revenue	613	458

Material accounting policy information for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

\$ '000	Notes	Operating 2024	Operating 2023	Capital 2024	Capital 2023
General purpose grants and non-developer contributions (untied)					
Financial Assistance Grant					
- Relating to current year		216	986	-	-
- Payment received in advance for subsequent year ¹		3,622	4,003	-	-
Amount recognised as income during current year		3,838	4,989	-	-
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Community events		41	-	-	-
Community enhancement contribution		57	-	-	-
Economic development and tourism		10	-	-	-
Employment and training programs		178	-	-	-
Heritage and cultural		25	34	-	-
Library		107	106	-	-
Emergency Services Levy		155	-	-	-
Noxious weeds		106	251	-	-
Recreation and culture		-	-	2,666	2,381
Road safety officer		-	17	-	-
Transport for NSW (regional roads, block grant)		322	377	877	1,524
Roads to recovery		857	857	-	-
Local roads and community infrastructure		-	-	185	-
Fixing local roads		-	-	348	-
Emergency road repairs (storm/flood damage)		2,603	-	-	-
School zone infrastructure/safer roads		-	-	-	2,149
Transport (other roads and bridges funding)		-	2,970	7,880	6,379
Sewerage services		-	-	169	-
Water supplies		212	-	370	829
Other specific grants		90	377	-	-
Total special purpose grants and non-developer contributions – cash		4,763	4,989	12,495	13,262
Non-cash contributions (subdivision dedications)					
Infrastructure (roads, LUR, footpath, bulk earthwork, bridges)		-	-	4,643	69
Stormwater drainage		-	-	1,900	-
Water supplies (excl. section 64 contributions)		-	-	759	3
Sewerage (excl. section 64 contributions)		-	-	2,201	-
Total other contributions – non-cash	G1-1	-	-	9,503	72
Total special purpose grants and non-developer contributions (tied)		4,763	4,989	21,998	13,334
Total grants and non-developer contributions		8,601	9,978	21,998	13,334
Comprising:					
- Commonwealth funding		4,695	5,846	829	1,944
- State funding		3,849	4,132	11,666	11,318
- Other funding		57	-	9,503	72
		8,601	9,978	21,998	13,334

(1) \$3,622k of the Financial Assistance Grant from Commonwealth Government was received by Council in June 2024 and hence is reported as 2024 income although it relates to 2025 financial year.

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					
s7.12 Developer contribution plan - Council LGA		-	-	881	840
s7.11 Developer contribution plan - Heavy Haulage		-	-	52	52
s64 Water supply contributions		-	-	152	2,233
s64 Sewerage service contributions		-	-	67	1,225
Total developer contributions – cash		-	-	1,152	4,350
Total developer contributions	G4-1	-	-	1,152	4,350
Total grants and contributions	B1-1	8,601	9,978	23,150	17,684
Timing of revenue recognition for grants and contributions					
Grants and contributions recognised over time		2,603	2,970	12,495	13,262
Grants and contributions recognised at a point in time		5,998	7,008	10,655	4,422
Total grants and contributions		8,601	9,978	23,150	17,684

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	Notes	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Unspent grants					
Unspent funds at 1 July	C3-2	2,163	151	2,630	4,722
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions		-	520	-	-
Add: Funds received and not recognised as revenue in the current year		-	2,314	4,430	4,593
Less: Funds recognised as revenue in previous years that have been spent during the reporting year		(520)	(822)	-	(6,685)
Less: Funds received in prior year but revenue recognised and funds spent in current year		(1,643)	-	(2,630)	-
Unspent funds at 30 June	C1-3a, C3-2	-	2,163	4,430	2,630

B2-4 Grants and contributions (continued)

\$ '000	Notes	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Unspent contributions					
Unspent funds at 1 July		–	–	14,554	10,722
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions		–	–	1,755	4,690
Less: contributions recognised as revenue in previous years that have been spent during the reporting year		–	–	(1,799)	(858)
Unspent contributions at 30 June	C1-3a	–	–	14,510	14,554

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but include the successful completion of milestone progress for the projects being funded. 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.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

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.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion 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.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by 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 Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at 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.

B2-5 Interest and investment income

\$ '000	Notes	2024	2023
Interest on financial assets measured at amortised cost			
– Overdue rates and annual charges (incl. special purpose rates)		182	94
– Cash and investments		1,828	1,126
Total interest and investment income		2,010	1,220
Interest and investment income is attributable to:			
Unrestricted investments/financial assets:			
Overdue rates and annual charges (general fund)		182	94
General cash and investments		771	432
Restricted investments/funds – external:			
Developer contributions			
– Section 7.11 and 7.12	G4-1	276	210
– Section 64	G4-1	327	130
Water fund operations		123	118
Sewerage fund operations		200	133
Domestic waste management operations		126	95
Stormwater management		5	8
Total interest and investment income		2,010	1,220
B2-6 Other income			
Fair value increment on investment properties			
Fair value increment on investment properties	G1-1	312	–
Total fair value increment on investment properties	C1-8	312	–
Rental income			
Investment properties			
Lease income (excluding variable lease payments not dependent on an index or rate)		82	75
Total Investment properties	C2-2	82	75
Other lease income			
Leaseback fees - council vehicles		212	189
Other		151	137
Total other lease income	C2-2	363	326
 Total rental income		 445	 401
 Total other income		 757	 401

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2024	2023
Salaries and wages	10,841	10,620
Employee leave entitlements	1,278	1,041
Superannuation	1,236	1,084
Workers' compensation insurance	573	553
Fringe benefit tax	52	15
Total employee costs	13,980	13,313
Less: capitalised costs	(89)	(463)
Total employee costs expensed	13,891	12,850

Material accounting policy information

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

Retirement benefit obligations

All employees of 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.

Superannuation plans

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		1,177	1,445
Consultancy costs		361	198
Contractor costs		6,713	7,496
Audit Fees	F2-1	162	147
Councillor and Mayoral fees and associated expenses	F1-2	222	157
Advertising, promotion and celebrations		102	110
Bank charges		98	89
Cleaning		218	190
Computer related charges		819	678
Repairs and maintenance		428	177
Electricity and heating		802	684
Fire control and emergency services		460	303
Insurance		478	387
Street lighting		112	110
Subscriptions and publications		237	287
Telephone and communications		82	94
Valuation fees		72	66
Property, plant and equipment hire		140	32
Chemicals		369	322
Heritage expenses		40	27
Licencing		65	65
Postage, printing and stationery		115	105
Recruitment and employment		125	–
Training and education (other than salaries and wages)		416	195

continued on next page ...

B3-2 Materials and services (continued)

\$ '000	2024	2023
Uniform	38	66
Vehicle and plant operation expenses	1,704	1,277
Other expenses	92	81
Legal expenses:		
– Legal expenses: planning and development	187	55
– Legal expenses: debt recovery	10	19
– Legal expenses: other	69	32
Total materials and services	15,913	14,894

B3-3 Borrowing costs

Interest on loans	798	691
Interest on leases	22	2
Less: capitalised costs	(100)	–
Total borrowing costs expensed	720	693

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

Depreciation and amortisation

Plant and equipment	1,108	991
Infrastructure:		
– Buildings	872	959
– Roads	3,719	3,397
– Bridges	529	465
– Footpaths	160	123
– Other structures	24	16
– Stormwater drainage	222	204
– Water supply network	1,623	1,477
– Sewerage network	863	785
– Swimming pools	55	52
– Other open space/recreational assets	473	387
Other Assets – Waste services	98	93
Reinstatement, rehabilitation and restoration assets:		
– Landfill (tip and quarry) assets	–	21
Right of use assets	123	171
Total depreciation, amortisation and impairment for non-financial assets	9,869	9,141

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.

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.

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

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	Notes	2024	2023
Impairment of receivables			
User charges and fees	G1-1	348	55
Total impairment of receivables	C1-4	348	55
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		871	825
– Other contributions/levies		25	16
Donations, contributions and assistance to other organisations (s356)		177	67
Landfill remediation and restoration provision	C3-5	1,027	–
Total other expenses		2,448	963

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 other property (excl. investment property)			
Proceeds from disposal – other property		–	–
Less: carrying amount of other property assets sold/written off	C1-7	(103)	(750)
Gain (or loss) on disposal		(103)	(750)
Gain (or loss) on disposal of plant and equipment			
Proceeds from disposal – plant and equipment		105	253
Less: carrying amount of plant and equipment assets sold/written off	C1-7	(135)	(123)
Gain (or loss) on disposal		(30)	130
Gain (or loss) on disposal of infrastructure			
Proceeds from disposal – infrastructure		1	–
Less: carrying amount of infrastructure assets sold/written off	C1-7	(1,475)	(1,724)
Gain (or loss) on disposal		(1,474)	(1,724)
Net gain (or loss) from disposal of assets	G1-1	(1,607)	(2,344)

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 LG 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	20,451	22,098	1,647	8% F
Rates and annual charges increase of 8% as compared with the original budget is mainly attributable to the increase in waste management services delivery in the year.				
User charges and fees	7,207	5,900	(1,307)	(18)% U
User charges and fees reduction by 18% as compared with the original budget is mainly attributable to the lower level consumption of the water supply services by \$894k and the works for Transport for NSW by \$500k.				
Other revenues	408	613	205	50% F
Other revenues increase of 50% as compared with the original budget is mainly attributable to the various nature of receipts other than user fees and charges such as additional workers compensation incentive \$61k, recycling and sundry sales \$42k during the year.				
Operating grants and contributions	2,029	8,601	6,572	324% F
Operating grants and contributions increase of 324% as compared with the original budget is mainly attributable to the advance receipt of Financial Assistance Grant for subsequent year by \$3,622k or 85% advance payment. There are also the grants received by Council not covered in the original budget, including roads to recovery grant \$857k, emergency roads repairs for storm and flood damage grant \$1,365k.				
Capital grants and contributions	14,853	23,150	8,297	56% F
Capital grants and contributions increase of 56% as compared with the original budget is mainly attributable to the recognition of \$9,503k non-cash contributions to the gifted assets resulting from the subdivision dedications at the reporting date.				
Interest and investment revenue	981	2,010	1,029	105% F
Interest and investment revenue increase of 105% as compared with the original budget is mainly attributable to the Reserve Bank of Australia lifting the cash rate from 4.10% to 4.35% during the year whereas the budget estimated a 2.0% interest rate.				
Other income	606	757	151	25% F
Other income increase of 25% as compared with the original budget is mainly attributable to the higher result from the investment property revaluation for the year.				

B5-1 Material budget variations (continued)

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Expenses				
Employee benefits and on-costs	16,975	13,891	3,084	18% F
Employee benefits and on-costs reduction by 18% as compared with the original budget is mainly attributable to the salaries and wages saved from a high level of staff vacancy during the year.				
Materials and services	14,884	15,913	(1,029)	(7)% U
Materials and services is above the original budget by 7% mainly attributable to the increase in the overall operational activity costs of goods delivered and services rendered during the year.				
Borrowing costs	1,914	720	1,194	62% F
Borrowing costs reduction by 62% as compared with the original budget is mainly attributable to the deferral of the bank loan drawn down for the Crago Mill Precinct project development to the next year.				
Depreciation, amortisation and impairment of non-financial assets	9,500	9,869	(369)	(4)% U
No material budget variations.				
Other expenses	966	2,448	(1,482)	(153)% U
Other expenses is above the original budget by 153% mainly attributable to a \$1,027k for landfill remediation provision. In addition, a \$329k impairment of receivables for water charges and fees is provided for the year.				
Net losses from disposal of assets	-	1,607	(1,607)	∞ U
Council did not estimate the net loss from the disposal of IPPE assets as part of the annual budget, instead estimates were based on the expected sales proceeds being equal to the value of disposed IPPE.				
Statement of cash flows				
Cash flows from operating activities	12,326	21,976	9,650	78% F
Cash flows from operating activities increased by \$9,650k as compared with the original budget mainly attributable to the increase in the grants and contributions for the year, GST receipts, together with the budget variations of income and expenses from continuing operations identified above.				
Cash flows from investing activities	(23,921)	(19,676)	4,245	(18)% F
Cash flows from investing activities decreased by \$4,245k as compared with the original budget mainly attributable to the deferral of the Crago Mill Precinct development to the next year.				
Cash flows from financing activities	11,221	(816)	(12,037)	(107)% U
Cash flows from financing activities reduced by \$12,037k as compared with the original budget mainly due to the deferral of the bank loan drawn down for the Crago Mill Precinct development.				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2024	2023
Cash assets		
Cash on hand and at bank	7,532	3,307
Cash equivalent assets		
– Managed funds	5,285	5,016
– Short-term deposits	–	3,010
Total cash and cash equivalents	12,817	11,333

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	12,817	11,333
Balance as per the Statement of Cash Flows	12,817	11,333

C1-2 Financial investments

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Debt securities at amortised cost				
Term deposits	20,200	4,000	25,100	–
Total financial investments	20,200	4,000	25,100	–
Total cash assets, cash equivalents and investments	33,017	4,000	36,433	–

Material accounting policy information

Financial instruments are recognised initially on the date that 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

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

\$ '000	Notes	2024	2023
(a) Externally restricted cash, cash equivalents and investments			
Total cash, cash equivalents and investments		37,017	36,433
Less: Externally restricted cash, cash equivalents and investments		<u>(27,612)</u>	<u>(29,987)</u>
Cash, cash equivalents and investments not subject to external restrictions		9,405	6,446
External restrictions			
External restrictions – included in liabilities			
External restrictions included in cash, cash equivalents and investments above comprise:			
Specific purpose unexpended grants – general fund	B2-4c	4,430	4,273
External restrictions – included in liabilities	C3-2	4,430	4,273
External restrictions – other			
External restrictions included in cash, cash equivalents and investments above comprise:			
s7.11 & s7.12 Developer contributions – general	G4-1	6,311	6,901
s64 Developer contributions – water fund	D1-2,G4-1	5,751	5,369
s64 Developer contributions – sewerage fund	D1-2,G4-1	2,448	2,284
Water fund	D1-2	2,211	2,884
Sewerage fund	D1-2	4,283	4,682
Domestic waste management		2,144	2,948
Stormwater management		34	126
Specific purpose unexpended grants (recognised as revenue)	B2-4c	–	520
External restrictions – other		23,182	25,714
Total external restrictions		27,612	29,987

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.

(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions		9,405	6,446
Less: Internally allocated cash, cash equivalents and investments		<u>(9,350)</u>	<u>(6,357)</u>
Unrestricted and unallocated cash, cash equivalents and investments		55	89
Internal allocations			
At 30 June, Council has internally allocated funds to the following:			
Plant and vehicle replacement		1,125	1,186
Employees leave entitlement		993	895
Carry over works - operating projects		653	196
Binalong pool		22	22
Comur street rehabilitation		20	20
Land and assets		1,452	1,452
Council elections		188	135
Murrumbateman Library School Ground		123	123
Quarry rehabilitation		690	106
Roads		45	–
Victoria park		320	324
Electricity Savings Reserve		97	97
Financial Assistance Grant (received in advance for 2024/25)		3,622	1,801
Total internal allocations		9,350	6,357

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

C1-4 Receivables

\$ '000	Notes	2024 Current	2023 Current
Rates and annual charges	E1-1	2,457	1,877
Interest and extra charges		11	72
User charges and fees		1,920	1,868
Accrued revenues			
– Interest on investments		792	267
– Government grants and subsidies		–	1,427
Net GST receivable		1,257	2,460
Total	E1-1	6,437	7,971
Less: provision for impairment			
User charges and fees	E1-1	(461)	(112)
Total provision for impairment – receivables		(461)	(112)
Total net receivables		5,976	7,859

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.

Impairment

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

When estimating ECL, 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.

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

When considering the ECL for rates and annual charges 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.

Credit losses are measured at 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.

Council writes off a 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.

None of the receivables that have been written off are subject to enforcement activity.

Where 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.

C1-5 Inventories

\$ '000		2024 Current	2023 Current
(i) Inventories at cost			
Stores and materials		88	86
Trading stock		37	33
Total inventories		125	119

C1-6 Contract assets

\$ '000	Notes	2024 Current	2023 Current
Contract assets	E1-1	4,192	2,604
Total contract assets		4,192	2,604

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	WIP transfers	Revaluation increments / decrements	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000												
Capital work in progress	9,601	–	9,601	7,282	13,399	(10)	–	(16,198)	–	14,074	–	14,074
Plant and equipment	7,691	(3,256)	4,435	–	–	(135)	(1,108)	1,607	–	9,023	(4,224)	4,799
Land:												
– Operational land	29,730	–	29,730	–	–	–	–	–	89	29,819	–	29,819
– Community land	26,445	–	26,445	–	–	–	–	–	7,540	33,985	–	33,985
– Land under roads	7,566	–	7,566	–	31	–	–	–	1,245	8,842	–	8,842
Infrastructure:												
– Buildings	49,887	(20,638)	29,249	–	–	(42)	(872)	872	1,229	52,618	(22,182)	30,436
– Roads	251,034	(69,713)	181,321	–	3,451	(1,407)	(3,719)	7,178	7,615	268,990	(74,551)	194,439
– Bridges	46,282	(24,176)	22,106	–	–	(38)	(529)	4,796	928	52,958	(25,695)	27,263
– Footpaths	10,411	(1,748)	8,663	–	403	–	(160)	–	364	11,252	(1,982)	9,270
– Bulk earthworks (non-depreciable)	88,442	–	88,442	–	758	–	–	74	3,715	92,989	–	92,989
– Other structures	1,694	(1,047)	647	–	–	–	(24)	–	28	1,766	(1,115)	651
– Stormwater drainage	21,750	(5,725)	16,025	–	1,901	–	(222)	–	673	24,564	(6,187)	18,377
– Water supply network	107,872	(40,157)	67,715	–	759	(2)	(1,623)	191	3,433	114,269	(43,796)	70,473
– Sewerage network	52,487	(20,553)	31,934	–	2,201	(18)	(863)	488	1,619	57,754	(22,393)	35,361
– Swimming pools	3,547	(1,579)	1,968	–	–	–	(55)	–	82	3,696	(1,701)	1,995
– Other open space/recreational assets	14,284	(3,917)	10,367	–	–	–	(473)	992	435	15,876	(4,555)	11,321
Other assets:												
– Waste	2,663	(910)	1,753	–	–	–	(98)	–	74	2,774	(1,045)	1,729
Reinstatement, rehabilitation and restoration assets:												
– Tip and quarry assets	1,338	(1,278)	60	–	–	(60)	–	–	–	–	–	–
Total infrastructure, property, plant and equipment ²	732,724	(194,697)	538,027	7,282	22,903	(1,712)	(9,746)	–	29,069	795,249	(209,426)	585,823

(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	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments / decrements	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	13,086	–	13,086	6,868	–	–	–	(8,649)	(742)	(962)	9,601	–	9,601
Plant and equipment	7,078	(2,502)	4,576	–	973	(123)	(991)	–	–	–	7,691	(3,256)	4,435
Land:													
– Operational land	18,652	–	18,652	–	1,149	(173)	–	–	–	10,102	29,730	–	29,730
– Community land	18,769	–	18,769	–	–	–	–	–	–	7,676	26,445	–	26,445
– Land under roads (pre 1/7/08)	4,333	–	4,333	–	–	–	–	–	–	–	–	–	–
– Land under roads (post 30/6/08)	2,932	–	2,932	–	4	–	–	–	–	297	–	–	–
Land improvements	–	–	–	–	–	–	–	–	–	–	7,566	–	7,566
Infrastructure:													
– Buildings	43,111	(27,032)	16,079	396	–	(577)	(960)	49	–	14,262	49,887	(20,638)	29,249
– Other structures	1,376	(980)	396	67	97	–	(17)	73	–	31	1,694	(1,047)	647
– Roads	233,251	(63,979)	169,272	5,063	33	(1,546)	(3,396)	3,096	–	8,799	251,034	(69,713)	181,321
– Bridges	41,206	(22,633)	18,573	2,433	386	(93)	(466)	200	–	1,073	46,282	(24,176)	22,106
– Footpaths	7,427	(1,540)	5,887	203	–	–	(122)	2,275	–	420	10,411	(1,748)	8,663
– Bulk earthworks (non-depreciable)	83,069	–	83,069	120	32	(70)	–	999	–	4,292	88,442	–	88,442
– Stormwater drainage	20,396	(5,243)	15,153	–	–	–	(205)	299	–	778	21,750	(5,725)	16,025
– Water supply network	97,841	(36,060)	61,781	982	3	(15)	(1,477)	1,594	–	4,847	107,872	(40,157)	67,715
– Sewerage network	48,089	(18,297)	29,792	602	–	–	(785)	39	–	2,286	52,487	(20,553)	31,934
– Swimming pools	3,375	(1,450)	1,925	–	–	–	(52)	–	–	95	3,547	(1,579)	1,968
– Other open space/recreational assets	12,050	(3,341)	8,709	1,515	–	–	(385)	25	–	503	14,284	(3,917)	10,367
Other assets:													
– Waste	2,533	(773)	1,760	–	–	–	(92)	–	–	85	2,663	(910)	1,753
Reinstatement, rehabilitation and restoration assets:													
Tip and quarry assets	–	–	–	–	–	–	–	–	–	–	1,338	(1,278)	60
– Tip assets	1,236	(1,159)	77	–	–	–	(19)	–	–	–	–	–	–
– Quarry assets	102	(97)	5	–	–	–	(3)	–	–	–	–	–	–
Total infrastructure, property, plant and equipment ²	659,912	(185,086)	474,826	18,249	2,677	(2,597)	(8,970)	–	(742)	54,584	732,724	(194,697)	538,027

(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. 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 15
Office furniture	10 to 20	Benches, seats etc.	10 to 35
Computer equipment	4		
Vehicles	5 to 8	Buildings	Years
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets	Years	Stormwater assets	Years
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets	Years	Other infrastructure assets	Years
Sealed roads: surface	20	Bulk earthworks	infinite
Sealed roads: structure	50	Swimming pools	50
Unsealed roads	20	Other open space/recreational assets	35
Bridge: concrete	100	Other infrastructure	20
Bridge: other	50		
Road pavements	60		
Kerb, gutter and footpaths	40		

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. Comprehensive valuations are performed at least every 5 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 Planning, Industry and Environment – Water.

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

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 to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of Council. While ownership of the reserves remains with 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.

C1-8 Investment properties

\$ '000	Notes	2024	2023
Owned investment property			
Investment property on hand at fair value	E2-1	7,000	6,688
Total owned investment property		7,000	6,688
Owned investment property			
At fair value			
Opening balance at 1 July		6,688	6,688
Net gain from fair value adjustments	B2-6	312	–
Closing balance at 30 June		7,000	6,688

Material accounting policy information

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

C1-9 Other

Other assets

\$ '000	2024 Current	2023 Current
Prepayments	488	644
Total other assets	488	644

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land and buildings, vehicles, machinery and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

Plant and Equipment

Council leases plant and equipment with lease terms varying from 3 to 8 years; the lease payments are fixed during the lease term and there is generally no renewal option.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 2 and 3 years with no renewal option, the payments are fixed.

Extension options

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

(a) Right of use assets

\$ '000	Notes	Plant & Equipment	Total
2024			
Opening balance at 1 July		181	181
Depreciation charge	B3-4	(123)	(123)
Balance at 30 June		57	57
2023			
Opening balance at 1 July		180	180
Additions to right-of-use assets	C3-3a	172	172
Depreciation charge	B3-4	(171)	(171)
Balance at 30 June		181	181

(b) Lease liabilities

\$ '000	Notes	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Lease liabilities		62	-	119	62
Total lease liabilities	C3-3a	62	-	119	62

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2024					
Cash flows	62	-	-	62	62
2023					
Cash flows	119	62	-	181	181

C2-1 Council as a lessee (continued)

(d) Income Statement

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

\$ '000	Notes	2024	2023
Interest on lease liabilities	B3-3	22	2
Depreciation of right of use assets	B3-4	123	171
Expenses relating to short-term leases		111	32
		256	205

(e) Statement of Cash Flows

Total cash outflow for leases	C3-3a	119	178
		119	178

(f) Leases at significantly below market value – concessionary / peppercorn leases

Council has a lease at significantly below market for land and buildings which is used for:

- Community Centre

The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide. These services are detailed in the lease.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

Material accounting policy information

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

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

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 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 in the Statement of Financial Position as:

- investment property: where the asset is held predominantly for rental or capital growth purposes (refer Note C1-8)
- property, plant and equipment: where the rental is incidental, or the asset is held to meet Council's service delivery objective (refer Note C1-7).

C2-2 Council as a lessor (continued)

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

\$ '000	Notes	2024	2023
(i) Assets held as investment property			
The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below			
Lease income (excluding variable lease payments not dependent on an index or rate)	B2-6	82	75
Total income relating to operating leases for investment property assets		82	75
Operating lease expenses			
Direct operating expenses that generated rental income		3	5
Total expenses relating to operating leases		3	5
(ii) Assets held as property, plant and equipment			
Lease income (excluding variable lease payments not dependent on an index or rate)	B2-6	363	326
Total income relating to operating leases for Council assets		363	326
Other leased assets expenses			
Other		42	42
Total expenses relating to other leases assets		42	42
(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:			
Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for all operating leases:			
< 1 year		96	104
1–2 years		99	96
2–3 years		25	99
3–4 years		11	25
4–5 years		–	11
Total undiscounted lease payments to be received		231	335

C3 Liabilities of Council

C3-1 Payables

\$ '000	Notes	2024 Current	2023 Current
Goods and services – operating expenditure		3,861	3,192
Accrued expenses:			
– Salaries and wages		360	492
– Borrowing costs		45	78
– Other expenditure accruals		885	1,088
Security bonds, deposits and retentions		777	1,254
Prepaid rates		543	627
Prepaid user charges and fees		268	–
Total payables	E1-1c	6,739	6,731

C3-1 Payables (continued)

Current payables not anticipated to be settled within the next twelve months

\$ '000	2024	2023
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Security bonds, deposits and retentions	631	1,003
Total payables	631	1,003

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	2023 Current
Grants and contributions received in advance:			
Unexpended capital grants (to construct Council controlled assets)	(i)	4,430	4,273
Total grants received in advance	B2-4c,C1-3a	4,430	4,273
Total contract liabilities		4,430	4,273

Notes

(i) Council has received funding to construct assets including sporting facilities, bridges, library and other 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.

Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	Notes	2024	2023
Grants and contributions received in advance:			
Capital grants (to construct Council controlled assets)		2,630	4,722
Operating grants (received prior to performance obligation being satisfied)		1,643	151
Total revenue recognised that was included in the contract liability balance at the beginning of the period	B2-4c	4,273	4,873

C3-3 Borrowings

\$ '000	Notes	2024	2024	2023	2023
		Current	Non-current	Current	Non-current
Loans – secured ¹		859	12,292	824	13,024
Total borrowings	E1-1c	859	12,292	824	13,024

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

Loan funds were used to undertake Water and Sewer upgrade works.

TCorp loans financial covenants - Council met the requirements of cash expense ratio, debt service cover ratio and interest cover ratio.

(a) Changes in liabilities arising from financing activities

\$ '000	Notes	2023	Non-cash movements			2024
		Opening Balance	Cash flows	Acquisition	Other non-cash movement	Closing balance
Loans – secured		13,848	(797)	100	–	13,151
Lease liability	C2-1b	181	(119)	–	–	62
Total liabilities from financing activities		14,029	(916)	100	–	13,213

\$ '000		2022	Non-cash movements			2023
		Opening Balance	Cash flows	Acquisition	Other non-cash movement	Closing balance
Loans – secured		14,593	(9,022)	8,277	–	13,848
Lease liability (Note C2-1b)		187	(178)	–	172	181
Total liabilities from financing activities		14,780	(9,200)	8,277	172	14,029

(b) Financing arrangements

\$ '000	2024	2023
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Credit cards/purchase cards	55	91
Total financing arrangements	55	91
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	19	20
Total drawn financing arrangements	19	20
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Credit cards/purchase cards	36	71
Total undrawn financing arrangements	36	71

Additional financing arrangements information

Breaches and defaults

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

Security over loans

Loans are secured over future cash flows and leased liabilities are secured by the underlying leased assets.

C3-3 Borrowings (continued)

Bank bill business loan

Council has arranged a \$50 million loan facility from a bank, of which \$100k was drawn down in the year and remaining \$49,900k undrawn facility at the reporting date.

C3-4 Employee benefit provisions

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Annual leave	1,066	–	1,072	–
Long service leave	1,567	118	1,567	110
ELE on-costs	317	12	316	11
Other leave (RDOs/VDOs and TILs)	36	–	43	–
Total employee benefit provisions	2,986	130	2,998	121

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	2,492	2,495
	2,492	2,495

Material accounting policy information

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.

C3-5 Other Provisions

\$ '000	2024 Current	2024 Non-Current	2023 Current	2023 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	2,569	940	602
Total provisions	–	2,569	940	602

Description of and movements in provisions

\$ '000	Asset remediation	Total
2024		
At beginning of year	1,542	1,542
Additional provisions (refer Note B3-5)	1,027	1,027
Total other provisions at end of year	2,569	2,569
2023		
At beginning of year	1,542	1,542

C3-5 Other Provisions (continued)

\$ '000	Asset remediation	Total
Total other provisions at end of year	1,542	1,542

Nature and purpose of provisions

Asset remediation

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate Council tips and quarries as a result of past operations.

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

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 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.

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 infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

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	17,247	2,134	2,717
User charges and fees	3,106	2,646	148
Other revenues	601	12	–
Grants and contributions provided for operating purposes	8,389	212	–
Grants and contributions provided for capital purposes	19,432	1,281	2,437
Interest and investment income	1,359	353	298
Other income	757	–	–
Total income from continuing operations	50,891	6,638	5,600
Expenses from continuing operations			
Employee benefits and on-costs	12,529	702	660
Materials and services	13,412	1,631	870
Borrowing costs	36	491	193
Depreciation, amortisation and impairment of non-financial assets	7,383	1,623	863
Other expenses	2,119	329	–
Net losses from the disposal of assets	1,605	2	–
Total expenses from continuing operations	37,084	4,778	2,586
Net operating result for the year	13,807	1,860	3,014
Net operating result attributable to each council fund	13,807	1,860	3,014
Net operating result for the year before grants and contributions provided for capital purposes	(5,625)	579	577

D1-2 Statement of Financial Position by fund

\$ '000	Notes	General 2024	Water 2024	Sewer 2024
ASSETS				
Current assets				
Cash and cash equivalents	C1-3a	6,323	2,211	4,283
Investments	C1-3a	12,001	5,751	2,448
Receivables		2,634	2,319	1,023
Inventories		125	–	–
Contract assets and contract cost assets		4,162	30	–
Prepayments		381	69	38
Total current assets		25,626	10,380	7,792
Non-current assets				
Investments		4,000	–	–
Infrastructure, property, plant and equipment		470,634	76,371	38,818
Investment property		7,000	–	–
Right of use assets		57	–	–
Total non-current assets		481,691	76,371	38,818
Total assets		507,317	86,751	46,610
LIABILITIES				
Current liabilities				
Payables		6,528	177	34
Contract liabilities		4,430	–	–
Lease liabilities		62	–	–
Borrowings		–	605	254
Employee benefit provision		2,594	124	268
Total current liabilities		13,614	906	556
Non-current liabilities				
Borrowings		100	9,037	3,155
Employee benefit provision		130	–	–
Provisions		2,569	–	–
Total non-current liabilities		2,799	9,037	3,155
Total liabilities		16,413	9,943	3,711
Net assets		490,904	76,808	42,899
EQUITY				
Accumulated surplus		239,965	46,412	27,480
IPPE Revaluation reserves		250,939	30,396	15,419
Total equity		490,904	76,808	42,899

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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 Council.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio with the assistance of independent advisors. Council has an investment policy which complies with the s 625 of the LG Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

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 the finance team under policies approved by the Councillors.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

The risks associated with the financial instruments held are:

- 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 a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers before placing any cash and investments.

(a) Market risk – interest rate and price risk

\$ '000	Notes	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	C1-2	370	364
Impact of a 10% movement in price of investments			
– Equity / Income Statement	C1-2	2,420	2,510

(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.

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.

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

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; 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 payment.

\$ '000	Notes	Not yet overdue rates and annual charges			Total
		overdue	< 5 years	≥ 5 years	
2024					
Gross carrying amount	C1-4	–	2,433	24	2,457
2023					
Gross carrying amount	C1-4	–	1,869	8	1,877

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	Notes	Not yet overdue	Overdue debts				Total
			0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2024							
Gross carrying amount	C1-4,C1-6	6,696	518	195	183	580	8,172
Expected loss rate (%)		0.00%	0.00%	0.00%	28.40%	70.50%	5.64%
ECL provision	C1-4	–	–	–	52	409	461
2023							
Gross carrying amount	C1-4,C1-6	7,919	183	29	343	224	8,698
Expected loss rate (%)		0.00%	0.00%	0.00%	15.74%	25.89%	1.29%
ECL provision	C1-4	–	–	–	54	58	112

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, 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 by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly 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 for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

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

\$ '000	Notes	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
				≤ 1 Year	1 - 5 Years	> 5 Years		
2024								
Payables	C3-1	0.00%	777	5,151	–	–	5,928	6,739
Borrowings	C3-3	4.95%	–	1,566	6,918	8,652	17,136	13,151
Total financial liabilities			777	6,717	6,918	8,652	23,064	19,890
2023								
Payables	C3-1	0.00%	1,254	3,976	–	–	5,230	6,731
Borrowings	C3-3	4.98%	–	1,465	7,334	9,702	18,501	13,848
Total financial liabilities			1,254	5,441	7,334	9,702	23,731	20,579

E2-1 Fair value measurement

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

- Investment property;
- Infrastructure, property, plant and equipment.

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

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

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

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

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

\$ '000	Notes	Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023
Recurring fair value measurements							
Investment property							
Investment property	C1-8	7,000	6,688	–	–	7,000	6,688
Total investment property		7,000	6,688	–	–	7,000	6,688
Infrastructure, property, plant and equipment							
Plant and equipment		–	–	4,799	4,435	4,799	4,435
Operational land		29,819	29,730	–	–	29,819	29,730
Community land		–	–	33,985	26,445	33,985	26,445
Land under roads		–	–	8,842	7,566	8,842	7,566
Buildings		30,436	29,249	–	–	30,436	29,249
Roads		–	–	194,439	181,321	194,439	181,321
Bridges		–	–	27,263	22,106	27,263	22,106
Footpaths		–	–	9,270	8,663	9,270	8,663
Bulk earthworks		–	–	92,989	88,442	92,989	88,442
Other structures		–	–	651	647	651	647
Stormwater drainage		–	–	18,377	16,025	18,377	16,025
Water supply network		–	–	70,473	67,715	70,473	67,715
Sewerage network		–	–	35,361	31,934	35,361	31,934
Swimming pools		–	–	1,995	1,968	1,995	1,968
Open space/recreation		–	–	11,320	10,367	11,320	10,367
Waste		–	–	1,729	1,753	1,729	1,753

continued on next page ...

E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023
Tip and quarry assets		–	–	–	60	–	60
Total IPPE	C1-7	60,255	58,979	511,493	469,447	571,748	528,426

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:

Investment property

Investment property is subject to the external valuation based on market approach.

Infrastructure, property, plant and equipment (IPPE)

Most infrastructure is subject to external valuation or externally validated methodology applied by Council.

Fair value measurements using significant unobservable inputs (level 3)

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

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Plant and equipment	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value.
Operational land	Market approach	Price per square metre.
Community land	NSW Valuer-General land value	Land value, land area, level of restriction.
Land under roads	Englobo valuation basis	Extent and impact of use, market cost of land per square metre, restrictions.
Buildings (including other structures)	Cost approach	Current replacement cost of modern equivalent asset using componentisation, asset condition, remaining life, residual value.
Roads (including bridges, footpaths, bulk earthworks)	Cost approach	Asset condition, remaining lives using componentisation. Unit rates per square metre or length.
Stormwater drainage	Cost approach	Asset condition, remaining lives at unit rates per square metre or length.
Water supply and sewerage network	Cost approach	Asset condition, remaining lives using componentisation. Unit rates per square metre or length.
Swimming pools and open space / recreational assets	Cost approach	Asset condition, remaining lives using componentisation. Unit rates per square metre.
Waste assets	Cost approach	Asset condition, remaining lives and residual value.
Tips and quarry assets	Cost approach	Environmental legislation, timing of expected cash outflows, asset condition.

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	Notes	IPP&E	
		2024	2023
Opening balance		528,426	461,740
Other movements			
Purchases (GBV)		25,701	22,707
Disposals (WDV)	C1-7	(1,702)	(2,597)
Depreciation and impairment	C1-7	(9,746)	(8,970)
Revaluations through equity	C1-7	29,069	55,546
Closing balance		571,748	528,426

Highest and best use

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

Council has scheduled the comprehensive revaluation of IPPE assets in the next few years as follows:

- 2024 - Land under roads, tips and quarry assets (2024: performed)
- 2025 - Infrastructure assets (roads, bridges, footpaths, bulk earthworks, stormwater)
- 2026 - Community land, open space and recreational assets
- 2027 - Water and sewerage networks

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.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme (Active Super), named The Local Government Superannuation Scheme–Pool B (the Fund) 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, including the method used to determine Council's rate of contributions and any minimum funding requirements.

Pooled employers are required to pay standard employer contributions and additional lump sum contributions to the Fund.

The future 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 standard employer contribution rates are:

Division B	1.9 times member contributions for non-180 point members and nil for 180 point members
Division C	2.5% salaries
Division D	1.64 times employee contributions

*For 180 Point Members, Employers are required to contribute 8.5% (2023: 8.0%) of salaries for the year ended 30 June 2024 (increasing to 9.0% 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 million per annum (2023: \$20.0 million) for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2023. These past service 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, the next of which is due effective 30 June 2024, 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 additional contributions.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of Council.

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

E3-1 Contingencies (continued)

The amount of Council employer contributions to defined benefit section of the Fund and recognised as an expense for the year ended 30 June 2024 was \$42,225 (2023: \$50,440). The last valuation of the Fund was performed by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2023.

Council's expected contributions to the Fund for the next annual reporting period are \$30,020 (2023: \$46,277).

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

Employer reserves only *	\$millions	Asset Coverage
Assets	2,237.5 (2023: \$2,290.9)	
Past Service Liabilities	2,141.9 (2023: \$2,236.1)	104.5% (2023: 102.4%)
Vested Benefits	2,159.8 (2023: \$2,253.6)	103.6% (2023: 101.7%)

* excluding other accumulation accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 0.23% (2023: 0.20%).

Council's share of that deficiency cannot be accurately calculated as the Fund is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Fund require immediate payment to correct the deficiency.

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

Investment return	6.0% per annum (2023: 6.0%)
Salary inflation *	3.5% per annum (2023: 3.5%)
Increase in CPI	3.5% for FY2023/24 (2023: 6.0%), 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.

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, which will be a triennial actuarial investigation will be completed by 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 2024 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.

E3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

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.

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

Council has not classified any privately owned land parcels as local open space or bushland.

As a result there are no potential land acquisitions due to planning restrictions imposed by Council.

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) Rural Fire Services assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or 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."

Council has assessed during 2023/24 that it does not have control over the NSW Rural Fire Service (RFS) red fleet assets, and as such Council has not performed the asset stocktake or recognised the assets value in the financial statements. According to the information provided by the RFS, the estimated total replacement costs of the RFS red fleet assets in the Yass Valley District acquired in the last 5 years since 2019 to the reporting date was \$3,136k.

Council does have a level of control over NSW Rural Fire Service land and buildings and continues to recognise these in the financial statements.

Until such time as discussions on this matter have concluded and the legislation changed, Council will recognise rural fire assets including land and buildings and exclude plant and vehicles.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of Council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. KMP personnel of Council include 9 Councillors (refer Note F1-2), Chief Executive Officer and 3 Directors.

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

\$ '000	2024	2023
Compensation:		
Short-term benefits	816	761
Total	816	761

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

As at the reporting date, there is no other identified transactions with KMP and their related parties identified (2023: nil).

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	Notes	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		34	28
Councillors' fees		159	114
Other Councillors' expenses (including Mayor)		29	15
Total	B3-2	222	157

F2 Other relationships

F2-1 Audit fees

\$ '000	Notes	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			
Auditors of the Council - NSW Auditor-General:			
(i) Audit and other assurance services			
Audit and review of financial statements		162	147
Total audit fees	B3-2	162	147

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of Operating Result

\$ '000	Notes	2024	2023
Net operating result from Income Statement		18,681	14,266
Add / (less) non-cash items:			
Depreciation and amortisation	B3-4	9,869	9,141
(Gain) / loss on disposal of assets	B4-1	1,607	2,344
Non-cash capital grants and contributions	B2-4	(9,503)	(72)
Landfill remediation and restoration	B3-5	1,027	–
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investment property	B2-6	(312)	–
Movements in operating assets and liabilities and other cash items:			
(Increase) / decrease of receivables		1,534	(3,329)
Increase / (decrease) in provision for impairment of receivables	B3-5,C1-4	349	55
(Increase) / decrease of inventories		(6)	22
(Increase) / decrease of other current assets		156	(422)
(Increase) / decrease of contract asset		(1,588)	2,285
Increase / (decrease) in payables		669	(1,014)
Increase / (decrease) in accrued interest payable		(33)	(155)
Increase / (decrease) in other accrued expenses payable		(335)	(55)
Increase / (decrease) in other liabilities		(293)	(981)
Increase / (decrease) in contract liabilities		157	(600)
Increase / (decrease) in employee benefit provision		(3)	55
Net cash flows from operating activities		21,976	21,540

(b) Non-cash investing and financing activities

Dedications	B2-4	9,503	72
Total non-cash investing and financing activities		9,503	72

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:		
Property, plant and equipment		
Plant and equipment	233	579
Sewerage and water infrastructure	1,717	2,128
Road infrastructure	1,377	5,373
Parks and recreational assets	1,303	1,145
Property management	513	470
Waste management and landfill rehabilitation	476	387
Total commitments	5,619	10,082
Sources for funding of capital commitments:		
Unexpended grants	1,237	5,501
Externally restricted reserves	1,719	2,046
Internally allocated reserves	2,663	2,535
Total sources of funding	5,619	10,082

Details of capital commitments

Purchase of heavy plant and equipment, projects for roads, water, sewer, waste and stormwater infrastructure, building and lighting upgrades and recreation ground upgrades.

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant adjusting events and non-adjusting events occurring after the reporting date that should be disclosed.

G4 Statement of developer contributions

G4-1 Summary of developer contributions by a Plan

\$ '000	Notes	Opening balance at 1 July 2023	Contributions received during the year - Cash	Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2024
S7.12 Council Area		5,231	881	225	(1,324)	5,013
S7.11 Heavy Haulage		1,670	52	51	(475)	1,298
Total S7.11 and S7.12 revenue under plans	C1-3a	6,901	933	276	(1,799)	6,311
S64 contributions - water	C1-3a	5,369	152	230	-	5,751
S64 contributions - sewer	C1-3a	2,284	67	97	-	2,448
Total contributions	B2-4b, B2-5	14,554	1,152	603	(1,799)	14,510

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 and Section 7.12 (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.

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}	(2,826)	(7.12)%	(2.72)%	4.07%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	39,667				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	31,066	49.45%	49.84%	49.40%	> 60.00%
Total continuing operating revenue ¹	62,817				
3. Unrestricted current ratio					
Current assets less all external restrictions	16,707	2.78x	2.52x	2.39x	> 1.50x
Current liabilities less specific purpose liabilities	5,999				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	7,763	4.75x	5.45x	5.30x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	1,636				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	2,468	10.19%	9.27%	5.59%	< 10.00%
Rates and annual charges collectable	24,229				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	37,017	12.58 months	11.78 months	16.41 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	2,944				

(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}	(12.78)%	(6.60)%	10.81%	3.43%	18.24%	30.60%	> 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	44.99%	46.56%	77.51%	58.96%	56.48%	68.94%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	2.78x	2.52x	11.46x	6.39x	14.01x	17.46x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	3.61x	27.02x	5.48x	1.87x	8.46x	4.40x	> 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	12.74%	11.74%	0.00%	0.00%	0.00%	0.00%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	8.96 months	6.25 months	27.57 months	29.62 months	41.11 months	62.24 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note G5-1 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

H Additional Council disclosures (unaudited)

H1-1 Council information and contact details

Principal place of business:

209 Comur Street
YASS NSW 2582

Contact details

Mailing Address:

PO Box 6
209 Comur Street
YASS NSW 2582

Opening hours:

Office hours: 9:00am to 4:30pm (Monday to Friday)
Cashier hours: 9:00am to 4:30pm (Monday to Friday)

Telephone: 02 6226 1477 or 1300 553 652

Facsimile: 02 6226 2598

Website: www.yassvalley.nsw.gov.au

Email: council@yass.nsw.gov.au

Officers

CHIEF EXECUTIVE OFFICER

Chris Berry

DIRECTOR CORPORATE & COMMUNITY

Lynette Safranek

Elected members

Mayor

Allan McGrath

Councillors

Adrian Cameron
Cayla Pothan
Cecil Burgess OAM
Jasmine Jones
Jim Abbey
Kim Turner
Kristen Butler
Mike Reid

Other information

ABN: 50 119 744 650



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Yass Valley Council

To the Councillors of the Yass Valley Council

Opinion

I have audited the accompanying financial statements of the Yass Valley Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

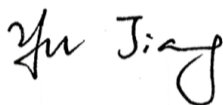
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations'
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Reiky Jiang
Delegate of the Auditor-General for New South Wales

31 October 2024
SYDNEY



Madam Jasmine Jones
 Mayor
 Yass Valley Council
 209 Comur Street
 YASS NSW 2582

Contact: Reiky Jiang
 Phone no: 02 9275 7281
 Our ref: R008-2124742775-9059

31 October 2024

Dear Mayor

Report on the Conduct of the Audit for the year ended 30 June 2024 Yass Valley Council

I have audited the general-purpose financial statements (GPFS) of the Yass Valley Council (the Council) for the year ended 30 June 2024 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2024 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2024	2023	Variance
	\$m	\$m	%
Rates and annual charges revenue	22.1	19.8	↑ 11.6
Grants and contributions revenue	31.8	27.7	↑ 14.8
Operating result from continuing operations	18.7	14.3	↑ 30.8
Net operating result before capital grants and contributions	(4.5)	(3.4)	↓ 32.4

Rates and annual charges revenue (\$22.1 million) increased by \$2.3 million (11.6 per cent) in 2023–24 due to the following:

- the overall rate peg increase of 4.2 per cent for 2023-24, an increase from 2.3 percent in 2022-23 for ordinary rates. Additionally, there was a general rise in the number of rateable assessments for farmland and business land types. These factors contributed to a \$0.3 million increase in ordinary rates income
- the annual charges, which include waste management, water supply, and sewerage services, increased by \$2.0 million in 2023-24. This growth is attributed to higher base rates than prior year and increase in the number of assessments during the year.

Grants and contributions revenue from both operating and capital grants (\$31.8 million) increased by \$4.1 million (14.8 per cent) in 2023–24 due to:

- the net increase of \$5.5 million in capital grants largely pertaining to the following:
 - Non-cash contributions (\$9.4 million increment)
 - transportation (\$1.5 million increment)
 - school zone infrastructure grants (\$2.1 million decrement)
 - developer contributions (\$3.2 million decrement)
- the net decrease of \$1.4 million in operating grants largely pertaining to:
 - emergency road repair grants (\$2.6 million increment)
 - financial assistance grant (\$1.2 million decrement)
 - transportation (\$3.0 million decrement)
 - water supply grant for Yass sewerage treatment (\$0.2 million increment).

Council’s operating result from continuing operations (\$18.7 million including depreciation, amortisation and impairment expense of \$9.9 million) was \$4.4 million higher than the 2022–23 result. This is mainly due to the net increase in grants and contributions of \$4.1 million.

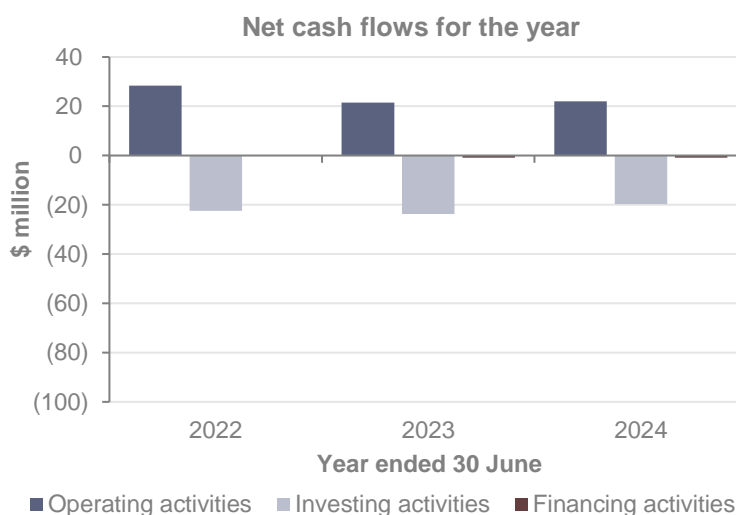
The net operating result before capital grants and contributions (\$4.5 million deficit) was \$1.1 million lower than the 2022–23 result. This was primarily driven by a decrease in the operating grants and contributions by \$1.4 million.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year. The Council’s cash and cash equivalents increased by \$1.5 million during 2023-24.

Net cash inflows from operating activities increased by \$0.4 million when compared with the prior period. This is primarily due to decrease in payments for material and services (\$2.6 million), increase in the receipts of rates and annual charges (\$2.4 million) and other revenue (\$3.3 million). This was offset by decrease in the receipts of user charges (\$0.5 million) and grants (\$7.1 million).

Net cash outflows from investing activities decreased by \$4.1 million compared to the previous year,



primarily due to a reduction in cash outflows from term deposits.

Net cash outflows from financing activities were \$0.1 million lower than prior year. This was mainly due to repayments of borrowings.

FINANCIAL POSITION

Cash and investments

Cash and investments	2024	2023	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	37.0	36.4	<ul style="list-style-type: none"> 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.
Restricted and allocated cash, cash equivalents and investments:			
• External restrictions	27.6	30.0	<ul style="list-style-type: none"> Externally restricted balances comprise mainly of developer contributions, water, waste and sewer funds. In 2024, the decrease in externally restricted cash by \$2.4 million is primarily driven by below funds due to higher expenses: <ul style="list-style-type: none"> Water fund (\$0.7 million decrease) Sewerage fund (\$0.4 million decrease) Waste management (\$0.8 million decrease) Stormwater management (\$0.1 million decrease).
• Internal allocations	9.4	6.4	<ul style="list-style-type: none"> Internal allocations are determined by Council policies or decisions, which are subject to change. These include work programs such as allocations for financial assistance grant prepayments, plant and vehicle replacements, as well as land and asset management. Through Council resolution, internal allocations can be adjusted to enable the use of these funds to provide liquidity for general operational use as required. The increase in internal allocations is primarily due to the increase in advance payments received for financial assistance grants in the current year.

Debt

At 30 June 2024, Council had:

- \$13.2 million in secured loans (\$13.8 million in 2022-23)
- \$55,000 in credit card/purchase card facilities (\$91,000 in 2022-23) out of which Council has withdrawn \$19,000 at 30 June 2024
- access to \$50.0 million in Westpac bank business loan facility (\$nil in 2022-23) out of which the Council has withdrawn \$100,000 at 30 June 2024.

PERFORMANCE

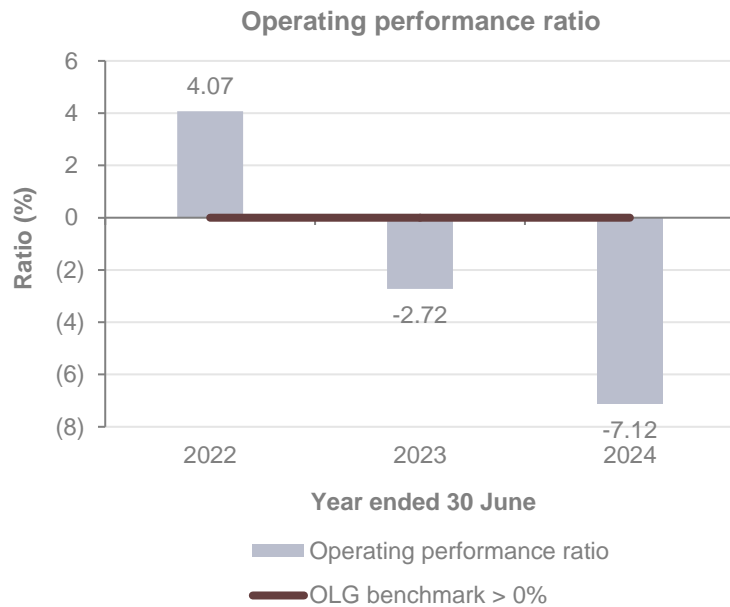
Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Housing and Infrastructure.

Operating performance ratio

Council did not meet the benchmark for the current reporting period predominantly driven by higher increases in operating expense than revenue.

The 'operating performance ratio' measures how well Council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

Council did not meet the benchmark for the current reporting period. This is mainly because the Council continued to have significant reliance on grant funding and a limited rate base.

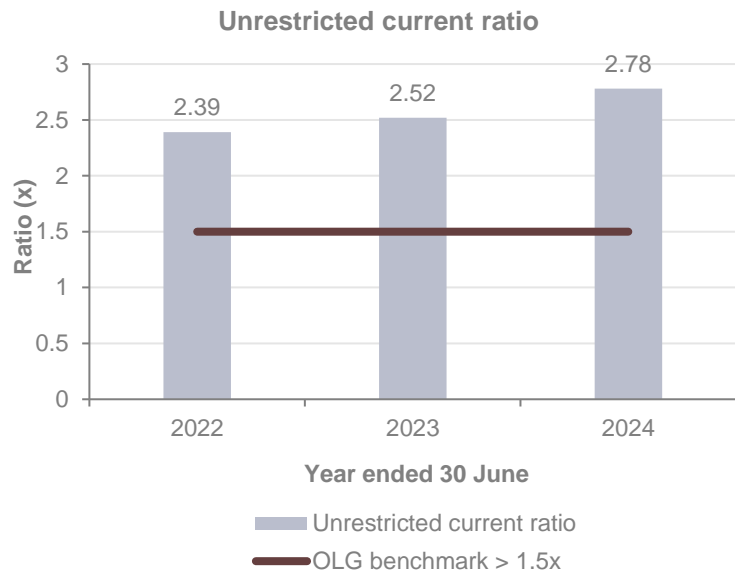
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

Council met the benchmark for the current reporting period.

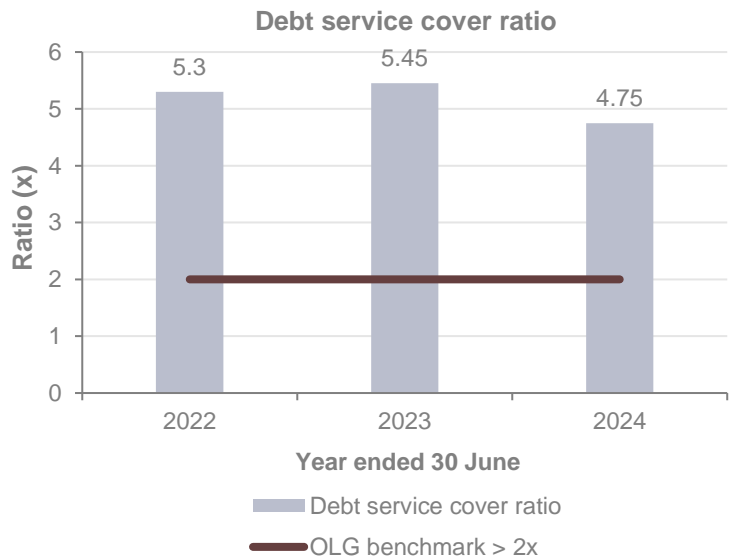
The 'unrestricted current ratio' is specific to local government and represents Council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

Council met the benchmark for the current reporting period.

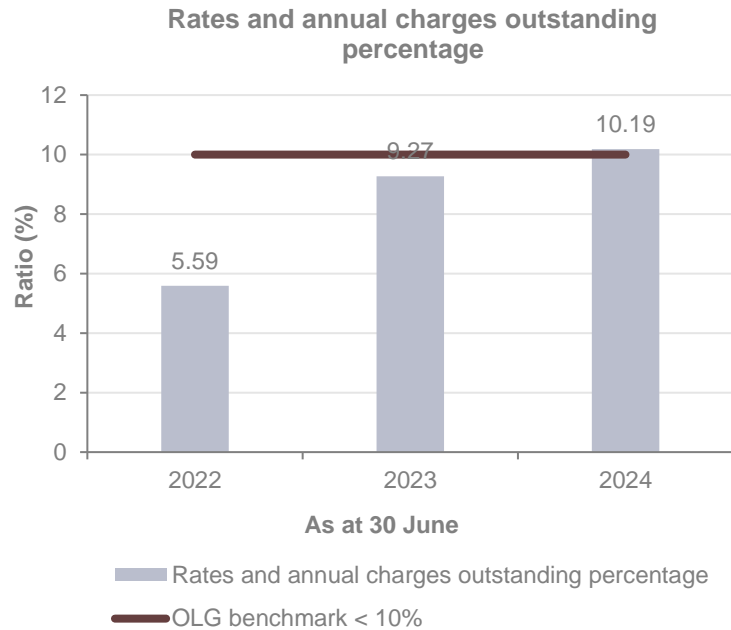
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

Council did not meet the benchmark for the current reporting period.

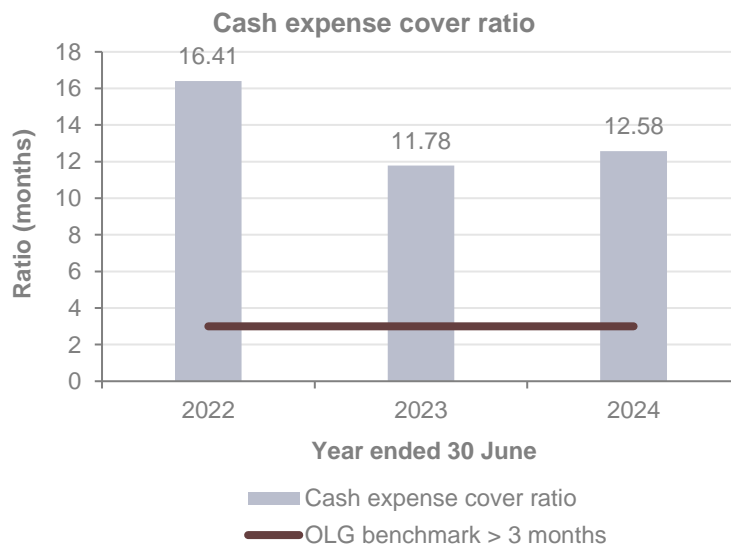
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.



Cash expense cover ratio

Council exceeded the benchmark for the current reporting period.

This liquidity ratio indicates the number of months the Council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



Infrastructure, property, plant and equipment renewals


Council renewed \$7.3 million of infrastructure, property, plant and equipment during the 2023-24 financial year. A further \$23.0 million was spent on new assets. This was mainly spent on roads, repairing assets damaged by natural disasters, purchases of plant and equipment, bridges, bulk earthworks as well as ongoing capital work in progress.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of material non-compliance with the financial reporting requirements in Chapter 13, Part 3, Division 2 of the LG Act and the associated regulation or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Reiky Jiang
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Yass Valley Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2024

"A diverse rural region that provides lifestyle, business and recreation choices, while sustaining our environment, history and community"



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Income Statement of sewerage business activity	5
Income Statement of Waste services	6
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Background

i. These Special Purpose Financial Statements have been prepared for the use by both Council and the NSW 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).

Yass Valley Council

Special Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management

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:

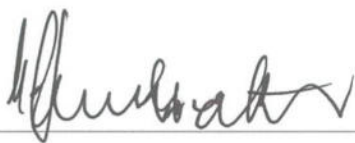
- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- Sections 3 and 4 of the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) Regulatory and assurance framework for local water utilities, July 2022.

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 22 August 2024.



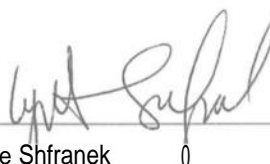
Allan McGrath
Mayor
22 August 2024



Cayla Pothan
Councillor
22 August 2024



Chris Berry
Chief Executive Officer
22 August 2024



Lynette Shfranek
Director Corporate & Community
22 August 2024

Yass Valley Council

Income Statement of water supply business activity

for the year ended 30 June 2024

\$ '000	2024	2023
Income from continuing operations		
Access charges	2,134	1,938
User charges	2,629	2,239
Fees	17	1
Interest and investment income	353	214
Grants and contributions provided for operating purposes	212	–
Other income	12	12
Total income from continuing operations	5,357	4,404
Expenses from continuing operations		
Employee benefits and on-costs	702	1,189
Borrowing costs	491	516
Materials and services	1,631	1,056
Depreciation, amortisation and impairment	1,623	1,477
Other expenses	329	–
Calculated taxation equivalents	45	–
Debt guarantee fee (if applicable)	77	–
Net loss from the disposal of assets	2	15
Total expenses from continuing operations	4,900	4,253
Surplus (deficit) from continuing operations before capital amounts	457	151
Grants and contributions provided for capital purposes	1,281	3,065
Surplus (deficit) from continuing operations after capital amounts	1,738	3,216
Surplus (deficit) from all operations before tax	1,738	3,216
Less: corporate taxation equivalent (25%) [based on result before capital]	(114)	(38)
Surplus (deficit) after tax	1,624	3,178
Plus accumulated surplus	44,552	41,336
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	45	–
– Debt guarantee fees	77	–
– Corporate taxation equivalent	114	38
Closing accumulated surplus	46,412	44,552
Return on capital %	1.2%	0.9%
Subsidy from Council	2,336	2,262
Calculation of dividend payable:		
Surplus (deficit) after tax	1,624	3,178
Less: capital grants and contributions (excluding developer contributions)	(1,281)	(3,065)
Surplus for dividend calculation purposes	343	113
Potential dividend calculated from surplus	171	57

Yass Valley Council

Income Statement of sewerage business activity

for the year ended 30 June 2024

\$ '000	2024	2023
Income from continuing operations		
Access charges	2,717	2,496
User charges	147	55
Fees	1	2
Interest and investment income	298	166
Total income from continuing operations	3,163	2,719
Expenses from continuing operations		
Employee benefits and on-costs	660	206
Materials and services	870	721
Borrowing costs	193	175
Depreciation, amortisation and impairment	863	785
Calculated taxation equivalents	26	–
Debt guarantee fee (if applicable)	9	–
Total expenses from continuing operations	2,621	1,887
Surplus (deficit) from continuing operations before capital amounts	542	832
Grants and contributions provided for capital purposes	2,437	1,225
Surplus (deficit) from continuing operations after capital amounts	2,979	2,057
Surplus (deficit) from all operations before tax	2,979	2,057
Less: corporate taxation equivalent (25%) [based on result before capital]	(136)	(208)
Surplus (deficit) after tax	2,843	1,849
Plus accumulated surplus	24,466	22,409
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	26	–
– Debt guarantee fees	9	–
– Corporate taxation equivalent	136	208
Closing accumulated surplus	27,480	24,466
Return on capital %	1.9%	2.9%
Subsidy from Council	934	403
Calculation of dividend payable:		
Surplus (deficit) after tax	2,844	1,849
Less: capital grants and contributions (excluding developer contributions)	(2,437)	(1,225)
Surplus for dividend calculation purposes	407	624
Potential dividend calculated from surplus	203	312

Yass Valley Council

Income Statement of Waste services

for the year ended 30 June 2024

\$ '000	2024 Category 1	2023 Category 1
Income from continuing operations		
Annual charges	4,308	2,850
User charges	203	238
Fees	1	1
Interest and investment income	126	95
Grants and contributions provided for operating purposes	30	27
Other income	295	217
Total income from continuing operations	4,963	3,428
Expenses from continuing operations		
Employee benefits and on-costs	1,225	1,076
Borrowing costs	1,049	1
Materials and services	1,903	1,228
Depreciation, amortisation and impairment	221	285
Net loss from the disposal of assets	61	–
Total expenses from continuing operations	4,459	2,590
Surplus (deficit) from continuing operations before capital amounts	504	838
Surplus (deficit) from continuing operations after capital amounts	504	838
Surplus (deficit) from all operations before tax	504	838
Less: corporate taxation equivalent (25%) [based on result before capital]	(126)	(210)
Surplus (deficit) after tax	378	628
Plus accumulated surplus	3,280	2,442
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	126	210
Closing accumulated surplus	3,784	3,280
Return on capital %	89.8%	30.9%
Subsidy from Council	–	–

Yass Valley Council

Income Statement of Caravan park

for the year ended 30 June 2024

\$ '000	2024 Category 2	2023 Category 2
Income from continuing operations		
Fees	535	619
Other income	1	4
Total income from continuing operations	536	623
Expenses from continuing operations		
Employee benefits and on-costs	1	–
Materials and services	460	369
Depreciation, amortisation and impairment	39	94
Total expenses from continuing operations	500	463
Surplus (deficit) from continuing operations before capital amounts	36	160
Surplus (deficit) from continuing operations after capital amounts	36	160
Surplus (deficit) from all operations before tax	36	160
Less: corporate taxation equivalent (25%) [based on result before capital]	(9)	(40)
Surplus (deficit) after tax	27	120
Plus accumulated surplus	1,514	1,354
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	9	40
Closing accumulated surplus	1,550	1,514
Return on capital %	2.9%	13.2%
Subsidy from Council	18	–

Yass Valley 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	2,211	2,884
Investments	5,751	5,369
Receivables	2,319	971
Contract assets	30	39
Prepayments	69	–
Total current assets	10,380	9,263
Non-current assets		
Infrastructure, property, plant and equipment	76,371	72,854
Total non-current assets	76,371	72,854
Total assets	86,751	82,117
LIABILITIES		
Current liabilities		
Payables	177	193
Borrowings	605	582
Employee benefit provisions	124	224
Total current liabilities	906	999
Non-current liabilities		
Borrowings	9,037	9,615
Total non-current liabilities	9,037	9,615
Total liabilities	9,943	10,614
Net assets	76,808	71,503
EQUITY		
Accumulated surplus	46,412	44,552
Revaluation reserves	30,396	26,951
Total equity	76,808	71,503

Yass Valley Council

Statement of Financial Position of sewerage business activity

as at 30 June 2024

\$ '000	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	4,283	4,682
Investments	2,448	2,284
Receivables	1,023	37
Prepayments	38	–
Total current assets	7,792	7,003
Non-current assets		
Infrastructure, property, plant and equipment	38,818	35,065
Total non-current assets	38,818	35,065
Total assets	46,610	42,068
LIABILITIES		
Current liabilities		
Payables	34	36
Borrowings	254	242
Employee benefit provisions	268	123
Total current liabilities	556	401
Non-current liabilities		
Borrowings	3,155	3,409
Total non-current liabilities	3,155	3,409
Total liabilities	3,711	3,810
Net assets	42,899	38,258
EQUITY		
Accumulated surplus	27,480	24,466
Revaluation reserves	15,419	13,792
Total equity	42,899	38,258

Yass Valley Council

Statement of Financial Position of Waste services

as at 30 June 2024

\$ '000	2024 Category 1	2023 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	4,479	3,992
Receivables	2,104	–
Total current assets	6,583	3,992
Non-current assets		
Infrastructure, property, plant and equipment	1,729	2,711
Right of use assets	57	181
Total non-current assets	1,786	2,892
Total assets	8,369	6,884
LIABILITIES		
Current liabilities		
Lease liabilities	62	119
Provisions	–	940
Total current liabilities	62	1,059
Non-current liabilities		
Lease liabilities	–	62
Provisions	2,569	603
Total non-current liabilities	2,569	665
Total liabilities	2,631	1,724
Net assets	5,738	5,160
EQUITY		
Accumulated surplus	3,784	3,280
Revaluation reserves	1,954	1,880
Total equity	5,738	5,160

Yass Valley Council

Statement of Financial Position of Caravan park

as at 30 June 2024

\$ '000	2024 Category 2	2023 Category 2
ASSETS		
Current assets		
Cash and cash equivalents	320	324
Total current assets	320	324
Non-current assets		
Infrastructure, property, plant and equipment	1,249	1,209
Total non-current assets	1,249	1,209
Total assets	1,569	1,533
Net assets	1,569	1,533
EQUITY		
Accumulated surplus	1,550	1,514
Revaluation reserves	19	19
Total equity	1,569	1,533

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 NSW Office of Local Government. For the purposes of these statements, 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. Yass Valley Council Water Supplies

Comprising the operations, and net assets of Council's water supply activities, servicing the towns of Yass, Bowning, Binalong and Murrumbateman.

b. Yass Valley Council Sewerage Service

Comprising the operations, and net assets, of Council's sewerage reticulation and treatment activities servicing the town of Yass and most recently expanded to include the town of Murrumbateman.

c. Yass Valley Council Waste Service

Comprising the operations, and net assets of Council's Domestic Waste, and Other Waste activities, servicing the local government area.

Category 2

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

a. Yass Valley Council Caravan Park

Comprising the operations and net assets of Council's Caravan Park, servicing the town of Yass.

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%** (2023: 25%)

Land tax – the first \$1,075,000 (2023: \$969k) of combined land values attracts **0%**. For the combined land values in excess of \$1,075,000 up to \$6,571,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$6,571,000 (2023: \$5,925k) a premium marginal rate of **2.0%** applies.

Payroll tax – **5.45%** (2023: 5.45%) on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with DCCEEW's regulatory and assurance framework, 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 regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act. Achievement of substantial compliance to DCCEEW's regulatory and assurance framework 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 25.0% (2023: 25.0%).

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 25.0% 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 I,PP&E 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 30/6/2024 (2023: 4.02%).

(iii) Dividends

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

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with DCCEEW's regulatory and assurance framework and must not exceed 50% of the relevant 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 DCCEEW's regulatory and assurance framework, statement of compliance and statement of dividend payment, dividend payment form and unqualified independent financial audit report are submitted to DCCEEW.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Yass Valley Council

To the Councillors of the Yass Valley Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of the Yass Valley Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2024, the Statement of Financial Position of each Declared Business Activity as at 30 June 2024 and the Material accounting policy information note.

The Declared Business Activities of the Council are:

- water supply
- sewerage
- waste services
- caravan park.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2024, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Material accounting policy information note and the Local Government Code of Accounting Practice and Financial Reporting 2023–24 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Material accounting policy information note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Material accounting policy information note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

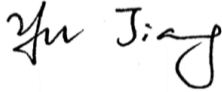
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Reiky Jiang
Delegate of the Auditor-General for New South Wales

31 October 2024
SYDNEY

Yass Valley Council

SPECIAL SCHEDULES
for the year ended 30 June 2024

"A diverse rural region that provides lifestyle, business and recreation choices, while sustaining our environment, history and community"



Yass Valley Council

Special Schedules

for the year ended 30 June 2024

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Yass Valley 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	12,081	12,753
Plus or minus adjustments ²	b	149	330
Notional general income	c = a + b	12,230	13,083
Permissible income calculation			
Rate peg percentage	d	4.20%	4.50%
Plus rate peg amount ³	f = d x (c + e)	514	589
Sub-total	g = (c + e + f)	12,744	13,672
Plus (or minus) last year's carry forward total	h	(1)	(11)
Less valuation objections claimed in the previous year	i	(1)	-
Sub-total	j = (h + i)	(2)	(11)
Total permissible income	k = g + j	12,742	13,661
Less notional general income yield	l	12,753	13,603
Catch-up or (excess) result	m = k - l	(11)	57
Plus income lost due to valuation objections claimed ⁴	n	-	6
Carry forward to next year ⁶	p = m + n + o	(11)	63

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).
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (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.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Yass Valley Council

To the Councillors of the Yass Valley Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of the Yass Valley Council (the Council) for the year ending 30 June 2025.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2023–24 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2024'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

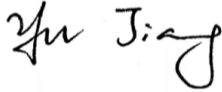
- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Reiky Jiang
Delegate of the Auditor-General for New South Wales

31 October 2024
SYDNEY

Yass Valley Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost		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				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Buildings	Buildings	4,210	4,210	526	476	30,436	52,618	14.0%	7.0%	59.0%	11.0%	9.0%
	Sub-total	4,210	4,210	526	476	30,436	52,618	14.0%	7.0%	59.0%	11.0%	9.0%
Other structures	Other structures	–	–	18	–	651	1,766	0.0%	20.0%	80.0%	0.0%	0.0%
	Sub-total	–	–	18	–	651	1,766	0.0%	20.0%	80.0%	0.0%	0.0%
Roads	Sealed roads	2,321	2,321	1,934	882	157,030	193,437	6.0%	48.0%	43.0%	3.0%	0.0%
	Unsealed roads	5,612	5,612	1,008	1,008	12,751	35,075	10.0%	15.0%	35.0%	30.0%	10.0%
	Bridges	5,787	5,787	530	22	27,263	52,958	40.0%	3.0%	11.0%	23.0%	23.0%
	Footpaths	–	–	113	21	9,270	11,252	69.0%	24.0%	7.0%	0.0%	0.0%
	Bulk earthworks	–	–	–	–	92,989	92,989	100.0%	0.0%	0.0%	0.0%	0.0%
	Culverts	665	665	304	304	16,503	27,696	17.0%	35.0%	42.0%	6.0%	0.0%
	Kerbs	241	241	75	5	4,923	7,539	26.0%	42.0%	24.0%	8.0%	0.0%
	Roundabouts	–	–	–	–	1,972	2,466	70.0%	26.0%	4.0%	0.0%	0.0%
	Traffic Islands	–	–	–	–	246	423	36.0%	30.0%	34.0%	0.0%	0.0%
	Ancillary Assets	–	–	249	249	1,014	1,080	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	14,626	14,626	4,213	2,491	323,961	424,915	34.5%	27.3%	27.2%	7.2%	3.8%
Water supply network	Water supply network	–	–	1,429	1,429	70,473	114,269	80.0%	15.0%	5.0%	0.0%	0.0%
	Sub-total	–	–	1,429	1,429	70,473	114,269	80.0%	15.0%	5.0%	0.0%	0.0%
Sewerage network	Sewerage network	–	–	746	746	35,361	57,754	45.0%	44.0%	11.0%	0.0%	0.0%
	Sub-total	–	–	746	746	35,361	57,754	45.0%	44.0%	11.0%	0.0%	0.0%
Stormwater drainage	Stormwater drainage	98	246	6	6	18,377	24,564	28.0%	54.0%	17.0%	1.0%	0.0%
	Sub-total	98	246	6	6	18,377	24,564	28.0%	54.0%	17.0%	1.0%	0.0%

Yass Valley Council

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

Asset Class	Asset Category	Estimated cost		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				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Open space / recreational assets	Swimming pools	–	–	104	104	1,995	3,696	0.0%	0.0%	100.0%	0.0%	0.0%
	Parks and Gardens	889	889	200	200	11,321	15,876	23.0%	20.0%	43.0%	11.0%	3.0%
	Sub-total	889	889	304	304	13,316	19,572	18.7%	16.2%	53.8%	8.9%	2.4%
Total – all assets		19,823	19,971	7,242	5,452	492,575	695,458	40.5%	25.7%	25.2%	5.5%	3.1%

(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

Yass Valley Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2024	Indicator 2024	Indicators		Benchmark
			2023	2022	
Buildings and infrastructure renewals ratio					
Asset renewals ¹	7,282	85.27%	230.76%	343.15%	> 100.00%
Depreciation, amortisation and impairment	8,540				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	19,823	3.91%	1.89%	2.33%	< 2.00%
Net carrying amount of infrastructure assets	506,649				
Asset maintenance ratio					
Actual asset maintenance	5,452	75.28%	100.00%	78.04%	> 100.00%
Required asset maintenance	7,242				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	19,971	2.87%	1.44%	1.74%	
Gross replacement cost	695,458				

(*) 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.

Yass Valley 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							
Depreciation, amortisation and impairment	113.13%	295.65%	6.65%	66.49%	37.66%	76.69%	> 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	4.95%	2.40%	0.00%	0.00%	0.00%	0.00%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	64.67%	100.00%	100.00%	100.00%	100.00%	100.00%	> 100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	3.82%	1.91%	0.00%	0.00%	0.00%	0.00%	

(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.