
NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 13 SEPTEMBER 2023
REPORTS TO COUNCIL – FINANCE & CORPORATE STRATEGY

1. INVESTMENT REPORT AS AT 31 AUGUST 2023

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable DP - 4.3.1.5 Provide monthly cash balances and detailed quarterly financial reports to Council.

Executive Summary

Council's investments are made in accordance with legislative requirements and are certified as such by the Responsible Accounting Officer. This report details Council's investments as at 31 August 2023.

Report

Under the Local Government Act 1993 and Local Government (General) Regulation 2021, the Responsible Accounting Officer is required to report on Council's Investment portfolio on a monthly basis. The report must be made up to the last day of the month immediately preceding the meeting.

The management of Council's Investments is delegated by the General Manager to the Director of Finance and Corporate Strategy.

Council's investments are made in accordance with the Local Government Act 1993, Local Government (General) Regulation 2021, Ministerial Investment Order issued February 2011, the Office of Local Government's Guidelines and Council's Investment Policy.

Council's investment portfolio is managed through term deposits and the current interest rates range from 4.04% to 5.47%. During August, Council's total cash and investments increased by \$1,139M from \$26,947M to \$28,086M. This is due to the transfer of excess funds from the cheque account to investments. Council's investment portfolio as at 31 August 2023 is attached as **Attachment No. 1**.

Financial Implications

The 2023/24 Budget estimates the total annual Investment Revenue as \$882,289 which represents an estimated return of 4.42% and is split proportionally across General, Water and Sewer Funds and changes on a monthly basis in accordance with cash flow requirements.

1. INVESTMENT REPORT AS AT 31 AUGUST 2023 (Cont'd)

Legal and Regulatory Compliance

- Local Government Act, 1993 – Section 625
- Local Government (General) Regulation, 2021 – Clause 212
- Council Investment Policy 2019
- Ministerial Investment Order – 12 January 2011

Risk Management Issues

Council's risk management strategy is to diversify the allocation of funds across different financial institutions and government authorities based on credit ratings as per the Investment Policy. The investment portfolio is regularly reviewed in order to maximise investment performance and minimise risk.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2021 and Council's Investment Policy.

Attachments

- 1 Investment Portfolio as at 31 August 2023

RECOMMENDATION

1. That the report regarding Council's Investment Portfolio be received and noted;
2. That the certification of the Responsible Accounting Officer is noted and the report adopted.

2. DRAFT 2022/2023 FINANCIAL STATEMENTS REFERRAL TO AUDIT

Author	Director Finance and Corporate Strategy
Responsible Officer	Director Finance and Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable

Executive Summary

This report presents the Draft 2022/2023 Financial Statements (**see Attachment No. 2**) to be referred to audit.

Report

Section 413(1) of the Local Government Act requires that Council to prepare financial reports each financial year and have them audited within 4 months of the end of the year concerned.

Within the financial reports, the Statement of Councillors and Management must be signed in accordance with a resolution of Council.

The audit of the draft financial statements will start on 25 September 2023 and be conducted by the Audit Office of NSW. The draft financial statements must be referred by Council to the Audit Office of NSW before 25 September.

Financial Overview

Council's total income for the year was \$32,763 million. Major sources of income include rates and annual charges (30%) and operating and capital grants of \$16,761million (51% of total income).

Operating expenses for the year were \$25,855 million, slightly higher than the previous year.

Council reported a net operating result of \$6,908 million and equity increased due to the revaluation of land, buildings and other structures and indexation of other infrastructure assets.

Financial Implications

The Annual Financial Statements report on Council's financial performance, results and position for the 2022/2023 financial year.

Legal and Regulatory Compliance

Local Government Act, 1993 – Sections 413(1) and 413(2)(c)

Local Government Code of Accounting Practice and Financial Reporting Update No.27

2. DRAFT 2022/2023 FINANCIAL STATEMENTS REFER TO AUDIT (cont'd)

Risk Management Issues

Nil

Internal/External Consultation

NSW Audit Office – Client Service Plan
NSC Internal Audit and Risk Committee

Attachments

- Draft General-Purpose Financial Statements
- Draft Special-Purpose Financial Statements
- Draft Special Schedules

RECOMMENDATION

1. That Council's 2022/23 Draft Financial Statements be referred to the NSW Audit Office for audit.
2. That Council certifies that the draft annual Financial Statements are in accordance with:
 - the Local Government Act 1993 and the Regulations made there under;
 - the Australian Accounting Standards and professional pronouncements, and
 - the Local Government Code of Accounting Practice and Financial Reporting;and presents fairly the Council's operating result and financial position for the year, and
 - accords with Council's accounting and other records;
 - and that Council is not aware of any matter that would render this report false or misleading in any way.
3. That Council adopts the Councillors/Management "Statements" and resolve that they be signed and attached to the year-end accounts.
4. That Council delegates to the General Manager the authority to "finalise the date" at which the Auditor's report and Financial Statements are to be presented to the public (as per section 418(1) of the Local Government Act 1993).

3. 2023-2024 REQUESTS FOR FINANCIAL ASSISTANCE

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	DP - 1.1.2.1 In partnership with the community, continue to facilitate events that celebrate community values including all groups within the community and provide financial and in-kind assistance for community and private events. 1.2.2.1 Provide grants through the Donations, Sponsorships & Waiver of Fees & Charges Policy process to community groups, with an emphasis on sports, recreation, arts, cultural, leadership and development activities.

Executive Summary

The 2023/24 applications for the financial assistance program have been undertaken and Council now needs to assess and allocate funding to the successful applicants.

Report

Council's Donations, Sponsorships and Waiver of Fees Policy invites applications for financial assistance to individuals and organisations with the application process closing 31 August 2023. Council received 15 applications for financial assistance.

Council has an allocation of \$25,000.00 in the 2023/24 budget for the purpose of providing financial assistance – the groups that applied under this heading are in **Attachment No 3**. Full copies of the completed applications have been provided to Council, under separate cover.

The application process requests that the applicants provide Council with Financial Statements; however, a number of these community groups are small start-up committees and do not have a requirement to produce financial statements or are in early planning stages and are requesting assistance from Council to get “up and going”. There is a level of difficulty in community groups attracting volunteers and people with suitable financial backgrounds to undertake the treasury functions expected.

As part of this process in 2012/13, Council also allocated funding to the Shire Australia Day Committees and to the schools for their annual presentation nights. During the process Council also decided to make provision in future budgets to fund an annual contribution to the Mungery Hall Committee and the Narromine Cricket Club. The Western Regional Academy of Sport was added in October 2014 and the Rotary Club of Narromine in September 2019. Whilst Council's 2023/24 Delivery Program has separate budget allocations for these items, Council needs to resolve to make the payment to these groups as this function cannot be delegated to the General Manager under Section 377 of the Local Government Act 1993. These allocations are summarised in **Attachment No 4**.

3. 2023-2024 REQUESTS FOR FINANCIAL ASSISTANCE (Cont'd)

Financial Implications

Council has an allocation of \$25,000.00 in the 2023/24 Operational Plan for the purpose of providing assistance under this program and has various other budget allocations for the purpose of funding requests.

Legal and Regulatory Compliance

Local Government Act 1993 – Section 356 – Allows Council to contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.

Local Government Act 1993 – Section 377 – Council cannot delegate the function of contributing money or otherwise grant financial assistance.

Risk Management Issues

Compliance with legislative and regulatory obligations

Internal/External Consultation

Nil

Attachments

3. Groups requesting financial assistance
4. Council's budgeted Committee allocations

RECOMMENDATION

1. That Council allocate funding from the Community Donations Fund as follows: -

Trangie CWA	\$2,814.31
Narromine Community Skill Project Inc	\$2,671.24
Western Rural Connect Inc	\$1,907.00
Narromine Hospital Auxiliary	\$1,500.00
Narromine Men's Shed	\$ 800.00
Narromine Lion's Club	\$ 500.00
Narromine Rotary Club	\$1,000.00
Narromine Junior Jets Rugby League Club	\$2,000.00
Orana Beekeepers Inc	\$ 400.00
Lion's Club 201 N4 – Licola Disability Camp	\$1,500.00
Narromine Jets & Tradies in Sight	<u>\$1,000.00</u>
	\$16,092.55

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3. 2023-2024 REQUESTS FOR FINANCIAL ASSISTANCE (Cont'd)

2. That Council confirm the following annual contributions:

Tomingley Advancement Association/Australia Day Committee	\$ 500.00
Narromine Australia Day	\$ 500.00
Trangie Australia Day	\$ 500.00
Narromine District Cricket Association	\$1,000.00
Mungery Hall Trust	\$1,500.00
Western Regional Academy of Sport	\$ 350.00
Rotary Club of Narromine/Lions Club/Venetian Carnival	\$2,727.27
Rotary Club of Narromine (Wetlands)	\$3,000.00
School Donations	<u>\$ 700.00</u>
	\$10,077.27

3. That any donations for an event not be paid until Council receives formal confirmation the event will proceed.

Barry Bonthuys
Director Finance & Corporate Strategy
Responsible Accounting Officer

Attachment 1 - Investments as at 31 August 2023

Financial Institution	Bank Rating	Investment Type/Maturity Date	Investment Rating	Current Rate	Term	Amount (\$)	Comment
Cash & At Call							
Commonwealth Bank	AA-	Business Online Saver - at call - Interest - Special rate 3.85%	A-1+	4.10%	N/A	8,086,099.78	S&P Short Term
TOTAL						8,086,099.78	
Percentage of Total Portfolio						28.79%	
Average Investment Yield						4.10%	
Term Deposits							
Commonwealth Bank	AA-	Term Deposit - 09/09/2023	A-1+	4.04%	365 Days	3,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 04/10/2023	A-1+	4.30%	240 Days	2,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 02/11/2023	A-1+	4.70%	240 Days	3,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 05/12/2023	A-1+	4.40%	243 Days	2,000,000.00	S&P Short Term
Commonwealth Bank	AA-	Term Deposit - 08/01/2024	A-1+	5.04%	215 Days	3,000,000.00	S&P Short Term
Commonwealth Bank	AA-	Term Deposit - 02/02/2023	A-1+	4.59%	270 Days	2,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 04/03/2024	A-1+	5.47%	242 Days	3,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 04/04/2024	A-1+	5.20%	210 Days	2,000,000.00	S&P Short Term
TOTAL						20,000,000.00	
Percentage of Total Portfolio						71.21%	
Average Investment Yield						4.72%	
Total Investment Portfolio						28,086,099.78	

Narromine Shire Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2023

*To enhance our Shire's image, lifestyle and environment
through effective leadership, community involvement and
commitment to service.*



Narromine Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023

*To enhance our Shire's image, lifestyle and environment
through effective leadership, community involvement and
commitment to service.*



Narromine Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Overview

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

124 Dandaloo Street
Narromine NSW 2821

Council's guiding principles are detailed in Chapter 3 of the LGA 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.narromine.nsw.gov.au.

Narromine Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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 2023.

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 Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the 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 the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the 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.

Narromine Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 13 September 2023.

Cr Craig Davies
Mayor
13 September 2023

Cr Dawn Collins
Councillor
13 September 2023

Jane Redden
General Manager
13 September 2023

Barry Bonthuys
Responsible Accounting Officer
13 September 2023

Narromine Shire Council

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Income from continuing operations				
11,758	Rates and annual charges	B2-1	9,876	9,648
1,508	User charges and fees	B2-2	4,001	4,995
2,400	Other revenues		446	438
7,998	Grants and contributions provided for operating purposes	B2-3	9,999	7,388
10,651	Grants and contributions provided for capital purposes	B2-3	6,762	10,624
1,760	Interest and investment income	B2-4	1,380	58
-	Other income		299	271
1,275	Net gain from the disposal of assets	B4-1	210	481
37,350	Total income from continuing operations		32,973	33,903
Expenses from continuing operations				
8,961	Employee benefits and on-costs	B3-1	7,506	7,097
10,102	Materials and services	B3-2	9,300	9,616
175	Borrowing costs		110	103
6,066	Depreciation, amortisation and impairment of non-financial assets	B3-3	7,727	6,514
38	Other expenses	B3-4	1,194	868
-	Fair value decrement on investments	C1-2	-	1,591
25,342	Total expenses from continuing operations		25,837	25,789
12,008	Operating result from continuing operations		7,136	8,114
12,008	Net operating result for the year attributable to Council		7,136	8,114
1,357	Net operating result for the year before grants and contributions provided for capital purposes		374	(2,510)

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

Narromine Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Net operating result for the year – from Income Statement		7,136	8,114
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain / (loss) on revaluation of IPP&E	C1-7	33,667	39,567
Other comprehensive income – joint ventures and associates		–	1
Total items which will not be reclassified subsequently to the operating result		33,667	39,568
Total other comprehensive income for the year		33,667	39,568
Total comprehensive income for the year attributable to Council		40,803	47,682

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

Narromine Shire Council

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	28,467	4,543
Investments	C1-2	–	19,598
Receivables	C1-4	2,232	3,919
Inventories	C1-5	2,140	2,127
Contract assets	C1-6	5,550	4,621
Other		89	50
Total current assets		38,478	34,858
Non-current assets			
Receivables	C1-4	397	357
Inventories	C1-5	4,194	4,194
Infrastructure, property, plant and equipment (IPPE)	C1-7	402,981	360,025
Investment property		48	48
Investments accounted for using the equity method		374	361
Total non-current assets		407,994	364,985
Total assets		446,472	399,843
LIABILITIES			
Current liabilities			
Payables	C2-1	2,165	2,354
Contract liabilities	C2-2	7,385	1,225
Borrowings	C2-3	1,267	1,134
Employee benefit provisions	C2-4	1,411	1,759
Total current liabilities		12,228	6,472
Non-current liabilities			
Borrowings	C2-3	3,744	3,714
Employee benefit provisions	C2-4	46	55
Provisions	C2-5	2,018	1,969
Total non-current liabilities		5,808	5,738
Total liabilities		18,036	12,210
Net assets		428,436	387,633
EQUITY			
Accumulated surplus	C3-1	166,273	159,137
IPPE revaluation reserve	C3-1	262,163	228,496
Council equity interest		428,436	387,633
Total equity		428,436	387,633

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

Narromine Shire Council

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	2023			2022		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		159,137	228,496	387,633	151,022	188,929	339,951
Net operating result for the year		7,136	–	7,136	8,114	–	8,114
Net operating result for the period		7,136	–	7,136	8,114	–	8,114
Other comprehensive income							
– Gain / (loss) on revaluation of IPP&E	C1-7	–	33,667	33,667	–	39,567	39,567
Joint ventures and associates		–	–	–	1	–	1
Other comprehensive income		–	33,667	33,667	1	39,567	39,568
Total comprehensive income		7,136	33,667	40,803	8,115	39,567	47,682
Closing balance at 30 June		166,273	262,163	428,436	159,137	228,496	387,633

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

Narromine Shire Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities				
<i>Receipts:</i>				
11,170	Rates and annual charges		9,763	10,062
1,432	User charges and fees		6,105	2,835
1,760	Interest received		1,029	6
18,649	Grants and contributions		21,992	14,581
2,280	Other		690	733
<i>Payments:</i>				
(8,782)	Payments to employees		(7,863)	(6,963)
(9,900)	Payments for materials and services		(9,366)	(10,031)
(175)	Borrowing costs		(112)	(99)
(37)	Other		(1,269)	(824)
16,397	Net cash flows from operating activities	G1-1	20,969	10,300
Cash flows from investing activities				
<i>Receipts:</i>				
2,705	Sale of real estate assets		219	2,728
367	Proceeds from sale of IPPE		16	72
<i>Payments:</i>				
–	Purchase of investments		19,598	–
(16,848)	Payments for IPPE		(16,987)	(11,688)
(2,021)	Purchase of real estate assets		–	(2,051)
–	Purchase of intangible assets		(54)	(17)
(15,797)	Net cash flows from investing activities		2,792	(10,956)
Cash flows from financing activities				
<i>Receipts:</i>				
1,270	Proceeds from borrowings		1,270	1,100
<i>Payments:</i>				
(1,346)	Repayment of borrowings		(1,107)	(1,026)
(76)	Net cash flows from financing activities		163	74
524	Net change in cash and cash equivalents		23,924	(582)
22,241	Cash and cash equivalents at beginning of year		4,543	5,125
22,765	Cash and cash equivalents at end of year	C1-1	28,467	4,543
–	plus: Investments on hand at end of year	C1-2	–	19,598
22,765	Total cash, cash equivalents and investments		28,467	24,141

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

Narromine Shire Council

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Narromine Shire 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 8 November 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) 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 the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) contract assets and contract cost assets - refer Note C1-6
- (ii) contract liabilities - Refer Note C2-2
- (iii) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7.
- (iv) employee benefit provisions - refer Note C2-4
- (v) estimated tip remediation provisions – refer Note C2-5.

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 the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

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

- General purpose operations
- Water service
- Sewerage service

A1-1 Basis of preparation (continued)

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

New accounting standards and interpretations issued but not yet effective

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 2023 reporting period.

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

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

New accounting standards adopted during the year

No new accounting standards are applicable to the 2021-22 financial year.

COVID-19 implications on financial reporting

For the financial year ending 30 June 2023, the Office of Local Government, NSW Treasury and the Australian Securities and Investments Commission each issued guidance on areas to be considered when preparing financial statements. Management has assessed various activities of Council including impairment of assets, contracts, asset fair values, employee benefits provisions, revenue, liquidity and going concern.

The impact on Council's financial statements 2022-23 of COVID-19 restrictions were found to be immaterial.

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	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Functions or activities										
Governance	45	56	1,660	1,783	(1,615)	(1,727)	–	–	2,681	2,486
Administration	12,382	12,312	4,050	3,570	8,332	8,742	4,818	4,621	33,213	30,798
Public Order & Safety	228	239	51	14	177	225	118	239	24,847	23,040
Environment & Health	302	221	732	653	(430)	(432)	104	102	1,241	1,151
Community & Cultural Services	268	402	1,344	1,513	(1,076)	(1,111)	153	232	5,956	5,523
Planning & Development	40	44	382	317	(342)	(273)	138	305	91	84
Waste Management	2,028	1,903	1,499	1,494	529	409	–	–	1,749	1,622
Infrastructure	10,091	10,044	7,948	7,920	2,143	2,124	8,976	10,101	273,041	253,189
Recreational Facilities	988	862	2,654	2,857	(1,666)	(1,995)	721	753	18,811	17,443
Economic Development	1,919	3,432	1,891	1,940	28	1,492	501	498	4,579	4,242
Water Supplies	2,520	2,775	2,275	2,257	245	518	1,232	1,161	29,147	27,028
Sewerage Services	1,952	1,613	1,369	1,471	583	142	–	–	35,844	33,237
Other	–	–	–	–	–	–	–	–	15,272	–
Total functions and activities	32,763	33,903	25,855	25,789	6,908	8,114	16,761	18,012	446,472	399,843

B1-2 Components of functions or activities

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

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

Administration

- Executive services - provision of effective and efficient support to councillors, Council and the community
- Legal advice and services for Council, its delegates and officers, procure adequate and appropriate insurance coverage at a minimum cost, manage claims against Council and manage litigation by and against Council
- Provision of management accounting, financial reporting, rates, payroll, creditors, accounts receivable, cashiering, financial grants and income, debt recovery and investments
- Information Technology, computing and support services to Council
- Management and improvement of the quality, performance, opportunities & safety conditions of Council's staff
- Civic administration building.

Public Order & Safety

- Co-operation and liaison with the Rural Fire Service and other Emergency Service organisations.

Environment & Health

- Protection of the environment, its enhancement and the promotion of environmental sustainability
- Maintenance of the health standards and safety of premises that are accessible to and impact upon the community
- Development of an innovative best practice policy to control the incidence of noxious plants
- Companion animal management and issues in relation to straying livestock.

Community & Cultural Services

- Provision of community, cultural and educational services and facilities to enhance the community's way of life
- Provision of programs and services for young people between 12-24 years of age
- Active participation in and co-operation with community organisations in the delivery of Aged & Disability Services
- Provision for the development and management of a range of community facilities
- Provision of effective public library lending, information and referral services
- Provision of quality cemetery services and memorial facilities
- Advocate for a strong cultural role in community revitalisation and identity by the encouragement & promotion of local historical, cultural and art organisations and activities.

Planning & Development

- Creation of a quality environment for the community in which land use and development is planned and assessed and the social, environmental, economic, agricultural, heritage and physical wellbeing of the community is enhanced and protected
- Planning the Shire's future whilst embracing the principles of Ecologically Sustainable Development
- Assessment and determination of development applications
- Regulatory inspections.

Waste Management

- Effective management of waste collection, minimise waste whilst encouraging commercial and residential recycling
- Collection & recycling
- Disposal.

Infrastructure

- Provision of well constructed, maintained and functional roads, drains, public buildings and associated engineering structures; including operational support, construction and maintenance, design, stormwater management and aerodromes.

Recreational Facilities

- Provision of equitable access to social, cultural, sporting and recreational services and facilities
- Parks, playing fields and reserves
- Recreational buildings and infrastructure

B1-2 Components of functions or activities (continued)

- Swimming Pools.

Economic Development

- Development and assistance in the implementation of strategies, programs and policies that will provide employment and a positive environment for the local economy
- Tourism & area promotion
- Real estate development
- Saleyards and markets
- External partnerships
- Camping areas.

Water Supplies

- Provision of a cost effective, environmentally sensitive and ecologically sustainable water supply service including business plan, service delivery, customer service, demand management, infrastructure management.

Sewerage Services

- Provision of a cost effective, environmentally sensitive & ecologically sustainable sewerage service. Including business plan, service delivery, customer service, demand management, infrastructure management.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2023	2022
Ordinary rates		
Residential	1,792	1,772
Farmland	3,497	3,473
Mining	308	306
Business	647	633
Other	(5)	(7)
Less: pensioner rebates (mandatory)	(76)	(113)
Rates levied to ratepayers	6,163	6,064
Pensioner rate subsidies received	–	37
Total ordinary rates	6,163	6,101
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	1,322	1,282
Stormwater management services	53	52
Water supply services	829	735
Sewerage services	1,253	1,221
Waste management services (non-domestic)	263	263
Less: pensioner rebates (mandatory)	(32)	(70)
Annual charges levied	3,688	3,483
Pensioner annual charges subsidies received:		
– Water	–	20
– Sewerage	–	19
– Domestic waste management	25	25
Total annual charges	3,713	3,547
Total rates and annual charges	9,876	9,648

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government. Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

B2-2 User charges and fees

\$ '000	2023	2022
Specific user charges (per s502 - specific 'actual use' charges)		
Water supply services	1,467	1,247
Sewerage services	399	350
Waste management services (non-domestic)	157	149
Total specific user charges	2,023	1,746
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s608)		
Building services – other	3	–
Planning and building regulation	110	153
Private works – section 67	73	1,114
Other	62	66
Total fees and charges – statutory/regulatory	248	1,333
(ii) Fees and charges – other (incl. general user charges (per s608))		
Cemeteries	90	85
Community centres	3	1
Gravel pits	1,151	1,483
Lease rentals	12	61
Recycling income (non-domestic)	198	92
Water connection fees	25	–
Other	251	194
Total fees and charges – other	1,730	1,916
Total other user charges and fees	1,978	3,249
Total user charges and fees	4,001	4,995
Timing of revenue recognition for user charges and fees		
User charges and fees recognised at a point in time	4,001	4,995
Total user charges and fees	4,001	4,995

Accounting policy

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

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

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 the term of the licence.

B2-3 Grants and contributions

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
General purpose grants and non-developer contributions (untied)				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	997	1,645	–	–
Financial assistance – local roads component	459	800	–	–
Payment in advance - future year allocation				
Financial assistance – general component	3,766	2,526	–	–
Financial assistance – local roads component	1,812	1,234	–	–
Other				
Other grants	–	–	1,210	78
Amount recognised as income during current year	7,034	6,205	1,210	78
Special purpose grants and non-developer contributions (tied)				
Cash contributions				
Previously specific grants:				
Pensioners' rates subsidies:				
– Water	–	–	–	198
– Other	20	25	56	161
Water supplies	94	–	1,054	963
Bushfire and emergency services	118	116	–	–
Community care	36	–	–	–
Community centres	–	–	119	212
Economic development	45	305	375	262
Library	81	80	–	–
LIRS subsidy	–	–	25	35
Noxious weeds	124	102	–	–
Public halls	3	–	–	–
Recreation and culture	127	–	690	675
Community infrastructure grant	–	–	–	155
Traffic route subsidy	–	–	79	77
Transport (roads to recovery)	–	–	872	593
Transport (other roads and bridges funding)	576	19	367	3,885
Other specific grants	69	231	29	2,332
Previously contributions:				
Dedications – subdivisions (other than by s7.11)	147	140	–	–
Recreation and culture	–	–	31	–
Roads and bridges	–	–	1,019	–
Transport for NSW contributions (regional roads, block grant)	1,222	–	836	998
Other contributions	40	23	–	–
Total special purpose grants and non-developer contributions – cash	2,702	1,041	5,552	10,546
Non-cash contributions				
Roads and bridges	–	35	–	–
Total other contributions – non-cash	–	35	–	–
Total special purpose grants and non-developer contributions (tied)	2,702	1,076	5,552	10,546
Total grants and non-developer contributions	9,736	7,281	6,762	10,624
Comprising:				
– Commonwealth funding	7,039	6,267	2,257	1,715
– State funding	2,512	874	4,449	8,189
– Other funding	185	140	56	720

B2-3 Grants and contributions (continued)

9,736

7,281

6,762

10,624

B2-3 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Developer contributions:					
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):					
Cash contributions					
S 7.12 – fixed development consent levies	G4	75	107	–	–
S 64 – sewerage service contributions		188	–	–	–
Total developer contributions – cash		263	107	–	–
Total developer contributions		263	107	–	–
Total contributions		263	107	–	–
Total grants and contributions		9,999	7,388	6,762	10,624
Timing of revenue recognition for grants and contributions					
Grants and contributions recognised over time (1)		–	–	–	–
Grants and contributions recognised at a point in time (2)		9,999	7,388	6,762	10,624
Total grants and contributions		9,999	7,388	6,762	10,624

Unspent grants and contributions

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

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Unspent grants and contributions				
Operating grants recognised as income in a previous reporting period	3,831	4,758	–	–
Unspent grants and contributions				
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,935	3,831	–	–
Less: Funds received in prior year but revenue recognised and funds spent in current year	–	–	–	–
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(3,831)	(4,758)	–	–
Unspent funds at 30 June	1,935	3,831	–	–

B2-3 Grants and contributions (continued)

Accounting policy

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 milestones such as executing the agreement to acquire or construct roads, stormwater drainage and airport runway. 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 the Council.

Developer contributions

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

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

Developer contributions may only be expended for the purposes for which the contributions were required, but 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.

B2-4 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	62	52
– Cash and investments	1,318	6
Total interest and investment income (losses)	1,380	58

Accounting policy

Interest income is recognised using the effective interest rate at the date that interest is earned.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	5,911	6,427
Employee leave entitlements (ELE)	–	984
Superannuation	–	663
Other	1,984	526
Total employee costs	7,895	8,600
Less: capitalised costs	(389)	(1,503)
Total employee costs expensed	7,506	7,097
Number of 'full-time equivalent' employees (FTE) at year end	80	88

Accounting policy

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

Retirement benefit obligations

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

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.

B3-2 Materials and services

\$ '000	Notes	2023	2022
Raw materials and consumables		3,983	4,595
Contractor costs		3,294	2,880
Audit Fees	F2-1	68	66
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	173	159
Advertising		92	92
Computer software charges		203	251
Election expenses		–	21
Electricity and heating		355	360
Insurance		586	497
Office expenses (including computer expenses)		91	85
Postage		19	18
Street lighting		86	131
Subscriptions and publications		58	90
Telephone and communications		53	77
Training costs (other than salaries and wages)		2	–
Other expenses		91	41
Legal expenses:			
Expenses from leases of low value assets		–	24
– Legal expenses: planning and development		–	1
– Legal expenses: debt recovery		6	4
– Legal expenses: other		32	122
Operating leases expense (2019 only):			
– Operating lease rentals: minimum lease payments ¹		26	–

B3-2 Materials and services (continued)

\$ '000	2023	2022
Other	71	98
Total materials and services	9,300	9,616
Total materials and services	9,300	9,616

Accounting policy

Expenses are recorded on an accruals basis as the Council receives the goods or services.

B3-3 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2023	2022
Depreciation and amortisation			
Plant and equipment		902	903
Office equipment		65	62
Furniture and fittings		2	7
Infrastructure:	C1-7		
– Buildings – non-specialised		200	183
– Buildings – specialised		1,067	871
– Other structures		210	181
– Roads		3,672	1,970
– Bridges		217	199
– Footpaths		98	93
– Stormwater drainage		254	390
– Water supply network		181	569
– Sewerage network		246	478
– Swimming pools		134	160
– Other open space/recreational assets		249	206
– Other infrastructure		–	12
Other assets:			
– Aerodrome		176	153
Intangible assets	C1-10	54	77
Total depreciation and amortisation costs		7,727	6,514
Total depreciation, amortisation and impairment for non-financial assets		7,727	6,514

Accounting policy

Depreciation and amortisation

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

Impairment of non-financial assets

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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.

B3-4 Other expenses

\$ '000	2023	2022
Other	29	27
Donations, contributions and assistance to other organisations (Section 356)	221	89
– Emergency services levy (includes FRNSW, SES, and RFS levies)	17	10
– Macquarie regional library	495	414
– NSW fire brigade levy	42	36
– NSW rural fire service levy	390	292
Total other expenses	1,194	868

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

B4 Gains or losses

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

\$ '000	Notes	2023	2022
Gain (or loss) on disposal of plant and equipment	C1-7		
Less: carrying amount of plant and equipment assets sold/written off		(25)	(242)
Proceeds from disposal – plant and equipment		16	72
Gain (or loss) on disposal		(9)	(170)
Gain (or loss) on disposal of real estate assets held for sale	C1-5		
Proceeds from disposal – real estate assets		219	2,702
Less: carrying amount of real estate assets sold/written off		–	(2,051)
Gain (or loss) on disposal		219	651

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 22/06/2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----
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B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----		
Revenues					
User charges and fees	1,508	4,001	2,493	165%	F
Other revenues	2,400	446	(1,954)	(81)%	U
Capital grants and contributions	10,651	6,762	(3,889)	(37)%	U
Interest and investment revenue	1,760	1,380	(380)	(22)%	U
Net gains from disposal of assets	1,275	210	(1,065)	(84)%	U
Expenses					
Materials and services	10,102	9,300	802	8%	F
Borrowing costs	175	110	65	37%	F
Other expenses	38	1,194	(1,156)	(3,042)%	U
Fair value decrement on investments	-	-	-	∞	F
Statement of cash flows					
Cash flows from operating activities	16,397	20,969	4,572	28%	F
Cash flows from investing activities	(15,797)	2,792	18,589	(118)%	F
Cash flows from financing activities	(76)	163	239	(314)%	F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash assets		
Cash on hand and at bank	8,607	4,543
Cash equivalent assets		
– Short-term deposits	20,000	–
– Other financial assets	(140)	–
Total cash and cash equivalents	28,467	4,543

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	28,467	4,543
Balance as per the Statement of Cash Flows	28,467	4,543

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Financial assets at fair value through the profit and loss				
Managed funds	–	–	19,598	–
Total	–	–	19,598	–
Total financial investments	–	–	19,598	–
Total cash assets, cash equivalents and investments	28,467	–	24,141	–

No strategic investments were disposed of during 2023, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

C1-2 Financial investments (continued)

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

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

Classification

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

- amortised cost
- fair value through profit and loss (FVTPL)

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.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

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

Council's financial assets measured at fair value through profit or loss comprise investments in New South Wales Treasury Corporation (TCorp) Managed Funds in the Statement of Financial Position.

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

\$ '000	2023	2022
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	28,467	24,141
Less: Externally restricted cash, cash equivalents and investments	<u>(14,935)</u>	<u>(13,209)</u>
Cash, cash equivalents and investments not subject to external restrictions	13,532	10,932
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	<u>6,984</u>	1,225
External restrictions – included in liabilities	6,984	1,225
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	7	246
Developer contributions – water fund	215	215
Developer contributions – sewer fund	366	178
Specific purpose unexpended grants (recognised as revenue) – general fund	–	2,100
Water fund	(82)	1,155
Sewer fund	6,179	7,007
Board of control - NSRAC and TSRAC	151	148
Other	35	35
Domestic waste management	<u>1,080</u>	900
External restrictions – other	7,951	11,984
Total external restrictions	14,935	13,209

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.

\$ '000	2023	2022
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	13,532	10,932
Less: Internally restricted cash, cash equivalents and investments	<u>(9,806)</u>	<u>(7,829)</u>
Unrestricted and unallocated cash, cash equivalents and investments	3,726	3,103

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

\$ '000	2023	2022
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Internal allocations

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

Alkane community contributions	156	205
Alkane environmental monitoring	186	162
Carry over works	3,069	2,824
Election expenses	45	45
Employees leave entitlement	437	544
FAGS advance grant	5,579	3,760
Other	334	289
Total internal allocations	9,806	7,829

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

\$ '000	2023	2022
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(c) Unrestricted and unallocated

Unrestricted and unallocated cash, cash equivalents and investments	3,726	3,103
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C1-4 Receivables

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Rates and annual charges	425	155	311	176
Interest and extra charges	162	65	224	–
User charges and fees	1,182	177	3,285	181
Accrued revenues				
– Interest on investments	349	–	2	–
Net GST receivable	139	–	126	–
Other debtors	57	–	57	–
Total	2,314	397	4,005	357
Less: provision for impairment				
Interest and extra charges	(34)	–	(35)	–
User charges and fees	(48)	–	(51)	–
Total provision for impairment – receivables	(82)	–	(86)	–
Total net receivables	2,232	397	3,919	357

Accounting policy

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

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.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment

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

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

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

Rates and annual charges outstanding are secured against the property.

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

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

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

On initial recognition of the asset, an estimate of the ECL for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 5 years past due, whichever occurs first.

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

C1-5 Inventories

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
(i) Inventories at cost				
Real estate for resale	1,748	4,194	1,748	4,194
Stores and materials	392	–	379	–
Total inventories at cost	2,140	4,194	2,127	4,194
Total inventories	2,140	4,194	2,127	4,194

(i) Real estate assets for resale

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
(a) Details for real estate development					
Residential		887	1,237	887	1,237
Industrial/commercial		861	2,957	861	2,957
Total real estate for resale		1,748	4,194	1,748	4,194

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

Represented by:

Development costs		1,748	4,194	1,748	4,194
Total costs		1,748	4,194	1,748	4,194
Total real estate for resale		1,748	4,194	1,748	4,194

Movements:

Real estate assets at beginning of the year		1,748	4,194	2,268	3,700
– Purchases and other costs		–	–	3,749	327
– Transfer between current/non-current		–	–	(376)	376
– WDV of sales (expense)	B4-1	–	–	(2,051)	–
– Other		–	–	(1,842)	(209)
Total real estate for resale		1,748	4,194	1,748	4,194

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

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

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Real estate held for resale includes residential and industrial development. Land expected to be sold within next 12 months has been transferred from non-current to current. The remaining land is still non-current.

C1-6 Contract assets and Contract cost assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
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C1-6 Contract assets and Contract cost assets (continued)

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Contract assets	5,549	–	4,621	–
Total contract assets and contract cost assets	5,549	–	4,621	–

Contract assets

Other	5,550	–	4,621	–
Total contract assets	5,550	–	4,621	–

Significant changes in contract assets

Funding for various projects are provided to Council under contract arrangements with the Federal and State Governments. These projects include aerodrome runway lighting upgrade, construction of clubhouse and grandstand, residential land development and restoration of storm and flood damage assets.

Construction works for these projects were completed before funding were received by Council.

(i) Externally restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Total unrestricted assets	5,550	–	4,621	–
Total contract assets and contract cost asset	5,550	–	4,621	–

Accounting policy

Contract assets

Contract assets represent Council's right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

Where costs are incurred to fulfil a contract and these costs are outside the scope of another accounting standard, they are capitalised as contract cost assets if the following criteria are met:

- the costs relate directly to a contract
- the costs generate or enhance resources of Council that will be used to satisfy performance obligations in the future and
- the costs are expected to be recovered.

The capitalised costs are recognised in the Income statement on a systematic basis consistent with the timing of revenue recognition.

Refer to B3-4 for the accounting policy for impairment of contract cost assets.

C1-7 Infrastructure, property, plant and equipment

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	Carrying value of disposals	Depreciation expense	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000										
Capital work in progress	9,923	–	9,923	6,221	–	–	–	16,135	–	16,135
Plant and equipment	16,694	(9,624)	7,070	1,419	(25)	(902)	–	18,021	(10,487)	7,534
Office equipment	1,295	(1,009)	286	20	–	(65)	–	1,315	(1,074)	241
Furniture and fittings	329	(291)	38	–	–	(2)	–	329	(293)	36
Land:										
– Operational land	4,802	–	4,802	–	–	–	1,818	6,620	–	6,620
– Community land	2,246	–	2,246	–	–	–	1,224	3,470	–	3,470
Infrastructure:										
– Buildings – non-specialised	6,642	(3,855)	2,787	7	–	(200)	1,775	8,787	(4,418)	4,369
– Buildings – specialised	40,580	(23,461)	17,119	996	–	(1,067)	10,923	54,944	(26,725)	28,219
– Other structures	6,045	(2,157)	3,888	561	–	(210)	262	8,775	(4,273)	4,502
– Roads	263,135	(46,463)	216,672	3,762	–	(3,672)	12,952	282,626	(53,098)	229,528
– Bridges	22,665	(8,447)	14,218	46	–	(217)	828	24,050	(9,175)	14,875
– Footpaths	4,320	(2,190)	2,130	14	–	(98)	121	4,590	(2,423)	2,167
– Stormwater drainage	25,783	(9,493)	16,290	79	–	(254)	948	27,385	(10,324)	17,061
– Water supply network	29,812	(6,801)	23,011	1,354	–	(181)	1,763	33,463	(7,515)	25,948
– Sewerage network	32,222	(7,071)	25,151	880	–	(246)	1,925	35,581	(7,872)	27,709
– Swimming pools	6,275	(1,674)	4,601	444	–	(134)	–	6,719	(1,808)	4,911
– Other open space/recreational assets	7,060	(2,860)	4,200	329	–	(249)	(1,125)	5,368	(2,213)	3,155
– Other infrastructure	–	–	–	–	–	–	–	–	–	–
Other assets:										
– Aerodrome	17,988	(14,109)	3,879	872	–	(176)	253	19,957	(15,347)	4,610
– Intangibles	815	(723)	92	230	–	(54)	–	1,046	(777)	269
– Remediation Assets	1,792	(170)	1,622	–	–	–	–	1,792	(170)	1,622
Total infrastructure, property, plant and equipment	500,423	(140,398)	360,025	17,234	(25)	(7,727)	33,667	560,973	(157,992)	402,981

(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 2021			Asset movements during the reporting period					At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Carrying value of disposals	Depreciation expense	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000											
Capital work in progress	5,880	–	5,880	4,043	–	–	–	–	9,923	–	9,923
Plant and equipment	16,557	(8,982)	7,575	668	(270)	(903)	–	–	16,694	(9,624)	7,070
Office equipment	1,282	(947)	335	13	–	(62)	–	–	1,295	(1,009)	286
Furniture and fittings	329	(284)	45	–	–	(7)	–	–	329	(291)	38
Land:											
– Operational land	4,569	–	4,569	–	–	–	233	–	4,802	–	4,802
– Community land	2,246	–	2,246	–	–	–	–	–	2,246	–	2,246
Infrastructure:											
– Buildings – non-specialised	5,642	(3,104)	2,538	22	–	(183)	–	410	6,642	(3,855)	2,787
– Buildings – specialised	34,076	(18,554)	15,522	46	(87)	(871)	–	2,509	40,580	(23,461)	17,119
– Other structures	5,328	(1,731)	3,597	28	(1)	(181)	47	398	6,045	(2,157)	3,888
– Roads	233,667	(39,654)	194,013	4,611	–	(1,970)	–	20,017	263,135	(46,463)	216,672
– Bridges	20,454	(7,424)	13,030	–	–	(199)	–	1,387	22,665	(8,447)	14,218
– Footpaths	3,880	(1,883)	1,997	18	–	(93)	–	208	4,320	(2,190)	2,130
– Stormwater drainage	23,268	(8,333)	14,935	156	–	(390)	–	1,589	25,783	(9,493)	16,290
– Water supply network	32,097	(14,518)	17,579	373	–	(569)	–	5,628	29,812	(6,801)	23,011
– Sewerage network	29,756	(10,250)	19,506	151	–	(478)	(233)	6,205	32,222	(7,071)	25,151
– Swimming pools	5,035	(1,418)	3,617	742	(14)	(160)	–	416	6,275	(1,674)	4,601
– Other open space/recreational assets	5,767	(2,354)	3,413	353	–	(206)	206	434	7,060	(2,860)	4,200
– Other infrastructure	414	(149)	265	–	–	(12)	(253)	–	–	–	–
Other assets:											
– Aerodrome	16,236	(13,276)	2,960	706	–	(153)	–	366	17,988	(14,109)	3,879
– Intangibles	1,062	(766)	296	17	(144)	(77)	–	–	815	(723)	92
– Remediation Assets	1,726	(170)	1,556	66	–	–	–	–	1,792	(170)	1,622
Total infrastructure, property, plant and equipment	449,271	(133,797)	315,474	12,013	(516)	(6,514)	–	39,567	500,423	(140,398)	360,025

(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)

Accounting policy

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

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

A desktop review was performed by Council at 30 June 2023 and the carrying amount of other infrastructure, property, plant and equipment assets were adjusted based on the construction price indexes published by the ABS.

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

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.

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 20
Computer equipment	1 to 4		
Vehicles	5 to 20	Buildings	
Heavy plant/road making equipment	5 to 20	Buildings: masonry	50 to 100
Other plant and equipment	5 to 50	Buildings: other	20 to 40
		Stormwater assets	
Water and sewer assets		Drains	80 to 100
Dams and reservoirs	80 to 100	Culverts	50 to 100
Bores	20 to 40	Flood control structures	80 to 100
Reticulation pipes: PVC	70 to 80		
Reticulation pipes: other	25 to 100		
Pumps and telemetry	15 to 75		
		Other infrastructure assets	
Transportation assets		Bulk earthworks	infinite
Sealed roads: surface	15 to 100	Swimming pools	50 to 70
Sealed roads: structure	20 to 100	Other open space/recreational assets	10 to 100
Unsealed roads	10 to 30	Other infrastructure	50 to 100
Bridge: concrete	80 to 300		
Bridge: other	50 to 80		
Road pavements	60 to 100		
Kerb, gutter and footpaths	40 to 100		

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

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

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

Crown reserves

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

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

Rural Fire Service assets

Council's financial statements are prepared in accordance with:

- Local Government Act 1993
- Australian Accounting Standards and other pronouncements
- Local Government Code of Accounting Practice and Financial Reporting

Australian accounting standards prevail over other agreements and acts. Section 119 of the *Rural Fire Services Act 1997 (NSW)*, states "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".

These Rural Fire Service assets are recognised as assets of the Council in these financial statements.

C2 Liabilities of Council

C2-1 Payables

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Goods and services – operating expenditure	1,511	–	1,564	–
Accrued expenses:				
– Borrowings	2	–	4	–
– Salaries and wages	193	–	193	–
– Other expenditure accruals	2	–	–	–
Other	74	–	190	–
Prepaid rates	383	–	403	–
Total payables	2,165	–	2,354	–

Accounting policy

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

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.

C2-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	7,385	-	1,225	-
Total grants received in advance		7,385	-	1,225	-
Total contract liabilities		7,385	-	1,225	-
Contract liabilities relating to restricted assets					
Externally restricted assets					
Unspent grants held as contract liabilities (excl. Water & Sewer)		6,984	-	1,225	-
Contract liabilities relating to externally restricted assets		6,984	-	1,225	-
Total contract liabilities relating to restricted assets		6,984	-	1,225	-
Total contract liabilities relating to unrestricted assets		401	-	-	-
Total contract liabilities		7,385	-	1,225	-

Significant changes in contract liabilities

Deposits were received in advance from the Federal Government for the upgrade and construction of roads and footpaths and construction and reseal of aerodrome taxiway. Construction works to these assets will be completed within the next 12 months.

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C2-3 Borrowings

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Loans – secured ¹	1,267	3,744	1,134	3,714
Total borrowings	1,267	3,744	1,134	3,714

(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 E1-1.

(a) Changes in liabilities arising from financing activities

\$ '000	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	4,848	163	-	-	-	-	5,011
Lease liability (Note C2-1b)	-	-	-	-	-	-	-
Total liabilities from financing activities	4,848	163	-	-	-	-	5,011

continued on next page ...

C2-3 Borrowings (continued)

	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	4,774	74	–	–	–	–	4,848
Lease liability (Note C2-1b)	28	(28)	–	–	–	–	–
Total liabilities from financing activities	4,802	46	–	–	–	–	4,848

C2-3 Borrowings (continued)

(b) Financing arrangements

\$ '000	2023	2022
Total facilities		
Credit cards/purchase cards	60	60
Total financing arrangements	60	60
Undrawn facilities		
– Credit cards/purchase cards	60	60
Total undrawn financing arrangements	60	60

Additional financing arrangements information**Breaches and defaults**

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

Accounting policy

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

C2-4 Employee benefit provisions

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Annual leave	511	–	585	–
Long service leave	866	46	967	51
Other leave	28	–	54	–
ELE on-costs	6	–	153	4
Total employee benefit provisions	1,411	46	1,759	55

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

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	567	652
	567	652

Description of and movements in provisions

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

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

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C2-5 Provisions

\$ '000	2023	2023	2022	2022
	Current	Non-Current	Current	Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	2,018	–	1,969
Sub-total – asset remediation/restoration	–	2,018	–	1,969
Total provisions	–	2,018	–	1,969

C2-5 Provisions (continued)

Description of and movements in provisions

\$ '000	Asset remediation	Net carrying amount
as at 30/06/23		
At beginning of year	1,969	1,969
Additional provisions	-	-
Amounts used (payments)	-	-
Other	49	49
Total other provisions at end of year	2,018	2,018
as at 30/06/22		
At beginning of year	1,921	1,921
Additional provisions	-	-
Amounts used (payments)	-	-
Other	48	48
Total other provisions at end of year	1,969	1,969

Accounting policy

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.

C3 Reserves

C3-1 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 2023	Water 2023	Sewer 2023
Income from continuing operations			
Rates and annual charges	7,774	849	1,253
User charges and fees	1,907	1,519	575
Interest and investment revenue	1,205	92	83
Other revenues	445	–	1
Grants and contributions provided for operating purposes	9,905	94	–
Grants and contributions provided for capital purposes	6,542	220	–
Net gains from disposal of assets	210	–	–
Other income	299	–	–
Total income from continuing operations	28,287	2,774	1,912
Expenses from continuing operations			
Employee benefits and on-costs	6,883	439	184
Materials and services	6,978	1,607	715
Borrowing costs	110	–	–
Depreciation, amortisation and impairment of non-financial assets	7,300	181	246
Other expenses	1,211	–	(17)
Total expenses from continuing operations	22,482	2,227	1,128
Operating result from continuing operations	5,805	547	784
Net operating result for the year	5,805	547	784
Net operating result attributable to each council fund	5,805	547	784
Net operating result for the year before grants and contributions provided for capital purposes	(737)	327	784

D1-2 Statement of Financial Position by fund

ASSETS

Current assets

Cash and cash equivalents	22,638	–	5,829
Investments	(1,620)	(203)	1,823
Receivables	1,278	576	378
Inventories	2,140	–	–
Contract assets and contract cost assets	5,550	–	–
Other	89	–	–
Total current assets	30,075	373	8,030

Non-current assets

Receivables	397	–	–
Inventories	4,194	–	–
Infrastructure, property, plant and equipment	345,781	28,653	28,547
Investments accounted for using the equity method	374	–	–
Investment property	48	–	–
Total non-current assets	350,794	28,653	28,547

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

\$ '000	General 2023	Water 2023	Sewer 2023
Total assets	380,869	29,026	36,577
LIABILITIES			
Current liabilities			
Payables	2,165	-	-
Contract liabilities	7,385	-	-
Borrowings	1,267	-	-
Employee benefit provision	1,411	-	-
Total current liabilities	12,228	-	-
Non-current liabilities			
Borrowings	3,744	-	-
Employee benefit provision	46	-	-
Provisions	2,018	-	-
Total non-current liabilities	5,808	-	-
Total liabilities	18,036	-	-
Net assets	362,833	29,026	36,577
EQUITY			
Accumulated surplus	142,624	11,209	12,440
Revaluation reserves	220,210	17,815	24,138
Council equity interest	362,834	29,024	36,578
Total equity	362,834	29,024	36,578

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

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

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

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

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

\$ '000	Carrying value 2023	Carrying value 2022	Fair value 2023	Fair value 2022
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	28,467	4,543	28,467	4,543
Receivables	2,629	4,276	2,246	4,222
Fair value through profit and loss				
Investments				
– Held for trading	–	19,598	–	19,598
Total financial assets	31,096	28,417	30,713	28,363
Financial liabilities				
Payables	2,165	2,354	1,782	2,277
Loans/advances	5,011	4,848	5,011	4,852
Total financial liabilities	7,176	7,202	6,793	7,129

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and measure at amortised cost investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) **at fair value through profit and loss** or (ii) **at fair value through other comprehensive income** – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

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

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

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

The risks associated with the investments held are:

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

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

Council manages these risks (amongst other measures) 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 funds in cash equivalents and investments.

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
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	285	45
Impact of a 10% movement in price of investments		
– Equity / Income Statement	–	1,960

(b) Credit risk

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

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

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

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors. There are no material receivables that have been subjected to a re-negotiation of repayment terms.

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

A profile of Council's receivables credit risk at balance date follows:

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	Not yet overdue rates and annual charges			Total
	Not yet overdue	< 5 years	≥ 5 years	
2023				
Gross carrying amount	376	178	26	580
2022				
Gross carrying amount	292	173	22	487

Receivables - non-rates and annual charges and contract assets

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

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

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2023						
Gross carrying amount	6,835	12	19	116	699	7,681
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	2.70%	0.25%
ECL provision	–	–	–	–	82	82
2022						
Gross carrying amount	7,664	217	35	287	293	8,496
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	2.70%	0.09%
ECL provision	–	–	–	–	86	86

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

(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.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2023							
Payables	0.00%	–	1,782	–	–	1,782	2,165
Borrowings	3.10%	–	1,267	2,513	1,231	5,011	5,011
Total financial liabilities		–	3,049	2,513	1,231	6,793	7,176
2022							
Payables	0.00%	–	2,354	–	–	2,354	2,354
Borrowings	2.96%	–	1,134	3,056	658	4,848	4,848
Total financial liabilities		–	3,488	3,056	658	7,202	7,202

Loan agreement breaches

There have been no breaches to loan agreements during the reporting year.

Fair value measurement

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

– 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).

E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy									
		Date of latest valuation		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Recurring fair value measurements											
Financial assets											
Financial investments	C1-2										
– ‘Held for trading/fair value through profit or loss’		30/06/23	30/06/22	28,467	24,141	–	–	–	–	28,467	24,141
Total financial assets				28,467	24,141	–	–	–	–	28,467	24,141
Infrastructure, property, plant and equipment											
Operational land	C1-7	30/06/23	30/06/18	–	–	6,620	4,802	–	–	6,620	4,802
Community land		30/06/23	30/06/18	–	–	3,470	2,246	–	–	3,470	2,246
Buildings – non-specialised		30/06/23	30/06/18	–	–	–	–	4,369	2,787	4,369	2,787
Buildings – specialised		30/06/23	30/06/18	–	–	–	–	28,219	17,119	28,219	17,119
Other structures		30/06/23	30/06/19	–	–	–	–	4,502	3,888	4,502	3,888
Roads		30/06/20	30/06/20	–	–	–	–	229,528	216,672	229,528	216,672
Bridges		30/06/20	30/06/20	–	–	–	–	14,875	14,218	14,875	14,218
Footpaths		30/06/20	30/06/20	–	–	–	–	2,167	2,130	2,167	2,130
Stormwater drainage		30/06/20	30/06/20	–	–	–	–	17,061	16,290	17,061	16,290
Water supply network		30/06/22	30/06/22	–	–	–	–	25,948	23,011	25,948	23,011
Sewerage network		30/06/22	30/06/22	–	–	–	–	27,709	25,151	27,709	25,151
Swimming pools		30/06/23	30/06/19	–	–	–	–	4,911	4,601	4,911	4,601
Other open space/recreational assets		30/06/23	30/06/19	–	–	–	–	3,155	4,200	3,155	4,200
Other infrastructure		30/06/23	30/06/20	–	–	–	–	–	–	–	–
Aerodrome		30/06/19	30/06/19	–	–	–	–	4,610	3,879	4,610	3,879
Total infrastructure, property, plant and equipment				–	–	10,090	7,048	367,054	333,946	377,144	340,994

E2-1 Fair value measurement (continued)

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

Valuation techniques

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

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

Infrastructure, property, plant and equipment (IPPE)

Plant and equipment, office equipment and furniture and fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value, with depreciation rates applicable to the nature of the items. Examples of assets within these classes are as follows:

- Plant and Equipment - Graders, trucks, rollers, tractors, mowers and motor vehicles.
- Office Equipment - Computer Servers, surveillance equipment, Software, photocopiers, radio equipment etc.
- Furniture & Fittings - Desks, Cabinets, Ergonomic chairs

Operational and community land

Operational Land is based on the Land Value provided by an external Valuer in 2023. It is based on average unit rate based on the Land Value for similar properties, having regard to the highest and best use for the land. Community Land has been valued in 2023 using valuations of the Valuer General.

Buildings – non-specialised and specialised

Non-Specialised & Specialised Buildings values were provided by an external Valuer in 2023. The approach estimated the replacement cost for each building by componentising the building into significant parts and taking into account asset condition and remaining useful life. While all buildings were physically inspected and the unit rates based on square metres no market based evidence (Level 2) could not be established. As such these assets were classified as having been valued as Level 3 valuation inputs.

Other structures

Other Structures comprise of telemetry systems, cemetery, sale yards, waste facilities, and the family day care etc. The cost approach has been utilised whereby replacement cost was estimated for each asset by taking into account a range of factors including asset condition and remaining useful life. Other Structures were revalued externally during 2022/23 by AssetVal Pty Ltd using the brownfield approach.

Roads

Roads were externally valued using the brownfield approach during 19/20 by AssetVal Pty Ltd, major changes include giving road pavement and Seal a long life and a short life component, and separating the floodways which have shorter lives. Market based evidence (level 2) were used for Gravel pavement, Seal, Culverts, Footpath, and K&G. This asset class was indexed at 30 June 2023 using the construction price indexes published by the ABS.

Bridges

Bridges were externally valued using the brownfield approach during 19/20 by AssetVal Pty Ltd, major changes include componentising bridges from one asset into components, Substructure, superstructure, abutments etc. Major Culverts over 6m long were considered bridges and transferred from stormwater into bridges. This asset class was indexed at 30 June 2023 using the construction price indexes published by the ABS.

Footpaths

Footpaths were externally valued using the brownfield approach during 19/20 by AssetVal Pty Ltd, Market based evidence (level 2) were used for concrete Footpaths and cycleways. The cost approach has been utilised whereby replacement cost was estimated for each asset by taking into account a range of factors including asset condition and remaining useful life. This asset class was indexed at 30 June 2023 using the construction price indexes published by the ABS.

Stormwater drainage

Stormwater assets were externally valued using the brownfield approach during 19/20 by AssetVal Pty Ltd, with previously unaccounted for assets now valued Market based evidence (level 2) were used for culverts, and K&G. The cost approach has been utilised whereby replacement cost was estimated for each asset by taking into account a range of factors including asset condition and remaining useful life. This asset class was indexed at 30 June 2023 using the construction price indexes published by the ABS.

Water supply network

Assets in this class comprise of pipes, valves, pumps, bores, and reservoirs and are valued using the brownfield and cost approach. The Water Network values were provided by APV Valuers in 2022. The unit rates are based on linear metres of

E2-1 Fair value measurement (continued)

certain diameter pipes and prices per pit or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. This asset class is indexed each year in line with the NSW Reference Rates Manual as published by the Office of Water.

E2-1 Fair value measurement (continued)

Sewerage network

Assets in this class comprise of Treatment Plants, Pumping stations, sewerage pipelines and Manholes and are valued using the brownfield and cost approach. The Sewerage Network values were provided by APV Valuers in 2022. The unit rates are based on linear metres of certain diameter pipes and prices per treatment item or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. This asset class is indexed each year in line with the NSW Reference Rates Manual as publish by the Office of Water.

Open space recreation

Assets within this class comprise playground equipment, softfall surfaces, shade structures, irrigation, fencing, lighting, furniture, sculptures and monuments etc. and are valued using the cost approach whereby replacement cost was estimated for each asset by taking into account a range of factors including asset condition and remaining useful life. All Open Space Recreation Assets were last revalued externally during 2022/23 by AssetVal Pty Ltd using the brownfield approach.

Aerodrome

Assets within this class comprise the Aerodrome sealed runways at Narromine along with associated furniture, signage, lighting, fencing, and control structures and are valued using the cost approach whereby replacement cost was estimated for each asset by taking into account a range of factors including asset condition and remaining useful life. All assets were last valued externally during 2018/19 by AssetVal Pty Ltd using the brownfield approach. This asset class was indexed at 30 June 2023 using the construction price indexes published by the ABS.

Swimming pools

Assets within this class comprise the 50m 8 lane outdoor pool, and childrens pool at Narromine, and the 25m outdoor pool at Trangie with associated furniture, filtration systems etc and are valued using the cost approach whereby replacement cost was estimated for each asset by taking into account a range of factors including asset condition and remaining useful life. All assets were last valued externally during 2022/23 by AssetVal Pty Ltd using the brownfield approach.

The valuation process for level 3 fair value measurements

Fair Value - Valuation techniques

Class	Valuation Technique(s)	Unobservable Inputs
Plant, equipment, furniture, fittings and office 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	Market approach Land values obtain from NSW Valuer-General	Land value, land area, level of restriction
Buildings	Cost approach	Current replacement cost of modern equivalent asset using componentisation, asset condition, remaining lives, residual value, rates per m2
Roads, Bridges & Footpaths	Cost approach	Asset condition, remaining lives using componentisation, unit rates per m2 or length
Stormwater Drainage	Cost approach	Asset condition, remaining lives, unit rates per m2 or length
Water Supply Network	Cost approach	Asset condition, remaining lives using componentisation, unit rates per m2 or length
Sewerage Network	Cost approach	Asset condition, remaining lives using componentisation, unit rates per m2 or length
Swimming Pools, Other Open Space/Recreational Assets	Cost approach	Current replacement cost of modern equivalent asset using componentisation, asset condition, remaining lives, residual value, rates per m2
Other Infrastructure	Cost approach	Asset condition and remaining lives using componentisation
Aerodrome	Cost approach	Asset condition, remaining lives using componentisation

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	IPPE	
	2023	2022
Opening balance	348,387	309,969
Total gains or losses for the period		
Other movements		
Purchases (GBV)	10,783	7,887
Disposals (WDV)	(25)	(372)
Depreciation and impairment	(7,673)	(6,437)
Revaluation	33,895	37,340
Closing balance	385,367	348,387

Highest and best use

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

E3-1 Contingencies

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

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The scheme's most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme is a defined benefit plan that has been deemed to be a "multi-employer fund" for the purposes of AASB 119 Employee Benefits and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

Member councils are treated as Pooled Employers for the purpose of AASB119. Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

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

Division B	1.9 times employee contributions for non-180 Point Members; 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 8.0% of salaries for the year ended 30 June 2023 (increasing to 8.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to member's defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. 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 and monitored annually between triennials.

As stated 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.

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 the entity.

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

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

E3-1 Contingencies (continued)

The plan is a defined benefit plan. However, 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). As such, there is not sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of superannuation expenses at Note B3-1 for the year ending 30 June 2022 was \$ 90,377.92.

The last valuation of the scheme was performed by Mr Richard Boyfield FIAA (AFS Licence # 411770) as at 30 June 2022.

Council's expected contribution to the Fund for the next annual reporting period is \$77,787.00.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2022 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,290.9	
Past Service Liabilities	2,236.1	102.4%
Vested Benefits	2,253.6	101.7%

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

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

Investment return	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	6.0% per annum for FY 22/23 2.5% per annum thereafter

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.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2023.

Council's additional lump sum contribution per annum of 0.10% of the total additional lump sum contributions for all Pooled Employers (of \$40m each year from 1 July 2019 to 31 December 2021 and \$20m for each year from 1 January 2022 to 31 December 2024) provides an indication of the level of participation of that employer compared with other employers in the Pooled Employer sub group.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

E3-1 Contingencies (continued)

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

2. Other liabilities

(iv) Third party claims

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

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

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

\$ '000	2023	2022
Compensation:		
Short-term benefits	1,086	880
Post-employment benefits	262	182
Total	1,348	1,062

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.

Nature of the transaction	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions
\$ '000				
2023				
Office Supplies	1	-	-	30 days
2022				
Office Supplies	1	9	-	30 days

1 Council makes ad hoc purchases from Stationery Store Online, a company which is controlled by a member of the KMP of the previous council. The total annual contract value is around \$32,000 and purchases are made in accordance with the Procurement policy and based on market rates.

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2023	2022
Mayoral fee	26	27
Councillors' fees	111	104
Other Councillors' expenses (including Mayor)	36	28
Total	173	159

F1-3 Other related parties

\$ '000	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions
2023				
Library Services	3	354	–	30 days
2022				
Library Services	3	334	–	30 days

- 3 Council has joined with Western Plains Regional Council and Warrumbungle Shire Council to form a Joint Venture arrangement called Macquarie Regional Library. Council contributes a proportion of the costs of the entity and receives a share of profits and net assets.

F2 Other relationships

F2-1 Audit fees

\$ '000	2023	2022
---------	------	------

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

68	66
68	66
68	66

Total Auditor-General remuneration

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
Net operating result from Income Statement	7,136	8,114
Add / (less) non-cash items:		
Depreciation and amortisation	7,727	6,514
(Gain) / loss on disposal of assets	(210)	(481)
Non-cash capital grants and contributions	–	(35)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as 'at fair value' or 'held for trading'	–	1,591
Share of net (profits)/losses of associates/joint ventures using the equity method	(13)	(30)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	1,651	(1,821)
Increase / (decrease) in provision for impairment of receivables	(4)	27
(Increase) / decrease of inventories	(13)	(61)
(Increase) / decrease of other current assets	(39)	34
(Increase) / decrease of contract asset	(929)	(4,621)
Increase / (decrease) in payables	(53)	(354)
Increase / (decrease) in accrued interest payable	(2)	4
Increase / (decrease) in other accrued expenses payable	2	–
Increase / (decrease) in other liabilities	(136)	12
Increase / (decrease) in contract liabilities	6,160	1,225
Increase / (decrease) in employee benefit provision	(357)	134
Increase / (decrease) in other provisions	49	48
Net cash flows from operating activities	20,969	10,300

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Sewerage and water infrastructure	640	342
Buildings	105	1,110
Road infrastructure	10,552	1,376
Sports & Recreation	765	233
Other	1,417	1,677
Total commitments	13,479	4,738
These expenditures are payable as follows:		
Within the next year	13,479	4,738
Total payable	13,479	4,738

G3-1 Events occurring after the reporting date

Pre-amble

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

G4 Statement of developer contributions as at 30 June 2023

G4-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S7.12 levies – under a plan	244	78	–	–	–	–	–	322	–
Total S7.11 and S7.12 revenue under plans	244	78	–	–	–	–	–	322	–
S64 contributions	393	188	–	–	–	–	–	581	–
Total contributions	637	266	–	–	–	–	–	903	–

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

S7.12 Levies – under a plan

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S7.12 LEVIES – UNDER A PLAN									
Drainage	10	–	–	–	–	–	–	10	–
Roads	8	–	–	–	–	–	–	8	–
Open space	26	–	–	–	–	–	–	26	–
Community facilities	200	78	–	–	–	–	–	278	–
Total	244	78	–	–	–	–	–	322	–

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022 2021		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	110	0.42%	0.58%	5.35%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	25,918				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	15,919	48.71%	45.97%	46.91%	> 60.00%
Total continuing operating revenue ¹	32,680				
3. Unrestricted current ratio					
Current assets less all external restrictions	22,589	4.83x	4.59x	3.22x	> 1.50x
Current liabilities less specific purpose liabilities	4,677				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	7,947	6.53x	4.57x	7.10x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	1,217				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	773	7.28%	6.43%	7.94%	< 10.00%
Rates and annual charges collectable	10,614				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	28,467	17.33	2.88	3.71	> 3.00
Monthly payments from cash flow of operating and financing activities	1,643	months	months	months	months

(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
	2023	2022	2023	2022	2023	2022	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(4.67)%	5.02%	12.80%	(18.32)%	41.00%	(28.98)%	> 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	41.25%	40.23%	88.68%	79.62%	100.00%	98.80%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	4.83x	4.59x	∞	26.89x	∞	∞	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	5.27x	4.37x	∞	∞	∞	∞	> 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	9.08%	7.89%	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	13.78	2.88	∞	∞	∞	∞	> 3.00
Monthly payments from cash flow of operating and financing activities	months	months					months

(1) - (2) Refer to Notes at Note 23a above.

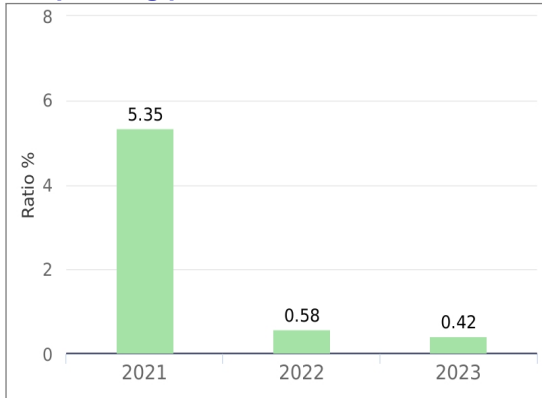
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2022/23 result	
2022/23 ratio	0.42%

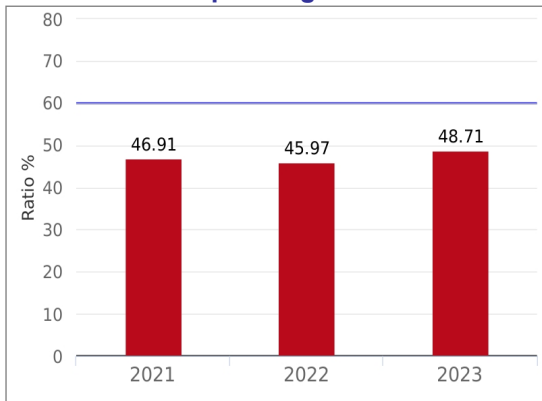
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2022/23 result	
2022/23 ratio	48.71%

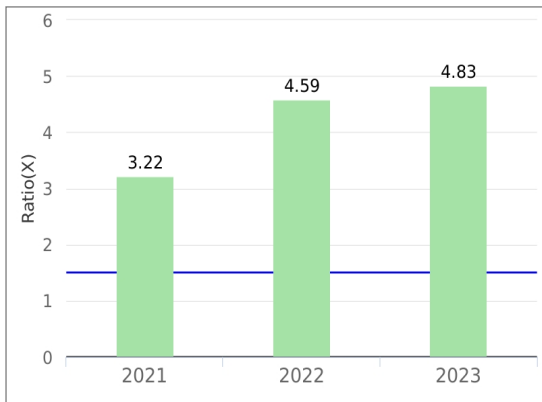
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result	
2022/23 ratio	4.83x

Benchmark: — > 1.50x

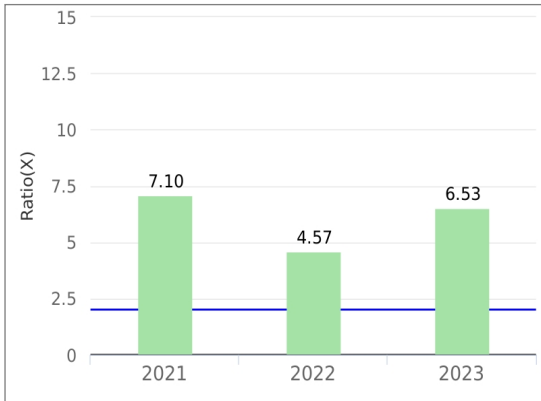
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2022/23 result	
2022/23 ratio	6.53x

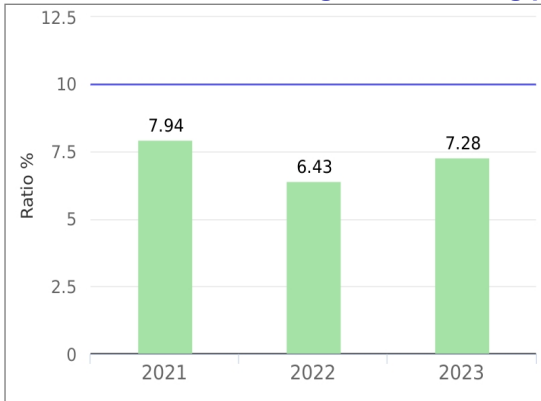
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result	
2022/23 ratio	7.28%

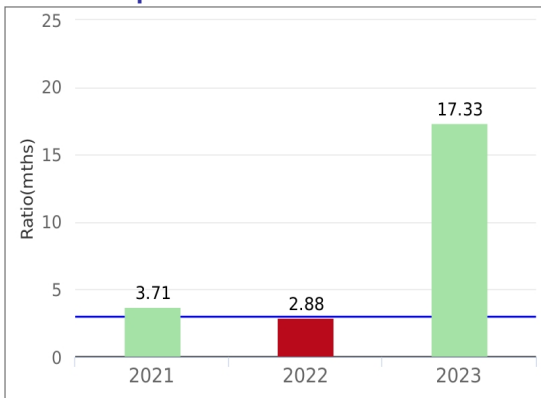
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2022/23 result	
2022/23 ratio	17.33 months

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Narromine Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Independent Auditor's Reports:

On the Financial Statements (Sect 417 [2])

Independent Auditor's Report

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

Narromine Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Independent Auditor's Reports: (continued)

On the Financial Statements (Sect 417 [3])

Independent Auditor's Report

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

Narromine Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2023

*To enhance our Shire's image, lifestyle and environment
through effective leadership, community involvement and
commitment to service.*



Narromine Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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Background

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

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Narromine Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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*,
- the NSW Office of *Water Best-Practice Management of Water and Sewerage Guidelines*.

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, and
- accord with Council's accounting and other records.
- 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 13 September 2023.

Cr Craig Davies
Mayor
13 September 2023

Cr Dawn Collins
Councillor
13 September 2023

Jane Redden
General Manager
13 September 2023

Barry Bonthuys
Responsible Accounting Officer
13 September 2023

Narromine Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2023

\$ '000	2023	2022
Income from continuing operations		
Access charges	849	732
User charges	1,465	1,231
Fees	54	19
Interest and investment income	92	18
Grants and contributions provided for operating purposes	94	20
Total income from continuing operations	2,554	2,020
Expenses from continuing operations		
Employee benefits and on-costs	439	381
Materials and services	1,607	1,306
Depreciation, amortisation and impairment	181	570
Share of loss from equity accounted investment	-	133
Total expenses from continuing operations	2,227	2,390
Surplus (deficit) from continuing operations before capital amounts	327	(370)
Grants and contributions provided for capital purposes	220	492
Surplus (deficit) from continuing operations after capital amounts	547	122
Surplus (deficit) from all operations before tax	547	122
Less: corporate taxation equivalent (26%) [based on result before capital]	(82)	-
Surplus (deficit) after tax	465	122
Plus accumulated surplus	13,487	13,365
Plus adjustments for amounts unpaid:		
- Corporate taxation equivalent	82	-
Closing accumulated surplus	14,034	13,487
Return on capital %	1.1%	(1.5)%
Subsidy from Council	825	1,293
Calculation of dividend payable:		
Surplus (deficit) after tax	465	122
Less: capital grants and contributions (excluding developer contributions)	(220)	(492)
Surplus for dividend calculation purposes	245	-
Potential dividend calculated from surplus	123	-

Narromine Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2023

\$ '000	2023	2022
Income from continuing operations		
Access charges	1,253	1,221
User charges	553	314
Liquid trade waste charges	22	13
Interest and investment income	83	10
Grants and contributions provided for operating purposes	–	19
Other income	1	–
Total income from continuing operations	1,912	1,577
Expenses from continuing operations		
Employee benefits and on-costs	184	200
Materials and services	715	791
Depreciation, amortisation and impairment	246	479
Share of loss from equity accounted investment	–	567
Other expenses	(17)	(3)
Total expenses from continuing operations	1,128	2,034
Surplus (deficit) from continuing operations before capital amounts	784	(457)
Surplus (deficit) from continuing operations after capital amounts	784	(457)
Surplus (deficit) from all operations before tax	784	(457)
Less: corporate taxation equivalent (26%) [based on result before capital]	(196)	–
Surplus (deficit) after tax	588	(457)
Plus accumulated surplus	11,354	11,811
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	196	–
Closing accumulated surplus	12,138	11,354
Return on capital %	2.7%	(1.8)%
Subsidy from Council	364	1,404
Calculation of dividend payable:		
Surplus (deficit) after tax	588	(457)
Surplus for dividend calculation purposes	588	–
Potential dividend calculated from surplus	294	–

Narromine Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2023

\$ '000	2023	2022
ASSETS		
Current assets		
Investments	(203)	1,155
Receivables	576	539
Total current assets	373	1,694
Non-current assets		
Receivables	–	104
Infrastructure, property, plant and equipment	28,653	25,230
Total non-current assets	28,653	25,334
Total assets	29,026	27,028
LIABILITIES		
Current liabilities		
Payables	–	63
Total current liabilities	–	63
Total liabilities	–	63
Net assets	29,026	26,965
EQUITY		
Accumulated surplus	11,209	10,910
Revaluation reserves	17,815	16,055
Total equity	29,024	26,965

Narromine Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2023

\$ '000	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	5,829	–
Investments	1,823	7,007
Receivables	378	299
Total current assets	8,030	7,306
Non-current assets		
Receivables	–	56
Infrastructure, property, plant and equipment	28,547	25,875
Total non-current assets	28,547	25,931
Total assets	36,577	33,237
Net assets	36,577	33,237
EQUITY		
Accumulated surplus	12,440	11,024
Revaluation reserves	24,138	22,213
Total equity	36,578	33,237

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

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

The figures presented in these SPFS 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 (NSW), the *Local Government (General) Regulation 2005*, 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, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the NCP.

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 NCP 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, return 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)

Narromine Shire Council Water Supply

Comprising the whole of the operations and net assets of the water supply activities of Council servicing the towns of Narromine, Trangie, and Tomingley.

Narromine Shire Council Sewerage Service

Comprising the whole of the operations and net assets of the sewerage reticulation and treatment activities of Council servicing the towns of Narromine and Trangie.

Category 2

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

none

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.

Note – Significant Accounting Policies (continued)

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):

Notional rate applied (%)

Corporate income tax rate – 26%

Land tax – the first \$755,000 of combined land values attracts 0%. For the combined land values in excess of \$755,000 up to \$4,616,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,616,000 a premium marginal rate of 2.0% applies.

Payroll tax – 4.85% on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the DoI - Water, 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 NSW Office of Water Guidelines to as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

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

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate. For the 2021-22 income year companies that are base rate entities must apply the lower 26% company tax rate.

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

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 26% 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'.

Note – Significant Accounting Policies (continued)

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.77% at 30/6/22.

(iii) Dividends

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

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

Each dividend must be calculated and approved in accordance with the DoI - Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2023 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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

Narromine Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

Narromine Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2023

*To enhance our Shire's image, lifestyle and environment
through effective leadership, community involvement and
commitment to service.*



Narromine Shire Council

Special Schedules

for the year ended 30 June 2023

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Narromine Shire Council

Permissible income for general rates

\$ '000	Notes	Calculation 2022/23	Calculation 2023/24
Notional general income calculation ¹			
Last year notional general income yield	a	6,146	6,237
Plus or minus adjustments ²	b	64	10
Notional general income	c = a + b	6,210	6,247
Permissible income calculation			
Or rate peg percentage	e	0.70%	3.70%
Or plus rate peg amount	i = e x (c + g)	43	231
Sub-total	k = (c + g + h + i + j)	6,253	6,478
Plus (or minus) last year's carry forward total	l	(2)	16
Sub-total	n = (l + m)	(2)	16
Total permissible income	o = k + n	6,251	6,494
Less notional general income yield	p	6,237	6,498
Catch-up or (excess) result	q = o - p	16	(4)
Carry forward to next year ⁶	t = q + r + s	16	-

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)*.
- (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.

Permissible income for general rates

Permissible income for general rates: PLUS PDF inserted here

Council needs to uplift custom PDF here - please uplift via "PLUS PDF" choice in the Home/TOC screen

Narromine Shire Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring to the agreed level of service set by Council \$ '000	2022/23 Required maintenance ^a \$ '000	2022/23 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	32,588	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	–	32,588	–	0.0%	0.0%	0.0%	0.0%	0.0%
Other structures	Other structures	–	–	–	–	4,502	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	–	4,502	–	0.0%	0.0%	0.0%	0.0%	0.0%
Roads	Roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Unsealed roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Bridges	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Footpaths	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other road assets	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	246,570	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other road assets (incl. bulk earth works)	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-total	–	–	–	–	246,570	–	0.0%	0.0%	0.0%	0.0%	0.0%	
Water supply network	Water supply network	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	25,948	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	–	25,948	–	0.0%	0.0%	0.0%	0.0%	0.0%
Sewerage network	Sewerage network	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	27,709	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	–	27,709	–	0.0%	0.0%	0.0%	0.0%	0.0%
Stormwater drainage	Stormwater drainage	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	17,061	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	–	17,061	–	0.0%	0.0%	0.0%	0.0%	0.0%
Open space / recreational assets	Swimming pools	–	–	–	–	8,066	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other Open Space Recreational	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	–	–	8,066	–	0.0%	0.0%	0.0%	0.0%	0.0%

Narromine Shire Council

Report on infrastructure assets as at 30 June 2023 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring to the agreed level of service set by Council \$ '000	2022/23 Required maintenance ^a \$ '000	2022/23 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Other infrastructure assets	Other	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
	Total – all assets	-	-	-	-	362,444	-	0.0%	0.0%	0.0%	0.0%	0.0%

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

Infrastructure asset condition assessment 'key'

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

Narromine Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2023	Indicator 2023	Indicators		Benchmark
			2022	2021	
Buildings and infrastructure renewals ratio ¹					
Asset renewals ¹	-	0.00%	181.21%	166.57%	>= 100.00%
Depreciation, amortisation and impairment	6,528				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	-	0.00%	1.80%	2.09%	< 2.00%
Net carrying amount of infrastructure assets	378,579				
Asset maintenance ratio					
Actual asset maintenance	-	∞	67.96%	95.55%	> 100.00%
Required asset maintenance	-				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	-	∞	1.44%	1.55%	
Gross replacement cost	-				

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

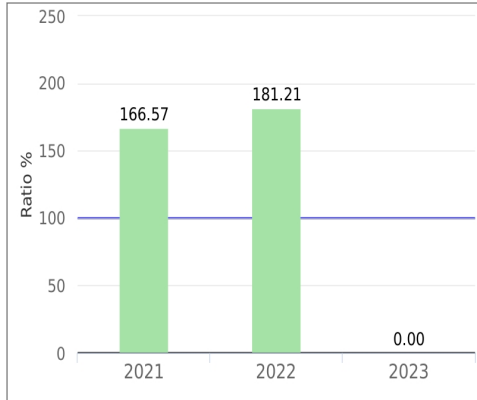
(1) Excludes WIP

(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.

Narromine Shire Council

Report on infrastructure assets as at 30 June 2023

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

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

Commentary on result	
22/23 ratio	0.00%

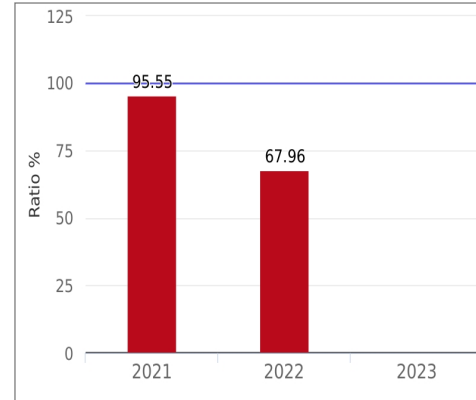
Benchmark: — $\geq 100.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

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

Commentary on result	
22/23 ratio	∞

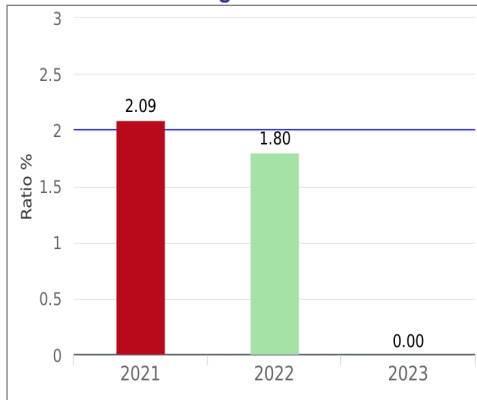
Benchmark: — $> 100.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

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

Commentary on result	
22/23 ratio	0.00%

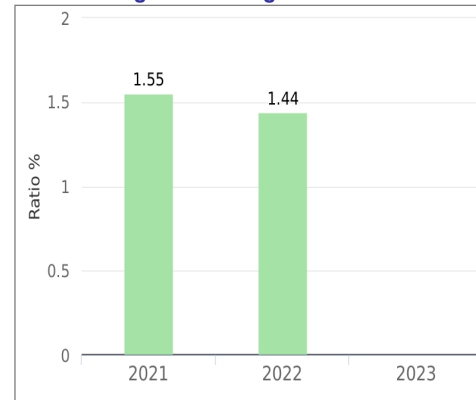
Benchmark: — $< 2.00\%$

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

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

Commentary on result	
22/23 ratio	∞

Narromine Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2023	2022	2023	2022	2023	2022	
Buildings and infrastructure renewals ratio ¹							
Asset renewals ¹							
Depreciation, amortisation and impairment	0.00%	225.70%	0.00%	0.00%	0.00%	0.00%	>= 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	0.00%	1.98%	0.00%	0.00%	0.00%	1.29%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	∞	60.75%	∞	104.03%	∞	88.82%	> 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	∞	1.61%	∞	0.00%	∞	1.00%	

(1) Excludes WIP

(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.

Application #	Organisation Name	Amount Requested (Ex GST)	Funds Rec'd Last Yr	Purpose of Donation/Waiver	Accessibility to other funding sources	Recommended Amount	Rationale
1	Trangie CWA	\$ 2,814.31	\$ 1,500.00	Donation of Rates equal to Council general rates for 33 Derribong Street, Trangie	Donations, raffles \$ Street Stalls	\$ 2,814.31	Community Service Group who rely on the support of the Trangie Community. Currently has 22 members.
2	Narromine Community Skills Project Inc	\$ 3,564.24	\$ -	Donation of the total rates levied for 139 Dandaloo Street, Narromine	Government Grants and Funding	\$ 2,671.24	Community Service Organisation providing service and activities to the community. Has 10 members locally with over 1500 participants. Works collaboratively with Council.
3	Dubbo Field & Game Association Inc	\$ 2,472.85	\$ -	Donation of the total rates levied for 1349 Tantitha Road, Narromine	Shooting competitions, sponsorship,	\$ -	The funds will be used to promote safe shooting and the NSW State Championship to be held in Dubbo in 2024. Sporting Club which benefits Club members. Limited benefit to the community. Did not provide Certificate of Currency. Currently has 82 members.
4	Western Rural Connect Inc	\$ 3,407.00	\$ -	Host New Years Eve post harvest event at the Narromine Showground. Funds will used for the hire of lighting, security and cooling. Request for venue hire fee of \$407.00,	Government Grants and Funding & Sponsorships	\$ 1,907.00	Western Rural Connect Inc is a recently formed organisation. The organisations mission is to encourage and enhance social connections within small rural communities. Suicide prevention is a worthwhile cause and this event will be at the forefront of this event. No bank or financial statements were provided but proof that a bank account has been opened. Has 14 members.
5	Narromine Hospital Auxiliary	\$ 2,000.00	\$ 2,000.00	Money to be used to purchase equipment for the Narromine Hospital which will benefit patients attending the hospital. No mention of specific item , quote for Simulator, Forearm Walker & Highback Chair.	Street Stalls, Raffles, Trivia Nights & Donations	\$ 1,500.00	Community Service Group who rely on the support of the Narromine Community. Although purchases are made out of Shire the local community will benefit from any purchase. Has 16 members.
6	Narromine Men's Shed	\$ 2,000.00	\$ 500.00	Money to be used for JR Richards skip bin fees & building repairs	Donations, Sale of refurbished goods	\$ 800.00	Community Service Organisation whose aim is to improve the health and wellbeing of its members. Money goes back into community. Has 38 members.
7	Macquarie Yabbies Swim Club Inc	\$ 2,500.00	\$ 1,800.00	To provide registration fee relief to families by subsidising the Swimming NSW participation fee component of the season participation fees.	donations, club membership & sporting grants	\$ -	Sporting Club which benefits Club members. No substantial benefit to the community. Club has 87 members.
8	Narromine Lions Club	\$ 1,500.00	\$ -	Provide a service to the elderly and those in need to collect unwanted household items and take to the tip. The funds will be used for tip fees.	Grants, donations, raffles & event catering	\$ 500.00	Community Service Group who rely on the support of the Narromine Community. Currently has 23 members.
9	Narromine Rotary Club	\$ 3,500.00	\$ -	To purchase small refrigerator which will be fitted in food van.	Grants, donations, raffles & event catering	\$ 1,000.00	Community Service Group who rely on the support of the Narromine Community. Currently has 8 members.
10	Narromine Junior Jets Rugby League Club	\$ 17,133.40	\$ -	Purchase equipment for canteen, specifically a deep fryer, deep freeze, shelving and shutters.	Sponsorships, canteen, donations, club membership & sporting grants	\$ 2,000.00	Junior Sporting Club with 240 members. Relies on canteen income which provides funding to support development of coaches and coaches as well as lowering registration fees for players.
11	Parkrun Australia - Narromine Wetlands Parkrun	\$ 3,000.00	\$ -	To erect permanent signage at the Narromine Wetlands to facilitate parkrun, fun runs and use by recreational runners by marking a 5km course.	Donations & sponsorships	\$ -	No Committee as such, run under the auspice of Parkrun Australia. Parklands events are run by volunteers and are open to anyone. Funds are not required until 2024/25 financial year. Average weekly finishers 41.2 . Refer to Dept Community & Economic Development for grant funding.
12	Orana Beekeepers Inc	\$ 600.00	\$ 400.00	Contribution would be used to assist in the payment of room hire to the Narromine Golf Club for the Organisations monthly meetings until the Tennis Club building .	Membership, Donations & Grants	\$ 400.00	Organisation formed with help from Landcare and has attracted interest from Narromine and surrounding areas. Offer free bee swarming service. Currently has 34 active members.
13	Narromine Junior Gorillas	\$ 1,000.00	\$ -	Money to be used on acquiring age specific essential gear that promotes skill development for the "Banana Club" which is aimed at 3-5 year olds.	Sponsorships, donations, club membership & sporting grants	\$ -	Junior Rugby Club with 80 members. Club had been dormant for many years but now have weekly training, monthly matches and have travelled to Gala Days. No financial information or bank account details provided.
14	Lions Club 201 N4 - Licola Disability Camp ¹	\$ 1,500.00	\$ -	Funds will be used to assist local young disabled people with fees associated with attending a special disability camp at Licola, Victoria	Camp registration fees, donations	\$ 1,500.00	Licola Camp Committee is a committee of the Lions Club. Their aim is to send disabled members of the community to a specialised camp to assist with the mental & physical development.
15	Narromine Jets & Tradies in Sight	\$ 2,000.00	\$ -	Hold a "Narromine Cares Day", a collaboration between Narromine Jets and local mental health and wellbeing organisation Tradies in Sight. Event will be held on 28/10/2023. Funds would be used to cover the costs of bacon & egg rolls, sugar cookies, coffee vouchers & customised silicone wrist bands.	Grant Funding	\$ 1,000.00	Joint Initiative between Narromine Jets and the Trades in Sight aimed at raising awareness of mental health issues and providing information and support . Has 100 members. No financial information provided as both entities have their own separate information. Certificate of Currency for Narromine Jets provided.
	TOTAL	\$ 42,613.25	\$ 4,700.00			\$ 16,092.55	

Attachment No 4 - Annual Donations

Entity / Organisation	2022-2023 Amount Ex GST	2023-2024 Amount Ex GST	Notes
Tomingley Advancement Association / Australia Day	\$ 500.00	\$ 500.00	Funds held by C & ED
Narromine Australia Day	\$ 500.00	\$ 500.00	Funds held by C & ED
Trangie Australia Day	\$ 500.00	\$ 500.00	Funds held by C & ED
Narromine District Cricket Association	\$ 1,000.00	\$ 1,000.00	EFT
Mungery Hall Trust	\$ 1,500.00	\$ 1,500.00	EFT
Western Regional Academy of Sport	\$ 350.00	\$ 350.00	EFT
Rotary Club of Narromine Inc / Lions Club/Venetian Carnival	\$ 2,727.27	\$ 2,727.27	Funds held by C & ED
Rotary Club of Narromine	\$ 3,000.00	\$ 3,000.00	EFT
	\$ 10,077.27	\$ 10,077.27	
Schools Donations Breakdown (GST Exclusive)	2022-2023 Amount Ex GST	2023-2024 Amount Ex GST	
Narromine Public School	\$ 100.00	\$ 100.00	EFT
Narromine High School	\$ 100.00	\$ 100.00	EFT
St Augustine's Parish School	\$ 100.00	\$ 100.00	EFT
Narromine Christian School	\$ 100.00	\$ 100.00	EFT
Trangie Central School	\$ 200.00	\$ 200.00	EFT
St Johns Trangie	\$ 100.00	\$ 100.00	EFT
Schools Donations	\$ 700.00	\$ 700.00	