



Greater  
Hume  
Council

Annexure 1



# Annual Financial Statements

For the year ended 30 June 2024





Greater  
Hume  
Council

Annexure 1



# General Purpose Financial Statements

For the year ended 30 June 2024

## Annexure 1

## General Purpose Financial Statements

for the year ended 30 June 2024

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**Overview**

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

39 Young Street  
Holbrook NSW 2644

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.greaterhume.nsw.gov.au](http://www.greaterhume.nsw.gov.au).

## General Purpose Financial Statements

for the year ended 30 June 2024

### Understanding Council's Financial Statements

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#### Introduction

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

#### What you will find in the Statements

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

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

## General Purpose Financial Statements

for the year ended 30 June 2024

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### 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 22 October 2024.

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Councillor Lea Parker  
**Mayor**  
22 October 2024

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Councillor Ben Hooper  
**Councillor**  
22 October 2024

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Evelyn Arnold  
**General Manager**  
22 October 2024

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Dean Hart  
**Responsible Accounting Officer**  
22 October 2024

## Greater Hume Shire Council

## Annexure 1

## Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Restated Actual 2023 <sup>1</sup>
<b>Income from continuing operations</b>				
13,351	Rates and annual charges	B2-1	<b>13,220</b>	12,612
7,676	User charges and fees	B2-2	<b>7,114</b>	7,715
969	Other revenues	B2-3	<b>1,771</b>	622
12,788	Grants and contributions provided for operating purposes	B2-4	<b>21,486</b>	23,516
13,206	Grants and contributions provided for capital purposes	B2-4	<b>12,501</b>	5,943
950	Interest and investment income	B2-5	<b>1,224</b>	1,053
–	Other income	B2-6	<b>224</b>	356
–	Net gain from the disposal of assets	B4-1	<b>369</b>	273
48,940	<b>Total income from continuing operations</b>		<b>57,909</b>	52,090
<b>Expenses from continuing operations</b>				
13,031	Employee benefits and on-costs	B3-1	<b>13,894</b>	13,196
13,169	Materials and services	B3-2	<b>16,919</b>	16,495
123	Borrowing costs	B3-3	<b>268</b>	117
10,210	Depreciation, amortisation and impairment of non-financial assets	B3-4	<b>14,160</b>	11,809
641	Other expenses	B3-5	<b>1,828</b>	1,447
37,174	<b>Total expenses from continuing operations</b>		<b>47,069</b>	43,064
11,766	<b>Net operating result for the year attributable to Council</b>		<b>10,840</b>	9,026
(1,440)	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>(1,661)</b>	3,083

(1) Refer to Note G4-2 for prior period errors

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



## Greater Hume Shire Council

Annexure 1

## Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	Restated 2023
<b>Net operating result for the year – from Income Statement</b>		<b>10,840</b>	9,026
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain on revaluation of infrastructure, property, plant and equipment	C1-6	<u>88,103</u>	67,017
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>88,103</b>	67,017
<b>Total other comprehensive income for the year</b>		<b>88,103</b>	67,017
<b>Total comprehensive income for the year attributable to Council</b>		<b>98,943</b>	76,043

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

## Greater Hume Shire Council

## Annexure 1

## Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	Restated 2023 <sup>1</sup>	1 July 2022
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	C1-1	11,039	12,804	8,621
Investments	C1-2	16,208	18,324	15,177
Receivables	C1-4	12,935	6,570	7,994
Inventories	C1-5	4,904	2,921	2,510
<b>Total current assets</b>		<b>45,086</b>	<b>40,619</b>	<b>34,302</b>
<b>Non-current assets</b>				
Investments	C1-2	2,500	7,000	7,000
Receivables	C1-4	49	69	12
Infrastructure, property, plant and equipment (IPPE)	C1-6	856,401	758,943	688,726
Intangible assets	C1-7	8	47	86
Right of use assets	C2-1	1	13	33
<b>Total non-current assets</b>		<b>858,959</b>	<b>766,072</b>	<b>695,857</b>
<b>Total assets</b>		<b>904,045</b>	<b>806,691</b>	<b>730,159</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	C3-1	7,449	4,264	4,264
Contract liabilities	C3-2	2,256	6,014	4,433
Lease liabilities	C2-1	16	14	21
Borrowings	C3-3	652	659	657
Employee benefit provisions	C3-4	3,642	3,666	3,724
Asset Remediation Provision	C3-5	2,059	–	–
<b>Total current liabilities</b>		<b>16,074</b>	<b>14,617</b>	<b>13,099</b>
<b>Non-current liabilities</b>				
Lease liabilities	C2-1	–	1	16
Borrowings	C3-3	2,332	2,985	4,026
Employee benefit provisions	C3-4	231	195	194
Asset Remediation Provision	C3-5	2,875	5,303	5,277
<b>Total non-current liabilities</b>		<b>5,438</b>	<b>8,484</b>	<b>9,513</b>
<b>Total liabilities</b>		<b>21,512</b>	<b>23,101</b>	<b>22,612</b>
<b>Net assets</b>		<b>882,533</b>	<b>783,590</b>	<b>707,547</b>
<b>EQUITY</b>				
Accumulated surplus		281,062	270,222	261,196
IPPE revaluation reserve		601,471	513,368	446,351
<b>Council equity interest</b>		<b>882,533</b>	<b>783,590</b>	<b>707,547</b>
<b>Total equity</b>		<b>882,533</b>	<b>783,590</b>	<b>707,547</b>

(1) Refer to Note G4-2 for prior period errors

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

## Greater Hume Shire Council

### Statement of Changes in Equity

for the year ended 30 June 2024

	Notes	2024			2023		
		Accumulated surplus <sup>1</sup>	IPPE revaluation reserve	Total equity	Accumulated surplus <sup>1</sup>	IPPE revaluation reserve	Total equity
\$ '000					Restated	Restated	Restated
<b>Restated opening balance at 1 July</b>		<b>270,222</b>	<b>513,368</b>	<b>783,590</b>	292,965	446,351	739,316
Correction of prior period errors	G4-2	–	–	–	(31,769)	–	(31,769)
<b>Net operating result for the year</b>		<b>10,840</b>	<b>–</b>	<b>10,840</b>	9,026	–	9,026
<b>Net operating result for the year</b>		<b>10,840</b>	<b>–</b>	<b>10,840</b>	<b>9,026</b>	<b>–</b>	<b>9,026</b>
<b>Other comprehensive income</b>							
– Gain on revaluation of infrastructure, property, plant and equipment	C1-6	–	<b>88,103</b>	<b>88,103</b>	–	67,017	67,017
<b>Other comprehensive income</b>		<b>–</b>	<b>88,103</b>	<b>88,103</b>	–	67,017	67,017
<b>Total comprehensive income</b>		<b>10,840</b>	<b>88,103</b>	<b>98,943</b>	9,026	67,017	76,043
<b>Closing balance at 30 June</b>		<b>281,062</b>	<b>601,471</b>	<b>882,533</b>	270,222	513,368	783,590

(1) Refer to Note G4-2 for prior period errors

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

## Greater Hume Shire Council

## Annexure 1

## Statement of Cash Flows

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
13,351	Rates and annual charges		13,088	12,664
7,676	User charges and fees		6,091	7,742
950	Interest received		662	723
25,994	Grants and contributions		26,351	33,293
–	Bonds, deposits and retentions received		936	–
969	Other		4,823	3,388
<i>Payments:</i>				
(13,031)	Payments to employees		(13,935)	(13,273)
(13,169)	Payments for materials and services		(20,200)	(19,313)
(123)	Borrowing costs		(194)	(92)
–	Bonds, deposits and retentions refunded		(560)	(165)
(641)	Other		(1,608)	(1,540)
21,976	<b>Net cash flows from / (used in) operating activities</b>	G1-1	<b>15,454</b>	<b>23,427</b>
<b>Cash flows from investing activities</b>				
<i>Receipts:</i>				
1,495	Sale of investments		19,554	18,610
170	Sale of real estate assets		692	858
176	Proceeds from sale of IPPE		699	633
10	Deferred debtors receipts		25	12
<i>Payments:</i>				
–	Purchase of investments		(12,938)	(21,757)
(22,021)	Payments for IPPE		(22,521)	(15,280)
–	Purchase of real estate assets		(2,058)	(1,219)
–	Deferred debtors and advances made		–	(40)
(20,170)	<b>Net cash flows from/ (used in) investing activities</b>		<b>(16,547)</b>	<b>(18,183)</b>
<b>Cash flows from financing activities</b>				
<i>Payments:</i>				
(634)	Repayment of borrowings		(660)	(1,039)
–	Principal component of lease payments		(12)	(22)
(634)	<b>Net cash flow from/(used in) financing activities</b>		<b>(672)</b>	<b>(1,061)</b>
1,172	<b>Net change in cash and cash equivalents</b>		<b>(1,765)</b>	<b>4,183</b>
1,878	Cash and cash equivalents at beginning of year		12,804	8,621
3,050	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>11,039</b>	<b>12,804</b>

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

## Greater Hume Shire Council

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## A About Council and these financial statements

Annexure 1

### A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 22 October 2024. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information related to these financial statements are set out below.

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993* (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) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (ii) estimated asset remediation provisions – refer Note C3-5
- (iii) employee benefit provisions – refer Note C3-4

Significant judgements in applying the Council's accounting policies;

- (i) impairment of receivables - refer Note C1-4
- (ii) Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* - refer to Notes B2-2 - B2-4.
- (iii) Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease - refer to Note C2-1.

#### **Monies and other assets received by Council**

##### **The Consolidated Fund**

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

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

- General purpose operations
- Water service
- Sewerage service.

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

- Bowna Wymah Community Committee
- Brocklesby Recreation Reserve Committee
- Brocklesby School of Arts

## A1-1 Basis of preparation (continued)

## Annexure 1

- Bungowannah Cemetery Committee
- Bungowannah Recreation Reserve Committee
- Burrumbuttock Cemetery Committee
- Burrumbuttock Public Hall Committee
- Burrumbuttock Recreation Reserve Committee
- Cookardinina Cemetery Committee
- Cookardinina Hall Committee
- Cookardinina Recreation Reserve Committee
- Culcairn Sportsground Committee
- Culcairn Station House Committee
- Culcairn Swimming Pool Committee
- Culcairn Tennis Court Committee
- Gerogery Hall Committee
- Gerogery West Tennis Club
- Goombargana Cemetery Committee
- Headlie Taylor Header Museum Committee
- Henty Park Tennis Committee
- Henty Showground Committee
- Holbrook Community Garden Committee
- Holbrook Sporting Complex Committee
- Jindera Community Garden Committee
- Jindera Multi-Purpose Stadium Committee
- Jindera Recreation Reserve Committee
- Jindera School of Arts Committee
- Jindera Swimming Pool Committee
- Lankeys Creek Hall Committee
- Little Billabong Hall Committee
- Walbundrie Recreation Ground Committee
- Walla Walla Community Hall Committee
- Walla Walla Heritage Conservation
- Walla Walla Sportsground Committee
- Walla Walla Swimming Pool Committee
- Wirraminna Environmental Education Centre
- Woomargama Hall Committee



## A1-1 Basis of preparation (continued)

## Annexure 1

### The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993*, a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

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.

### Volunteer services

Council relies on the support of volunteers to safeguard and maintain some of its important Council assets. Whilst this support is recognised as a significant contribution to Council, the value of such services cannot be reliably measured and are therefore not recognised in Council's income statement.

### New accounting standards adopted during the year

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

## 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.

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2024	2023	2024	2023 Restated	2024	2023 Restated	2024	2023	2024	2023 Restated
<b>\$ '000</b>										
<b>Functions or activities</b>										
Governance	49	169	1,361	1,195	(1,312)	(1,026)	22	118	37	43
Administration	1,293	1,487	2,345	3,395	(1,052)	(1,908)	71	36	41,338	46,770
Public order and safety	971	371	2,163	1,358	(1,192)	(987)	369	340	5,043	5,009
Health	165	188	174	195	(9)	(7)	–	–	–	–
Environment	3,806	1,923	1,754	2,089	2,052	(166)	2,191	635	5,910	4,703
Community services and education	4,857	4,149	4,755	4,369	102	(220)	3,107	2,622	9,476	8,783
Housing and community amenities	895	1,527	1,224	1,026	(329)	501	475	1,140	4,598	4,290
Water supplies	2,634	2,146	2,319	2,160	315	(14)	132	175	30,840	28,539
Sewerage services	2,128	1,973	1,957	1,896	171	77	201	74	46,217	43,434
Recreation and culture	1,978	1,480	5,461	4,997	(3,483)	(3,517)	1,528	1,736	60,722	59,554
Mining, manufacturing and construction	160	176	423	650	(263)	(474)	–	–	861	789
Transport and communication	20,969	16,749	22,109	18,665	(1,140)	(1,916)	19,333	13,538	687,762	595,354
Economic affairs	746	1,082	1,024	1,069	(278)	13	21	357	8,072	7,349
General purpose income	17,258	18,670	–	–	17,258	18,670	6,537	8,688	3,169	2,074
<b>Total functions and activities</b>	<b>57,909</b>	<b>52,090</b>	<b>47,069</b>	<b>43,064</b>	<b>10,840</b>	<b>9,026</b>	<b>33,987</b>	<b>29,459</b>	<b>904,045</b>	<b>806,691</b>

## B1-2 Components of functions or activities

## Annexure 1

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 policymaking committees, public disclosure (e.g. GIPA), and legislative compliance.

### Administration

Includes corporate support and other support services, engineering works, and any Council policy compliance.

### Public order and safety

Includes Council's fire protection, emergency services, enforcement of regulations and animal control.

### Health

Includes administration of health regulations.

### Environment

Includes noxious plants and insect/vermin control, other environmental protection, solid waste management including domestic waste, other waste management, other sanitation and garbage, street cleaning, drainage and stormwater management.

### Community services and education

Includes youth services, aged and disabled persons services and children's services including family day care and child care.

### Housing and community amenities

Includes public cemeteries, public conveniences, street lighting, town planning, and other community amenities including housing development and accommodation for families, aged persons, disabled persons, migrants and Indigenous persons.

### Water supplies

Includes the provision of reticulated water to villages in the Greater Hume Shire area.

### Sewerage services

Includes the provision of reticulated sewerage and common effluent services to villages in the Greater Hume Shire area.

### Recreation and culture

Includes public libraries; museums; art galleries, community centres and public halls, sporting grounds and venues, swimming pools, parks and gardens, and other sporting, recreational and cultural services.

### Mining, manufacturing and construction

Includes building control and quarries and pits.

### Transport and communication

Includes urban, rural and regional roads, including sealed and unsealed roads, bridges, footpaths, kerb and gutter, parking areas, and aerodromes. Also includes natural disaster repair works and Road Maintenance Council Contracts (RMCC) works.

### Economic affairs

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion, real estate development and other business undertakings.

### General purpose income

Includes general rates, general component of FAG and interest income.

## B2 Sources of income

Annexure 1

## B2-1 Rates and annual charges

\$ '000	2024	2023
<b>Ordinary rates</b>		
Residential	3,709	3,518
Farmland	5,855	5,585
Business	305	270
Less: pensioner rebates	(185)	(176)
<b>Rates levied to ratepayers</b>	<b>9,684</b>	<b>9,197</b>
Pensioner rate subsidies received	97	95
<b>Total ordinary rates</b>	<b>9,781</b>	<b>9,292</b>
<b>Annual charges (pursuant to s496, 496A, 496B, 501 &amp; 611)</b>		
Domestic waste management services	955	893
Water supply services	744	729
Sewerage services	1,526	1,490
Waste management services (not domestic)	196	183
Less: pensioner rebates	(49)	(50)
<b>Annual charges levied</b>	<b>3,372</b>	<b>3,245</b>
Pensioner annual charges subsidies received:		
– Water	13	30
– Sewerage	27	17
– Domestic waste management	27	28
<b>Total annual charges</b>	<b>3,439</b>	<b>3,320</b>
<b>Total rates and annual charges</b>	<b>13,220</b>	<b>12,612</b>

Council has used 01/07/2022 valuations provided by the NSW Valuer General in calculating its rates.

**Material accounting policy information**

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

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

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

## B2-2 User charges and fees

Annexure 1

\$ '000	Timing	2024	2023
<b>User charges</b>			
Domestic waste management services	2	169	155
Sewerage services	2	269	255
Waste management services (not domestic)	2	14	11
Water supply services	2	1,520	1,022
<b>Total user charges</b>		<b>1,972</b>	<b>1,443</b>
<b>Fees</b>			
Building regulation	2	146	161
Animal control	2	32	29
Health administration	2	140	163
Planning and building regulation	2	4	25
Section 10.7 certificates (EP&A Act)	2	35	37
Section 603 certificates	2	34	28
Tapping fees	2	71	78
Town planning	2	178	159
Aged care	2	38	50
Aged persons rents and fees	2	209	194
Caravan park	2	52	38
Child care	2	670	625
Cemeteries	2	91	70
Community centres	2	–	2
Family day care	2	711	582
Lease rentals	2	8	5
Leaseback fees – Council vehicles	2	81	76
Libraries	2	5	10
Private works	2	522	477
Recycling income (non-domestic)	2	91	100
Sports stadium	1	–	27
Swimming centres	2	102	89
Tourism	2	50	39
Transport for NSW (state roads not controlled by Council)	2	1,745	3,104
Other	2	127	104
<b>Total fees</b>		<b>5,142</b>	<b>6,272</b>
<b>Total user charges and fees</b>		<b>7,114</b>	<b>7,715</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised over time (1)		–	27
User charges and fees recognised at a point in time (2)		7,114	7,688
<b>Total user charges and fees</b>		<b>7,114</b>	<b>7,715</b>

**Material accounting policy information**

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

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

**B2-3 Other revenues****Annexure 1**

<b>\$ '000</b>	Timing	<b>2024</b>	<b>2023</b>
Advertising	2	<b>52</b>	40
Legal fees recovery – rates and charges (extra charges)	2	<b>63</b>	36
Commissions and agency fees	2	<b>58</b>	59
Legal fees recovery – other	2	<b>2</b>	1
Diesel rebate	2	<b>156</b>	61
Insurance claims recoveries	2	<b>8</b>	53
Reversal of provision for remediation/rehabilitation tips and quarries		<b>563</b>	–
Sales – miscellaneous	2	<b>29</b>	36
S355 Committee Income	2	<b>827</b>	326
Other	2	<b>13</b>	10
<b>Total other revenue</b>		<b>1,771</b>	<b>622</b>
<b>Timing of revenue recognition for other revenue</b>			
Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		<b>1,771</b>	622
<b>Total other revenue</b>		<b>1,771</b>	<b>622</b>

**Material accounting policy information for other revenue**

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

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

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

## B2-4 Grants and contributions

## Annexure 1

\$ '000	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
<b>General purpose grants and non-developer contributions (untied)</b>					
<b>General purpose (untied)</b>					
<b>Current year allocation</b>					
Financial assistance – general component	2	255	1,100	–	–
Financial assistance – local roads component	2	112	684	–	–
<b>Payment in advance - future year allocation</b>					
Financial assistance – general component	2	3,827	4,197	–	–
Financial assistance – local roads component	2	2,343	2,610	–	–
<b>Amount recognised as income during current year</b>		<b>6,537</b>	<b>8,591</b>	<b>–</b>	<b>–</b>
<b>Special purpose grants and non-developer contributions (tied)</b>					
<b>Cash contributions</b>					
Bushfire and emergency services	2	369	334	–	–
Bushfire Communities Resilience & Economic Recovery	1	–	–	–	–
Child care	2	3,069	2,546	–	–
Community centres	2	3	6	–	–
Crown Land	2	40	1	–	–
Drainage	1	–	–	2,158	516
Employment Subsidies	2	62	32	–	–
Floodplain management	2	(2)	36	–	–
Library	1	123	98	147	65
LCLI Interest Subsidy	2	15	16	–	–
LIRS Interest Subsidy	2	9	14	–	–
Other contributions	2	–	804	–	32
Natural disaster relief	2	7,372	7,296	1,104	–
Noxious weeds	2	32	97	–	–
Footpath	2	–	–	286	38
Public conveniences	1	–	–	–	80
Recreation and culture	1	4	–	769	605
S355 Committee Contributions	2	101	220	7	–
Tourism	2	–	23	–	–
Swimming pools	1	–	–	126	167
Rural Fire Service - Buildings & Amenities	2	–	–	–	6
Tourism and economic development	2	8	295	–	20
Transport (other roads and bridges funding)	1	–	–	5,997	2,362
Transport (roads to recovery)	2	1,782	1,036	–	–
Transport for NSW contributions (regional roads, block grant)	2	1,926	1,921	702	896
Water supplies	2	–	109	–	–
Youth services	1	36	41	–	–
<b>Total special purpose grants and non-developer contributions – cash</b>		<b>14,949</b>	<b>14,925</b>	<b>11,296</b>	<b>4,787</b>

## B2-4 Grants and contributions (continued)

Annexure 1

\$ '000	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
<b>Non-cash contributions</b>					
Recreation and culture	2	–	–	345	50
Roads and bridges	2	–	–	12	–
<b>Total other contributions – non-cash</b>		<b>–</b>	<b>–</b>	<b>357</b>	<b>50</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>		<b>14,949</b>	14,925	<b>11,653</b>	4,837
<b>Total grants and non-developer contributions</b>		<b>21,486</b>	23,516	<b>11,653</b>	4,837
<b>Comprising:</b>					
– Other funding		45	815	463	45
– Commonwealth funding		8,319	11,139	4,857	788
– State funding		13,122	11,562	6,333	4,004
		<b>21,486</b>	23,516	<b>11,653</b>	4,837



## B2-4 Grants and contributions (continued)

Annexure 1

## Developer contributions

\$ '000	Notes	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
<b>Developer contributions: (s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>						
	G5					
<b>Cash contributions</b>						
S 7.4 - voluntary planning agreement		2	-	-	150	700
S 7.12 – fixed development consent levies		2	-	-	249	262
S 64 – water supply contributions		2	-	-	132	36
S 64 – sewerage service contributions		2	-	-	174	57
Other developer contributions		2	-	-	143	51
<b>Total developer contributions – cash</b>			<b>-</b>	<b>-</b>	<b>848</b>	<b>1,106</b>
<b>Total developer contributions</b>			<b>-</b>	<b>-</b>	<b>848</b>	<b>1,106</b>
<b>Total contributions</b>			<b>-</b>	<b>-</b>	<b>848</b>	<b>1,106</b>
<b>Total grants and contributions</b>			<b>21,486</b>	<b>23,516</b>	<b>12,501</b>	<b>5,943</b>
<b>Timing of revenue recognition for grants and contributions</b>						
Grants and contributions recognised over time (1)			1,000	41	10,503	3,795
Grants and contributions recognised at a point in time (2)			20,486	23,475	1,998	2,148
<b>Total grants and contributions</b>			<b>21,486</b>	<b>23,516</b>	<b>12,501</b>	<b>5,943</b>

## B2-4 Grants and contributions (continued)

Annexure 1

## Unspent grants and contributions

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

\$ '000	Operating 2024	Operating 2023	Capital 2024	Capital 2023
<b>Unspent grants and contributions</b>				
Unspent funds at 1 July	5,197	656	5,410	3,317
<b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	2,912	4,628	1,361	555
<b>Add:</b> Funds received and not recognised as revenue in the current year	2	418	–	3,655
<b>Less:</b> Funds recognised as revenue in previous years that have been spent during the reporting year	(1,326)	(63)	–	–
<b>Less:</b> Funds received in prior year but revenue recognised and funds spent in current year	(3,678)	(442)	(4,765)	(2,117)
<b>Unspent funds at 30 June</b>	<b>3,107</b>	<b>5,197</b>	<b>2,006</b>	<b>5,410</b>

Unexpended capital grants relate to funding received under the Commonwealth Government Drought Communities and Crown Land Stimulus projects.

## Contributions

Unspent funds at 1 July	–	–	1,405	460
<b>Add:</b> contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	321	285
<b>Add:</b> contributions received for the provision of goods and services in a future	–	–	241	700
<b>Less:</b> contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	(53)	(40)
<b>Unspent contributions at 30 June</b>	<b>–</b>	<b>–</b>	<b>1,914</b>	<b>1,405</b>

## Material accounting policy information

## Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement. 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.

## B2-4 Grants and contributions (continued)

## Annexure 1

### 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.

**B2-5 Interest and investment income**

Annexure 1

\$ '000	2024	2023
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	88	56
– Cash and investments	1,136	997
<b>Total interest and investment income</b>	<b>1,224</b>	<b>1,053</b>
<b>Interest and investment income is attributable to:</b>		
Overdue rates and annual charges (general fund)	54	32
General Council cash and investments	900	731
Developer contributions		
– Section 7.11	6	8
– Section 7.12	24	14
Water fund operations	125	142
Sewerage fund operations	115	126
<b>Total interest and investment income</b>	<b>1,224</b>	<b>1,053</b>

**B2-6 Other income**

\$ '000	Notes	2024	2023
<b>Reversal of impairment losses on receivables</b>			
Other		–	100
<b>Total reversal of impairment losses on receivables</b>	C1-4	<b>–</b>	<b>100</b>
<b>Rental income</b>			
<b>Other lease income</b>			
Commercial property		68	110
Residential property		76	55
Land		29	10
Room/Facility Hire		51	81
<b>Total other lease income</b>		<b>224</b>	<b>256</b>
<b>Total rental income</b>	C2-2	<b>224</b>	<b>256</b>
<b>Total other income</b>		<b>224</b>	<b>356</b>

## B3 Costs of providing services

Annexure 1

## B3-1 Employee benefits and on-costs

\$ '000	2024	2023
Salaries and wages	11,329	10,436
Travel expenses	161	201
Employee leave entitlements (ELE)	1,294	1,285
Superannuation – defined contribution plans	1,271	1,114
Superannuation – defined benefit plans	51	69
Workers' compensation insurance	295	230
Fringe benefit tax (FBT)	(17)	68
Training costs (other than salaries and wages)	188	121
Protective clothing	53	38
Other	159	193
<b>Total employee costs</b>	<b>14,784</b>	<b>13,755</b>
Less: capitalised costs	(890)	(559)
<b>Total employee costs expensed</b>	<b>13,894</b>	<b>13,196</b>

## B3-2 Materials and services

Annexure 1

\$ '000	Notes	2024	2023
Raw materials and consumables		1,429	3,415
Contractor costs		12,774	10,510
Audit Fees	F2-1	109	110
Advertising		54	58
Bank charges		61	56
Councillor and Mayoral fees and associated expenses	F1-2	178	173
Electricity and heating		278	278
Insurance		855	805
Postage		34	35
Printing and stationery		148	122
Street lighting		191	121
Subscriptions and publications		126	200
Telephone and communications		134	132
Valuation fees		63	66
Water charges		283	217
Other expenses		88	48
<b>Legal expenses:</b>			
– Legal expenses: planning and development		11	18
– Legal expenses: debt recovery		68	44
– Legal expenses: other		35	87
<b>Total materials and services</b>		<b>16,919</b>	<b>16,495</b>
<b>Total materials and services</b>		<b>16,919</b>	<b>16,495</b>
<b>B3-3 Borrowing costs</b>			
<b>(i) Interest bearing liability costs</b>			
Interest on leases		1	2
Interest on loans		121	161
<b>Total interest bearing liability costs</b>		<b>122</b>	<b>163</b>
<b>Total interest bearing liability costs expensed</b>		<b>122</b>	<b>163</b>
<b>(ii) Other borrowing costs</b>			
– Remediation liabilities	C3-5	146	(46)
<b>Total other borrowing costs</b>		<b>146</b>	<b>(46)</b>
<b>Total borrowing costs expensed</b>		<b>268</b>	<b>117</b>

## B3-4 Depreciation, amortisation and impairment of non-financial assets Annexure 1

\$ '000	Notes	2024	2023 <sup>1</sup> Restated
<b>Depreciation and amortisation</b>			
Plant and equipment	C1-6	1,146	1,009
Office equipment	C1-6	26	31
Furniture and fittings	C1-6	11	14
<b>Infrastructure:</b>			
– Buildings – non-specialised	C1-6	506	450
– Buildings – specialised		1,056	872
– Other structures		1,734	971
– Roads		7,613	6,665
– Stormwater drainage		220	174
– Water supply network		544	502
– Sewerage network		741	686
– Swimming pools		472	337
Right of use assets	C2-1	11	20
<b>Reinstatement, rehabilitation and restoration assets:</b>			
– Asset reinstatement costs	C3-5,C1-6	38	36
– Quarry assets	C3-5,C1-6	3	3
Intangible assets	C1-7	39	39
<b>Total depreciation and amortisation costs</b>		<b>14,160</b>	<b>11,809</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>14,160</b>	<b>11,809</b>

### Material accounting policy information

#### Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

#### Impairment of non-financial assets

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

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

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

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

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

(1) Refer to Note G4-2 for prior period errors

## B3-5 Other expenses

Annexure 1

\$ '000	2024	2023
<b>Impairment of receivables</b>		
Other	97	1
<b>Total impairment of receivables</b>	<b>97</b>	<b>1</b>
<b>Other</b>		
<b>Contributions/levies to other levels of government:</b>		
– NSW fire brigade levy	58	58
– NSW rural fire service levy	616	618
– State Emergency Services levy	50	30
– Riverina Regional Library	331	318
S355 Committee expenses	408	280
Donations, contributions and assistance to other organisations (Section 356)	268	142
<b>Total other</b>	<b>1,731</b>	<b>1,446</b>
<b>Total other expenses</b>	<b>1,828</b>	<b>1,447</b>



## B4 Gains or losses

## Annexure 1

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

\$ '000	Notes	2024	2023
<b>Gain (or loss) on disposal of property (excl. investment property)</b>			
Proceeds from disposal – property		500	537
Less: carrying amount of property assets sold/written off		(453)	(611)
<b>Gain (or loss) on disposal</b>		<b>47</b>	<b>(74)</b>
<b>Gain (or loss) on disposal of plant and equipment</b>			
	C1-6		
Proceeds from disposal – plant and equipment		199	96
Less: carrying amount of plant and equipment assets sold/written off		(113)	(67)
<b>Gain (or loss) on disposal</b>		<b>86</b>	<b>29</b>
<b>Gain (or loss) on disposal of infrastructure</b>			
	C1-6		
Less: carrying amount of infrastructure assets sold/written off		(315)	–
<b>Gain (or loss) on disposal</b>		<b>(315)</b>	<b>–</b>
<b>Gain (or loss) on disposal of real estate assets held for sale</b>			
	C1-5		
Proceeds from disposal – real estate assets		692	858
Less: carrying amount of real estate assets sold/written off		(141)	(540)
<b>Gain (or loss) on disposal</b>		<b>551</b>	<b>318</b>
<b>Gain (or loss) on disposal of investments</b>			
	C1-2		
Proceeds from disposal/redemptions/maturities – investments		19,554	18,610
Less: carrying amount of investments sold/redeemed/matured		(19,554)	(18,610)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>–</b>
<b>Net gain (or loss) from disposal of assets</b>		<b>369</b>	<b>273</b>

## B5 Performance against budget

Annexure 1

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 21 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
<b>Revenues</b>				
Rates and annual charges	13,351	13,220	(131)	(1)% <b>U</b>
User charges and fees	7,676	7,114	(562)	(7)% <b>U</b>
Other revenues	969	1,771	802	83% <b>F</b>
This is mainly due to the increase in Section 355 Committees of Management income, which has seen an increase due to a few significant donations.				
Operating grants and contributions	12,788	21,486	8,698	68% <b>F</b>
During 2023-24 Council received significant grant funding under the Regional Emergency Road Repair Program and NSW Local Government Recovery Grant to assist with urgent road repairs and corrective maintenance. This was unbudgeted revenue and accounts for \$8.3m of the \$9.7m variance. Councils long day care centres received \$0.5m more revenue from the state government to support families using the service and to support the sustainability of the centres. Roads to recovery funding in the final year of the current 5 year term was \$0.6m above the budgeted amount.				
Capital grants and contributions	13,206	12,501	(705)	(5)% <b>U</b>
Interest and investment revenue	950	1,224	274	29% <b>F</b>
Due to prevailing market trends, a conservative budget was initially allocated for interest on investments. A combination of enhanced interest rates and a revised investment strategy has led to better than expected yields.				
Net gains from disposal of assets	-	369	369	∞ <b>F</b>
Other income	-	224	224	∞ <b>F</b>

## B5-1 Material budget variations (continued)

Annexure 1

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
<b>Expenses</b>				
<b>Employee benefits and on-costs</b>	13,031	13,894	(863)	(7)% U
<b>Materials and services</b>	13,169	16,919	(3,750)	(28)% U
The increase in material and services expenses can be attributed to the additional revenue received from grant funding. Furthermore, the Council has allocated substantial funds towards natural disaster repairs due to the extensive damage caused by the 2023 flooding events.				
<b>Borrowing costs</b>	123	268	(145)	(118)% U
The variance is attributable to the unwinding of discount on remediation liabilities				
<b>Depreciation, amortisation and impairment of non-financial assets</b>	10,210	14,160	(3,950)	(39)% U
Increase in depreciation costs due to an increase in asset values following recent asset revaluations, ensuring that asset values accurately reflect fair value under current market conditions.				
<b>Other expenses</b>	641	1,828	(1,187)	(185)% U
Increase in S355 committees of management expenditure on materials and services due to increased funding available.				
<b>Statement of cash flows</b>				
<b>Cash flows from operating activities</b>	21,976	15,454	(6,522)	(30)% U
This variance is mainly attributable to additional materials and services acquired for the completion of grant funded projects. Grants outstanding as at 30 June 2024 have increased significantly. These funds will be received in the 2024-25 financial year.				
<b>Cash flows from investing activities</b>	(20,170)	(16,547)	3,623	(18)% F
Sale of investments due to extensive expenditure on projects for which grant funds were yet to be received at 30 June 2024.				
<b>Cash flows from financing activities</b>	(634)	(672)	(38)	6% U

**C Financial position****Annexure 1****C1 Assets we manage****C1-1 Cash and cash equivalents**

<b>\$ '000</b>	<b>2024</b>	<b>2023</b>
<b>Cash assets</b>		
Cash on hand and at bank	9,139	10,804
Cash equivalent assets		
– Term deposits	1,900	2,000
<b>Total cash and cash equivalents</b>	<b>11,039</b>	<b>12,804</b>
 <b>Reconciliation of cash and cash equivalents</b>		
Total cash and cash equivalents per Statement of Financial Position	11,039	12,804
<b>Balance as per the Statement of Cash Flows</b>	<b>11,039</b>	<b>12,804</b>

## C1-2 Financial investments

Annexure 1

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
<b>Debt securities at amortised cost</b>				
Term deposits	13,708	–	18,324	2,000
Government and semi-government bonds	2,500	2,500	–	5,000
<b>Total</b>	<b>16,208</b>	<b>2,500</b>	<b>18,324</b>	<b>7,000</b>
<b>Total financial investments</b>	<b>16,208</b>	<b>2,500</b>	<b>18,324</b>	<b>7,000</b>
<b>Total cash assets, cash equivalents and investments</b>	<b>27,247</b>	<b>2,500</b>	<b>31,128</b>	<b>7,000</b>

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 as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition.

**Amortised cost**

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in the Statement of Financial Position.

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 income statement.

## C1-3 Restricted and allocated cash, cash equivalents and investments Annexure 1

\$ '000	2024	2023
(a) Externally restricted cash, cash equivalents and investments		
<b>Total cash, cash equivalents and investments</b>	<b>29,747</b>	38,128
Less: Externally restricted cash, cash equivalents and investments	<u>(13,454)</u>	<u>(17,606)</u>
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>16,293</b>	20,522

### 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>2,216</u>	5,963
<b>External restrictions – included in liabilities</b>	<b>2,216</b>	5,963

### External restrictions

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	1,022	705
Developer contributions - voluntary planning agreement	891	700
Water fund	3,789	3,486
Sewer fund	2,427	1,898
Specific purpose unexpended grants	2,897	4,644
Town improvement funds	18	18
Trust	190	188
Other	4	4
<b>Total external restrictions</b>	<b>13,454</b>	17,606

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	2024	2023
(b) Internal allocations		
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>16,293</b>	20,522
Less: Internally restricted cash, cash equivalents and investments	<u>(15,228)</u>	<u>(18,889)</u>
<b>Unrestricted and unallocated cash, cash equivalents and investments</b>	<b>1,065</b>	1,633

## C1-3 Restricted and allocated cash, cash equivalents and investments (continued) Annexure 1

\$ '000	2024	2023
<b>Internal allocations</b>		
At 30 June, Council has internally allocated funds to the following:		
Plant and vehicle replacement	1,055	421
Employees' leave entitlement	698	698
Carry over works (uncompleted works)	3,197	3,155
Aged care units – Jindera	50	49
Bypass handover works contribution	451	451
Crown Lands Lease reserve	56	40
Culcairn community housing	264	249
Culcairn Oasis community newsletter	15	14
Emergency Services Reserve	327	391
Financial Assistance Grant	3,827	6,807
Children Services	758	516
Children Services Culcairn Capital Improvements	172	172
Children Services Holbrook Capital Improvements	148	148
Gum Swamp maintenance reserve	15	15
Henty housing	26	13
Henty Headerlines newsletter	15	13
Holbrook Happenings Newsletter	8	9
Holbrook Frampton Court	327	319
Holbrook housing	11	34
Holbrook Kala Court	265	274
Jindera Administration Hub reserve	73	87
Jindera Hostel	9	9
Land development reserve	–	2,196
Morven community fund	19	19
Quarry restoration	375	89
Riverina Noxious Weeds program	66	66
Risk management incentive bonus	61	112
Section 355 Committees	1,271	851
Submarine Museum	34	32
Waste management reserve	1,226	1,226
Works warranty	346	346
Other	63	68
<b>Total internal allocations</b>	<b>15,228</b>	<b>18,889</b>

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

\$ '000	2024	2023
<b>(c) Unrestricted and unallocated</b>		
<b>Unrestricted and unallocated cash, cash equivalents and investments</b>	<b>1,065</b>	<b>1,633</b>

## C1-4 Receivables

Annexure 1

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
Rates and annual charges	889	–	684	–
Interest and extra charges	94	–	64	–
User charges and fees	2,044	–	1,397	–
Private works	747	–	110	–
Accrued revenues				
– Interest on investments	983	–	451	–
Amounts due from other councils	120	–	–	–
Deferred debtors	10	49	15	69
Government grants and subsidies	7,832	–	3,725	–
Net GST receivable	344	–	154	–
Other debtors	–	–	2	–
<b>Total</b>	<b>13,063</b>	<b>49</b>	<b>6,602</b>	<b>69</b>
<b>Less: provision for impairment</b>				
User charges and fees	(128)	–	(32)	–
<b>Total provision for impairment – receivables</b>	<b>(128)</b>	<b>–</b>	<b>(32)</b>	<b>–</b>
<b>Total net receivables</b>	<b>12,935</b>	<b>49</b>	<b>6,570</b>	<b>69</b>

\$ '000	2024	2023
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year	32	131
+ new provisions recognised during the year	98	1
– amounts provided for but recovered during the year	(2)	(100)
<b>Balance at the end of the year</b>	<b>128</b>	<b>32</b>
<b>Represented by:</b>		
Expected credit loss (calculated in accordance with AASB 9)	13	16
Additional specific provisions	115	16
<b>Balance at the end of the year</b>	<b>128</b>	<b>32</b>



## C1-4 Receivables (continued)

## Annexure 1

### Material accounting policy information

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 60 days past due has seen a significant increase in credit risk.

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

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

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

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

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

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

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

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

## C1-5 Inventories

Annexure 1

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
<b>(i) Inventories at cost</b>				
Real estate for resale	4,485	-	2,467	-
Stores and materials	419	-	454	-
<b>Total inventories at cost</b>	<b>4,904</b>	<b>-</b>	<b>2,921</b>	<b>-</b>
<b>Total inventories</b>	<b>4,904</b>	<b>-</b>	<b>2,921</b>	<b>-</b>

**(i) Other disclosures**

\$ '000	Notes	2024 Current	2024 Non-current	2023 Current	2023 Non-current
<b>(a) Details for real estate development</b>					
Residential		3,490	-	1,472	-
Industrial/commercial		995	-	995	-
<b>Total real estate for resale</b>		<b>4,485</b>	<b>-</b>	<b>2,467</b>	<b>-</b>

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

**Represented by:**

Acquisition costs		843	-	850	-
Development costs		3,642	-	1,617	-
<b>Total costs</b>		<b>4,485</b>	<b>-</b>	<b>2,467</b>	<b>-</b>
<b>Total real estate for resale</b>		<b>4,485</b>	<b>-</b>	<b>2,467</b>	<b>-</b>

**Movements:**

Real estate assets at beginning of the year		2,467	-	2,234	-
- Purchases and other costs		2,058	-	1,219	-
- Transfers in from (out to) Note C1-6		101	-	(446)	-
- WDV of sales (expense)	B4-1	(141)	-	(540)	-
<b>Total real estate for resale</b>		<b>4,485</b>	<b>-</b>	<b>2,467</b>	<b>-</b>

**(b) Current inventories not anticipated to be settled within the next 12 months**

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

\$ '000	2024	2023
Real estate for resale	412	1,045
	<b>412</b>	<b>1,045</b>

## C1-5 Inventories (continued)

## Annexure 1

### Material accounting policy information

#### 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.

## C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period							At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Tfrs from/(to) real estate assets (Note C1-5)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>													
Capital work in progress	3,815	–	3,815	7,993	–	–	–	(1,863)	–	–	9,945	–	9,945
Plant and equipment	13,688	(6,754)	6,934	–	1,719	(102)	(1,146)	–	–	–	14,541	(7,136)	7,405
Office equipment	612	(451)	161	–	54	(11)	(26)	–	–	–	648	(470)	178
Furniture and fittings	181	(162)	19	–	2	–	(11)	–	–	–	183	(173)	10
<b>Land:</b>													
– Operational land	19,290	–	19,290	–	–	(151)	–	–	(101)	1,824	20,862	–	20,862
– Community land	9,902	–	9,902	14	–	–	–	2	–	630	10,548	–	10,548
– Land under roads (post 30/6/08)	1,691	–	1,691	–	12	–	–	–	–	108	1,811	–	1,811
<b>Infrastructure:</b>													
– Buildings – non-specialised	30,591	(11,756)	18,835	93	11	(302)	(506)	–	–	1,125	31,742	(12,486)	19,256
– Buildings – specialised	53,181	(28,299)	24,882	50	–	–	(1,056)	–	–	1,847	55,534	(29,811)	25,723
– Other structures	30,064	(10,355)	19,709	1,341	281	–	(1,734)	169	–	2,585	33,071	(10,720)	22,351
– Roads	467,304	(162,921)	304,383	8,829	2,189	(317)	(7,613)	674	–	61,417	537,697	(168,135)	369,562
– Bulk earthworks (non-depreciable)	262,939	–	262,939	315	46	–	–	13	–	13,838	277,151	–	277,151
– Stormwater drainage	20,099	(4,155)	15,944	876	117	–	(220)	987	–	599	22,203	(3,900)	18,303
– Water supply network	40,248	(15,721)	24,527	100	134	–	(544)	–	–	1,243	42,522	(17,062)	25,460
– Sewerage network	59,090	(22,601)	36,489	64	99	–	(741)	16	–	1,850	62,265	(24,488)	37,777
– Swimming pools	12,629	(4,757)	7,872	58	4	–	(472)	2	–	1,037	13,207	(4,706)	8,501
<b>Reinstatement, rehabilitation and restoration assets:</b>													
– Quarry assets	79	(65)	14	–	–	–	(3)	–	–	–	78	(67)	11
– Tip assets	1,793	(256)	1,537	–	48	–	(38)	–	–	–	1,841	(294)	1,547
<b>Total infrastructure, property, plant and equipment</b>	<b>1,027,196</b>	<b>(268,253)</b>	<b>758,943</b>	<b>19,733</b>	<b>4,716</b>	<b>(883)</b>	<b>(14,110)</b>	<b>–</b>	<b>(101)</b>	<b>88,103</b>	<b>1,135,849</b>	<b>(279,448)</b>	<b>856,401</b>

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

## C1-6 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period									At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense Restated	WIP transfers	Adjustments and transfers	Tfrs from/(to) real estate assets (Note C1-5)	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment Restated	Net carrying amount Restated
<b>\$ '000</b>															
Capital work in progress	4,327	–	4,327	2,952	–	–	–	(3,464)	–	–	–	–	3,815	–	3,815
Plant and equipment	12,952	(5,911)	7,041	–	969	(67)	(1,009)	–	–	–	–	–	13,688	(6,754)	6,934
Office equipment	607	(421)	186	–	6	–	(31)	–	–	–	–	–	612	(451)	161
Furniture and fittings	266	(158)	108	–	–	–	(14)	–	(75)	–	–	–	181	(162)	19
<b>Land:</b>															
– Operational land	9,190	–	9,190	–	3,046	(102)	–	–	–	446	–	6,710	19,290	–	19,290
– Community land	6,857	–	6,857	–	–	–	–	1	–	–	–	3,044	9,902	–	9,902
– Land under roads (post 30/6/08)	984	–	984	–	–	–	–	–	–	–	–	707	1,691	–	1,691
<b>Infrastructure:</b>															
– Buildings – non-specialised	26,487	(9,893)	16,594	97	3	(497)	(450)	–	44	–	–	3,044	30,591	(11,756)	18,835
– Buildings – specialised	48,733	(25,087)	23,646	275	137	–	(872)	–	–	–	(50)	1,746	53,181	(28,299)	24,882
– Other structures	24,645	(9,246)	15,399	400	728	(11)	(971)	133	31	–	–	4,000	30,064	(10,355)	19,709
– Roads	425,311	(147,216)	278,095	5,340	130	(907)	(6,665)	1,623	–	–	(557)	27,324	467,304	(162,921)	304,383
– Bulk earthworks (non-depreciable)	247,512	–	247,512	755	–	–	–	853	–	–	–	13,819	262,939	–	262,939
– Stormwater drainage	17,789	(3,771)	14,018	760	–	–	(174)	557	–	–	–	783	20,099	(4,155)	15,944
– Water supply network	37,160	(14,130)	23,030	37	74	–	(502)	112	–	–	–	1,776	40,248	(15,721)	24,527
– Sewerage network	54,435	(20,346)	34,089	123	150	–	(686)	185	–	–	–	2,628	59,090	(22,601)	36,489
– Swimming pools	10,229	(4,099)	6,130	29	7	–	(337)	–	–	–	–	2,043	12,629	(4,757)	7,872
<b>Reinstatement, rehabilitation and restoration assets:</b>															
– Tip assets	1,722	(219)	1,503	70	–	–	(36)	–	–	–	–	–	1,793	(256)	1,537
– Quarry assets	78	(61)	17	–	–	–	(3)	–	–	–	–	–	79	(65)	14
<b>Total infrastructure, property, plant and equipment</b>	<b>929,284</b>	<b>(240,558)</b>	<b>688,726</b>	<b>10,838</b>	<b>5,250</b>	<b>(1,584)</b>	<b>(11,750)</b>	<b>–</b>	<b>–</b>	<b>446</b>	<b>(607)</b>	<b>67,624</b>	<b>1,027,196</b>	<b>(268,253)</b>	<b>758,943</b>

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

## C1-6 Infrastructure, property, plant and equipment (continued)

## Annexure 1

**Material accounting policy information****Initial recognition of infrastructure, property, plant and equipment (IPPE)**

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

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

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

**Useful lives of IPPE**

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

<b>Plant and equipment</b>	<b>Years</b>	<b>Other equipment</b>	<b>Years</b>
Office equipment	5 to 10	Playground equipment	10
Office furniture	5 to 10	Benches, seats etc.	10
Computer equipment	5		
Vehicles	5	<b>Buildings</b>	
Heavy plant/road making equipment	5 to 12	Buildings: masonry	50 to 150
Other plant and equipment	6 to 10	Buildings: other	50 to 100
		<b>Stormwater assets</b>	
<b>Water and sewer assets</b>		Drains	110
Dams and reservoirs	50 to 100	Culverts	100 to 120
Bores	33		
Reticulation pipes: PVC	30 to 80		
Reticulation pipes: other	60 to 50		
Pumps and telemetry	25		
		<b>Other infrastructure assets</b>	
<b>Transportation assets</b>		Bulk earthworks	Infinite
Sealed roads: surface	20 to 35	Swimming pools	40-60
Sealed roads: pavement base	60 to 80		
Sealed roads: pavement sub-base	120 to 160		
Unsealed roads	25 to 40		
Bridge: concrete	100 to 120		
Bridge/Culverts: other	100 to 120		
Kerb, gutter and footpaths	40		

**Revaluation model**

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

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

Increases in the carrying amounts arising on revaluation are credited to the IPPE revaluation reserve. To the extent that the increase reverses a decrease previously 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 IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to 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*.

## C1-6 Infrastructure, property, plant and equipment (continued)

Annexure 1

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

### **Crown reserves**

Crown reserves under Council's care and control are recognised as assets of 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. Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to Note C2-2.

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**

Greater Hume Shire Council recognises the land and buildings used by the Rural Fire Service situated within the Shire boundary, however, it does not account for Rural Fire Service plant or other equipment.

## C1-7 Intangible assets

Annexure 1

Intangible assets are as follows:

\$ '000	2024	2023
<b>Software</b>		
<b>Opening values at 1 July</b>		
Gross book value	531	531
Accumulated amortisation and impairment	(484)	(445)
<b>Net book value – opening balance</b>	<b>47</b>	<b>86</b>
<b>Movements for the year</b>		
Amortisation charges	(39)	(39)
<b>Closing values at 30 June</b>		
Gross book value	531	531
Accumulated amortisation and impairment	(523)	(484)
<b>Total software – net book value</b>	<b>8</b>	<b>47</b>
<b>Total intangible assets – net book value</b>	<b>8</b>	<b>47</b>



## C2 Leasing activities

Annexure 1

### C2-1 Council as a lessee

Council has leases over a range of office and IT equipment.

Council has other low value leases which are not material and not disclosed in this note.

Information relating to the leases in place and associated balances and transactions is provided below.

#### Office and IT equipment

Leases of office and IT equipment include photocopiers, servers and plotters.

The lease terms are between 1 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

#### (a) Right of use assets

\$ '000	Plant & Equipment	Total
<b>2024</b>		
Opening balance at 1 July	13	13
Depreciation charge	(11)	(11)
<b>Balance at 30 June</b>	<b>1</b>	<b>1</b>
<b>2023</b>		
Opening balance at 1 July	33	33
Depreciation charge	(20)	(20)
<b>Balance at 30 June</b>	<b>13</b>	<b>13</b>

#### (b) Lease liabilities

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Lease liabilities	16	-	14	1
<b>Total lease liabilities</b>	<b>16</b>	<b>-</b>	<b>14</b>	<b>1</b>

#### (c) (i) The maturity analysis

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

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
<b>2024</b>					
Cash flows	1	-	-	1	16
<b>2023</b>					
Cash flows	15	1	-	16	15

## C2-1 Council as a lessee (continued)

Annexure 1

## (d) Income Statement

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

\$ '000	2024	2023
Interest on lease liabilities	1	2
Depreciation of right of use assets	11	20
	<b>12</b>	<b>22</b>

## (e) Statement of Cash Flows

Total cash outflow for leases	13	23
	<b>13</b>	<b>23</b>

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

Council has a number of leases at significantly below market for land and buildings which are used for:

- recreation facilities
- water and sewer infrastructure

The leases are generally renewed annually and require payments of a maximum amount of \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

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

## C2-1 Council as a lessee (continued)

## Annexure 1

### Material accounting policy information

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

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

### ***Exceptions to lease accounting***

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

## C2-2 Council as a lessor

## Annexure 1

## Operating leases

Council leases out a number of properties for the purpose of low income housing, residential housing, health services, communications towers, community groups and other commercial enterprises. These leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E. They have not been classified under AASB 140 *Investment Property* as they are either occupied by council employees or held for strategic purposes.

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

\$ '000	2024	2023
<b>(i) Assets held as property, plant and equipment</b>		
Lease income (excluding variable lease payments not dependent on an index or rate)	224	256
<b>Total income relating to operating leases for Council assets</b>	<b>224</b>	<b>256</b>

**(ii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:**

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	161	153
1–2 years	182	156
2–3 years	184	159
3–4 years	188	162
4–5 years	192	164
> 5 years	195	166
<b>Total undiscounted lease payments to be received</b>	<b>1,102</b>	<b>960</b>

**Material accounting policy information**

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

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

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

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

## C3 Liabilities of Council

Annexure 1

### C3-1 Payables

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
Goods and services – operating expenditure	1,669	–	1,281	–
Goods and services – capital expenditure	2,145	–	576	–
Accrued expenses:				
– Borrowings	16	–	21	–
– Salaries and wages	216	–	207	–
– Other expenditure accruals	962	–	187	–
Security bonds, deposits and retentions	1,900	–	1,524	–
Prepaid rates	541	–	468	–
<b>Total payables</b>	<b>7,449</b>	<b>–</b>	<b>4,264</b>	<b>–</b>

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

\$ '000	2024	2023
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	1,900	1,524
<b>Total payables</b>	<b>1,900</b>	<b>1,524</b>

#### Payables

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

## C3-2 Contract Liabilities

Annexure 1

\$ '000	Notes	2024 Current	2024 Non-current	2023 Current	2023 Non-current
<b>Grants and contributions received in advance:</b>					
Funds to construct Council controlled assets	(i)	2,063	-	5,489	-
Funds received prior to performance obligation being satisfied (upfront payments) - AASB 15	(ii)	152	-	474	-
<b>Total grants received in advance</b>		<b>2,215</b>	<b>-</b>	<b>5,963</b>	<b>-</b>
<b>User fees and charges received in advance:</b>					
Other		41	-	51	-
<b>Total user fees and charges received in advance</b>		<b>41</b>	<b>-</b>	<b>51</b>	<b>-</b>
<b>Total contract liabilities</b>		<b>2,256</b>	<b>-</b>	<b>6,014</b>	<b>-</b>

**Notes**

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

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

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

\$ '000	2024	2023
<b>Grants and contributions received in advance:</b>		
Funds to construct Council controlled assets	5,383	2,135
Funds received prior to performance obligation being satisfied (upfront payments) - AASB 15	6	424
<b>Total revenue recognised that was included in the contract liability balance at the beginning of the period</b>	<b>5,389</b>	<b>2,559</b>

## C3-3 Borrowings

Annexure 1

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
Loans – secured <sup>1</sup>	652	2,332	659	2,985
<b>Total borrowings</b>	<b>652</b>	<b>2,332</b>	<b>659</b>	<b>2,985</b>

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

## (a) Changes in liabilities arising from financing activities

\$ '000	2023		Non-cash movements		2024
	Opening Balance	Repay-ments of principal and interest	Acquisition	Closing balance	
Loans – secured	3,644	(660)	–	2,984	
Lease liability (Note C2-1b)	15	1	–	16	
<b>Total liabilities from financing activities</b>	<b>3,659</b>	<b>(659)</b>	<b>–</b>	<b>3,000</b>	

\$ '000	2022		2023	
	Opening Balance	Repay-ments of principal and interest	Closing balance	
Loans – secured	4,683	(1,039)	3,644	
Lease liability (Note C2-1b)	37	(22)	15	
<b>Total liabilities from financing activities</b>	<b>4,720</b>	<b>(1,061)</b>	<b>3,659</b>	

## C3-3 Borrowings (continued)

Annexure 1

**(b) Financing arrangements**

\$ '000	2024	2023
<b>Total facilities</b>		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities <sup>1</sup>	200	200
Credit cards/purchase cards	100	40
Lease facilities	340	340
<b>Total financing arrangements</b>	<b>640</b>	<b>580</b>
<b>Drawn facilities</b>		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	22	11
<b>Total drawn financing arrangements</b>	<b>22</b>	<b>11</b>
<b>Undrawn facilities</b>		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	200	200
– Credit cards/purchase cards	78	29
– Lease facilities	340	340
<b>Total undrawn financing arrangements</b>	<b>618</b>	<b>569</b>

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.



## C3-4 Employee benefit provisions

Annexure 1

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
Annual leave	1,266	–	1,185	–
Long service leave	2,204	231	2,284	195
Other leave	172	–	197	–
<b>Total employee benefit provisions</b>	<b>3,642</b>	<b>231</b>	<b>3,666</b>	<b>195</b>
<b>Total employee benefit provisions relating to unrestricted assets</b>	<b>3,642</b>	<b>231</b>	<b>3,666</b>	<b>195</b>

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

\$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employee benefits	2,095	1,555
	<b>2,095</b>	<b>1,555</b>

## C3-4 Employee benefit provisions (continued)

Annexure 1

### Material accounting policy information

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.

### 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.

## C3-5 Provisions

Annexure 1

\$ '000	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Asset remediation/restoration:</b>				
Asset remediation/restoration (future works)	2,059	2,875	–	5,303
<b>Sub-total – asset remediation/restoration</b>	<b>2,059</b>	<b>2,875</b>	<b>–</b>	<b>5,303</b>
<b>Total provisions</b>	<b>2,059</b>	<b>2,875</b>	<b>–</b>	<b>5,303</b>

## Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
<b>2024</b>		
At beginning of year	5,303	5,303
Changes to provision:		
- Revised cost recognised as remediation assets in IPP&E	48	48
- Revised discount rate	(67)	(67)
- Revised costs recognised in income statement	136	136
- Revised Inflation Rate	(512)	(512)
- Unwinding of discount	146	146
- Decrease in provisions	(120)	(120)
Total other provisions at end of year	4,934	4,934
<b>2023</b>		
At beginning of year	5,277	5,277
- Unwinding of discount	30	30
- Additional provisions	274	274
- Remeasurement effects	72	72
- Unused amounts reversed	(350)	(350)
Total other provisions at end of year	5,303	5,303

**Material accounting policy information**

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

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

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

**Asset remediation – tips and quarries****Restoration**

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

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

**Rehabilitation**

## C3-5 Provisions (continued)

## Annexure 1

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

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

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

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

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

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

### **Nature and purpose of provisions**

#### **Asset remediation**

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

## D Council structure

Annexure 1

### D1 Results by fund

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

#### D1-1 Income Statement by fund

\$ '000	General 2024	Water 2024	Sewer 2024
<b>Income from continuing operations</b>			
Rates and annual charges	10,950	744	1,526
User charges and fees	5,334	1,517	263
Interest and investment revenue	940	154	130
Other revenues	1,691	74	6
Grants and contributions provided for operating purposes	21,443	13	30
Grants and contributions provided for capital purposes	12,195	132	174
Net gains from disposal of assets	369	–	–
Other income	224	–	–
<b>Total income from continuing operations</b>	<b>53,146</b>	<b>2,634</b>	<b>2,129</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	12,612	523	759
Materials and services	15,188	1,262	469
Borrowing costs	268	–	–
Depreciation, amortisation and impairment of non-financial assets	12,875	544	741
Other expenses	1,828	–	–
<b>Total expenses from continuing operations</b>	<b>42,771</b>	<b>2,329</b>	<b>1,969</b>
<b>Operating result from continuing operations</b>	<b>10,375</b>	<b>305</b>	<b>160</b>
<b>Net operating result for the year</b>	<b>10,375</b>	<b>305</b>	<b>160</b>
<b>Net operating result attributable to each council fund</b>	<b>10,375</b>	<b>305</b>	<b>160</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>(1,820)</b>	<b>173</b>	<b>(14)</b>

## D1-2 Statement of Financial Position by fund

Annexure 1

\$ '000	General 2024	Water 2024	Sewer 2024
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4,823	3,789	2,427
Investments	16,208	–	–
Receivables	11,421	1,031	483
Inventories	4,904	–	–
<b>Total current assets</b>	<b>37,356</b>	<b>4,820</b>	<b>2,910</b>
<b>Non-current assets</b>			
Investments	2,500	–	–
Receivables	49	–	–
Infrastructure, property, plant and equipment	787,243	25,936	43,222
Intangible assets	8	–	–
Right of use assets	1	–	–
<b>Total non-current assets</b>	<b>789,801</b>	<b>25,936</b>	<b>43,222</b>
<b>Total assets</b>	<b>827,157</b>	<b>30,756</b>	<b>46,132</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	7,191	241	17
Contract liabilities	2,256	–	–
Lease liabilities	16	–	–
Borrowings	652	–	–
Employee benefit provision	3,642	–	–
Provisions	2,059	–	–
<b>Total current liabilities</b>	<b>15,816</b>	<b>241</b>	<b>17</b>
<b>Non-current liabilities</b>			
Borrowings	2,332	–	–
Employee benefit provision	231	–	–
Provisions	2,875	–	–
<b>Total non-current liabilities</b>	<b>5,438</b>	<b>–</b>	<b>–</b>
<b>Total liabilities</b>	<b>21,254</b>	<b>241</b>	<b>17</b>
<b>Net assets</b>	<b>805,903</b>	<b>30,515</b>	<b>46,115</b>
<b>EQUITY</b>			
Accumulated surplus	253,415	11,810	15,837
Revaluation reserves	552,488	18,705	30,278
<b>Council equity interest</b>	<b>805,903</b>	<b>30,515</b>	<b>46,115</b>
<b>Total equity</b>	<b>805,903</b>	<b>30,515</b>	<b>46,115</b>

## E Risks and accounting uncertainties

Annexure 1

### 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.

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

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

Financial risk management is carried out by the finance team under policies approved by the Councillors.

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

Fair value is determined as follows:

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

The risks associated with the instruments held are:

- **Market Risk** - Interest rate risk – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

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

Annexure 1

## (a) Market risk – interest rate and price risk

\$ '000	2024	2023
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	285	398
Impact of a 10% movement in price of investments		
– Equity / Income Statement	2,851	3,979

## (b) Credit risk

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

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

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

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

**Credit risk profile****Receivables – rates and annual charges**

Credit risk on rates and annual charges is minimised by the ability of Council to 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	overdue rates and annual charges		Total
		< 5 years	≥ 5 years	
<b>2024</b>				
Gross carrying amount	–	519	370	889
2023				
Gross carrying amount	–	313	371	684



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

Annexure 1

**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	
<b>2024</b>						
Gross carrying amount	11,575	24	8	10	606	12,223
Expected loss rate (%)	0.00%	3.20%	1.22%	1.02%	7.53%	0.38%
<b>ECL provision</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>46</b>	<b>47</b>
<b>2023</b>						
Gross carrying amount	5,251	100	44	167	425	5,987
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	7.53%	0.53%
<b>ECL provision</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>32</b>	<b>32</b>

**(c) Liquidity risk**

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

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

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

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

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

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
<b>2024</b>							
Payables	0.00%	1,900	–	–	–	1,900	7,449
Borrowings	7.83%	–	788	2,161	1,160	4,109	2,984
<b>Total financial liabilities</b>		<b>1,900</b>	<b>788</b>	<b>2,161</b>	<b>1,160</b>	<b>6,009</b>	<b>10,433</b>
<b>2023</b>							
Payables	0.00%	1,524	–	–	–	1,524	4,264
Borrowings	4.08%	–	1,209	2,499	1,619	5,327	3,644
<b>Total financial liabilities</b>		<b>1,524</b>	<b>1,209</b>	<b>2,499</b>	<b>1,619</b>	<b>6,851</b>	<b>7,908</b>

## E2-1 Fair value measurement

## Annexure 1

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.

### Fair value hierarchy

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

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

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

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

## E2-1 Fair value measurement (continued)

Annexure 1

		Fair value measurement hierarchy							
\$ '000	Notes	Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
						Restated		Restated	Restated
<b>Recurring fair value measurements</b>									
<b>Infrastructure, property, plant and equipment</b>									
	C1-6								
Bulk earthworks		30/06/2024	01/07/2019	–	–	277,151	262,939	277,151	262,939
Roads infrastructure		30/06/2024	01/07/2019	–	–	369,562	304,383	369,562	304,383
Land under roads		01/07/2016	01/07/2016	–	–	1,811	1,691	1,811	1,691
Stormwater drainage		30/06/2024	01/07/2019	–	–	18,303	15,944	18,303	15,944
Sewerage network		01/07/2021	01/07/2021	–	–	37,777	36,489	37,777	36,489
Water supply network		01/07/2021	01/07/2021	–	–	25,460	24,527	25,460	24,527
Operational land		01/07/2022	01/07/2022	–	–	20,862	19,290	20,862	19,290
Community land		01/07/2022	01/07/2022	–	–	10,548	9,902	10,548	9,902
Buildings specialised		01/07/2022	01/07/2022	–	–	25,723	24,882	25,723	24,882
Buildings non-specialised		01/07/2022	01/07/2022	1,983	2,442	17,273	16,393	19,256	18,835
Swimming pools		01/07/2022	01/07/2022	–	–	8,501	7,872	8,501	7,872
Other structures		01/07/2022	01/07/2022	–	–	22,351	19,709	22,351	19,709
Plant, office equipment, furniture and fittings				–	–	7,593	7,114	7,593	7,114
Tips and quarries				–	–	1,558	1,551	1,558	1,551
<b>Total infrastructure, property, plant and equipment</b>				<b>1,983</b>	<b>2,442</b>	<b>844,473</b>	<b>752,686</b>	<b>846,456</b>	<b>755,128</b>

## 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)

## Roads Infrastructure

This asset class comprises the road surface and pavement, bridges, kerb & gutter and footpaths. The cost approach was adopted to estimate the value of these assets by componentising the assets into significant parts with different useful lives and taking into account a range of values. This assessment was undertaken by Damage Control Project Management with an effective date of 30/06/2024.

The full revaluation of road assets is undertaken on a 5 year cycle and was completed during the 2023/24 financial year based on the assets as at 30 June 2024. The next valuation will take place in 2028/29.

Key inputs such as estimated pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

## Stormwater Drainage Infrastructure

This asset class comprises pits, pipes, open channels and headwalls. The cost approach was adopted to value these assets based on assessments and calculations from a revaluation undertaken by and Damage Control Project Management with an effective date of 30/06/2024. Assets have been componentised and an evaluation of useful life and unit rates for each component was undertaken resulting in revaluation of these assets.

The full revaluation of stormwater drainage assets is undertaken on a 5 year cycle and was completed during the 2023/24 financial year based on assets held as at 30 June 2024. The next valuation will take place in 2028/29.

## E2-1 Fair value measurement (continued)

## Annexure 1

Key inputs such as estimated pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

### Land under Roads

This asset class comprises land under roadways and road reserves acquired after 1 July 2008. Council uses the engloba method to value land under roads. This class of asset has been disclosed as Input Level 3.

### Sewerage Network

This asset class comprises treatment works, pumping stations, sewerage mains, and reuse water plant.

The cost approach was adopted to estimate the value of these assets by componentising the assets into significant parts with different useful lives and taking into account a range of values. This assessment was undertaken by Australis Asset Advisory Group with an effective 01/07/2021.

Key inputs such as estimated pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value

The full revaluation of the Sewerage Network is undertaken on a 5 year cycle and the next valuation will take place in 2026/27.

The sewerage network is indexed annually in accordance with reference rates provided in the NSW Department of Industry - Water guidelines.

This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

## E2-1 Fair value measurement (continued)

## Annexure 1

### Water Supply Network

This asset class comprises treatment works, pumping stations, water pipelines, bores and reservoirs.

The cost approach was adopted to estimate the value of these assets by componentising the assets into significant parts with different useful lives and taking into account a range of values. This assessment was undertaken by Australis Asset Advisory Group with an effective 01/07/2021.

Key inputs such as estimated pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value

The full revaluation of the Water Supply Network is undertaken on a 5 year cycle and the next valuation will take place in 2026/27.

The water supply network is indexed annually in accordance with reference rates provided in the NSW Department of Industry - Water guidelines.

This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

### Community Land

This asset class comprises all of Council owned land classified as Community Land and Care Control Management Land (Crown Land) of which Council derives current and future economic benefits from the use of the land asset.

The key unobservable input to the valuation is the price per square metre.

Council has used the Valuer General's Unimproved Capital Value (UCV) as the basis for establishing the fair value of the land as at 1 July 2022.

The full revaluation of the Community Land is undertaken on a 3 year cycle and was undertaken during the 2019/20 financial year. The next valuation will take place in 2025/26. This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

### Operational Land

This asset class comprises all of Council's land classified as Operational Land under the *NSW Local Government Act 1993*.

The key unobservable input to the valuation is the price per square metre.

Council has used the Valuer General's Unimproved Capital Value (UCV) as the basis for establishing the fair value of the land as at 1 July 2022.

The full revaluation of the Operational Land is undertaken on a 3 year cycle and was undertaken during the 2019/20 financial year. The next valuation will take place in 2025/26.

There has been no change to the valuation process during the reporting period.

### Buildings - Specialised and Non Specialised

Council engaged Australis Asset Advisory Group to value all its buildings in July 2022. The cost approach was adopted to estimate the fair value of these assets using the depreciated replacement cost allowing for professional fees, demolition, removal of debris and escalation in costs.

While all buildings were physically inspected, inputs such as estimates of residual value and pattern of consumption required extensive professional judgement and impacted significantly on the final determination of fair value.

The full revaluation of the Buildings is undertaken on a 5 year cycle and the next valuation will take place in 2027/28.

This class of assets has been disclosed as Input Level 3 except for some residential buildings where an observable market value is present, and disclosed as Input Level 2. There has been no change to the valuation process during the reporting period.

## E2-1 Fair value measurement (continued)

## Annexure 1

### Swimming Pools

This class of assets comprises swimming pool structures, amenities, filtration equipment, shelters, playground equipment, tennis and netball courts, open space facilities.

Council engaged Australis Asset Advisory Group to value these assets in July 2022. The cost approach was adopted to estimate the fair value of these assets using the depreciated replacement cost allowing for professional fees, demolition, removal of debris and escalation in costs.

Inputs such as estimates of the pattern of consumption, residual value, asset condition and useful life required extensive professional judgement which impacted significantly on the final determination of fair value.

The full revaluation of the Swimming Pools is undertaken on a 5 year cycle and the next valuation will take place in 2027/28.

This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

### Other Structures

This class comprises fencing, hologram and town clock and miscellaneous other structures.

Council engaged Australis Asset Advisory Group to value these assets in July 2022. The cost approach was adopted to estimate the fair value of these assets using the depreciated replacement cost.

The full revaluation of the Other Structure is undertaken on a 5 year cycle and the next valuation will take place in 2027/28.

There has been no change to the valuation process during the reporting period.

This class of assets has been disclosed as Input Level 3.

### Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings include but are not limited to the following:

- Plant & Equipment - Motor Vehicles, Utes, Trucks, Tractors, Earthmoving Equipment and Ride-on Mowers
- Office Equipment - Computer Equipment, Data Projectors, Servers & Printers
- Furniture & Fittings - Chairs, Desks, Shelving and Air Conditioning Units

The cost approach was adopted to estimate the fair value of these assets using the depreciated replacement cost.

The carrying amount of these assets is deemed to be the fair value due to the type of asset.

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

Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption, estimated remaining useful life and the residual value.

This class of assets has been disclosed as Input Level 3.

There has been no change to the valuation process during the reporting period.

### Tips and Quarries

This class comprises tips, transfer stations and quarries. The cost approach was adopted to estimate the fair value of these assets using the depreciated replacement cost. Significant unobservable inputs considered in the valuation of these assets are useful life and pattern of consumption. This class of assets has been disclosed as Input Level 3.

## E2-1 Fair value measurement (continued)

## Annexure 1

## Fair value measurements using significant unobservable inputs (level 3)

**b. The valuation process for level 3 fair value measurements**

Council's non financial asset classes have been assigned to Level 3 inputs with the exception of a small number of residential properties where a market price input is observable.

Level 3 valuation process for asset classes where the basis was Cost Approach.

The inputs used for this technique were:

- Pattern of Consumption
- Residual Value
- Asset Condition
- Unit Rates
- Useful Life

When necessary Council engages external consultants with expertise in the valuation of Infrastructure, Property, Plant & Equipment assets, to work in conjunction with its own staff to establish the fair values of its assets based on the above inputs.

Classes of assets are assessed formally on a five year rolling cycle in accordance with the requirements of the code. At the end of each reporting period Council assesses whether there is any indication that the carrying amount of any class of asset may differ materially from that which would be determined if the class of assets were revalued at that date.

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

\$ '000	Bulk earthworks		Roads infrastructure		Land under Roads		Stormwater drainage	
	2024	2023	2024	2023 Restated	2024	2023	2024	2023
<b>Opening balance</b>	<b>262,939</b>	247,512	<b>304,383</b>	278,095	<b>1,691</b>	984	<b>15,944</b>	14,018
<b>Total gains or losses for the period</b>								
Recognised in other comprehensive income – revaluation surplus	<b>13,838</b>	13,819	<b>61,417</b>	26,767	<b>108</b>	707	<b>599</b>	783
<b>Other movements</b>								
Purchases (GBV)	<b>374</b>	1,608	<b>11,692</b>	7,093	<b>12</b>	–	<b>1,980</b>	1,317
Disposals (WDV)	–	–	<b>(317)</b>	(907)	–	–	–	–
Depreciation and impairment	–	–	<b>(7,613)</b>	(6,665)	–	–	<b>(220)</b>	(174)
<b>Closing balance</b>	<b>277,151</b>	262,939	<b>369,562</b>	304,383	<b>1,811</b>	1,691	<b>18,303</b>	15,944

\$ '000	Sewerage network		Water supply network		Operational Land		Community Land	
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Opening balance</b>	<b>36,489</b>	34,089	<b>24,527</b>	23,030	<b>19,290</b>	9,190	<b>9,902</b>	6,857
<b>Total gains or losses for the period</b>								
Recognised in other comprehensive income – revaluation surplus	<b>1,850</b>	2,628	<b>1,243</b>	1,776	<b>1,824</b>	6,710	<b>630</b>	3,044
<b>Other movements</b>								
Transfers from/(to) another asset class	–	–	–	–	<b>(101)</b>	–	–	–
Purchases (GBV)	<b>179</b>	458	<b>234</b>	223	–	3,046	<b>16</b>	1
Disposals (WDV)	–	–	–	–	<b>(151)</b>	(102)	–	–
Depreciation and impairment	<b>(741)</b>	(686)	<b>(544)</b>	(502)	–	–	–	–
Transfers	–	–	–	–	–	446	–	–
<b>Closing balance</b>	<b>37,777</b>	36,489	<b>25,460</b>	24,527	<b>20,862</b>	19,290	<b>10,548</b>	9,902

## E2-1 Fair value measurement (continued)

Annexure 1

\$ '000	Building specialised		Buildings non specialised		Swimming pools		Other structures	
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Opening balance</b>	<b>24,882</b>	23,646	<b>18,835</b>	16,594	<b>7,872</b>	6,130	<b>19,709</b>	15,399
<b>Total gains or losses for the period</b>								
Recognised in other comprehensive income – revaluation surplus	1,847	1,696	1,125	3,044	1,037	2,043	2,585	4,000
<b>Other movements</b>								
Purchases (GBV)	50	412	104	100	64	36	1,791	1,261
Disposals (WDV)	–	–	(302)	(497)	–	–	–	(11)
Depreciation and impairment	(1,056)	(872)	(506)	(450)	(472)	(337)	(1,734)	(971)
Transfers	–	–	–	44	–	–	–	31
<b>Closing balance</b>	<b>25,723</b>	24,882	<b>19,256</b>	18,835	<b>8,501</b>	7,872	<b>22,351</b>	19,709

\$ '000	Plant, office equipment and furniture		Tips and quarries		Total	
	2024	2023	2024	2023	2024	2023 Restated
<b>Opening balance</b>	<b>7,114</b>	7,335	<b>1,551</b>	1,520	<b>755,128</b>	684,399
Recognised in other comprehensive income – revaluation surplus	–	–	–	–	<b>88,103</b>	67,017
Transfers from/(to) another asset class	–	–	–	–	<b>(101)</b>	–
Purchases (GBV)	1,775	975	48	70	<b>18,319</b>	16,600
Disposals (WDV)	(113)	(67)	–	–	<b>(883)</b>	(1,584)
Depreciation and impairment	(1,183)	(1,054)	(41)	(39)	<b>(14,110)</b>	(11,750)
Transfers	–	(75)	–	–	–	446
<b>Closing balance</b>	<b>7,593</b>	7,114	<b>1,558</b>	1,551	<b>846,456</b>	<b>755,128</b>

## Highest and best use

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

This was established taking into consideration the following criteria;

Physical possibility  
 Legal permissibility  
 Financial feasibility  
 Maximum profitability, and  
 Contribution to the community and its environment.



## E3-1 Contingencies

## Annexure 1

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

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

##### (i) Defined benefit superannuation contribution plans

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

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

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

\* For 180 Point Members, Employers are required to contribute 8.5% of salaries for the year ending 30 June 2024 (increasing to 9.0% in line with the increase in the Superannuation Guarantee) to these member's accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20m 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 2023. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation, the next of which is due effective 30 June 2024, and monitored annually between triennials.

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 past service 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.

We confirm the plan is a defined benefit plan.

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

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

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

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

Investment return	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	3.5% for FY23/24 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 around December 2023.

## E3-1 Contingencies (continued)

## Annexure 1

An employer's past service contribution per annum as a percentage of the total past service contributions for all Pooled Employers (\$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.

The requirement for contributions in order to maintain the adequacy of the funding position for the accrued liabilities (currently \$20M per annum) is assessed annually by the Actuary.

Based on a past service liabilities methodology, for item (d) (iv), the share of any funding surplus or deficit that can be attributed to Greater Hume Council is 0.16%.

The amount of employer contributions to the defined benefit section of the Fund by Council and recognised as an expense for the year ending 30 June 2024 was \$43,811.52.

It is estimated that there are \$15,779.57 past service contributions remaining.

The last valuation of the Fund was performed by the Fund Actuary, Mr Richard Boyfield, FIAA on 30 June, 2023.

### (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 2023 may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

### (iii) StateCover Limited

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

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

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

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

### (iv) Other guarantees

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

## E3-1 Contingencies (continued)

Annexure 1

### 2. Other liabilities

#### (i) Third party claims

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

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

### ASSETS NOT RECOGNISED

#### (i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30 June 2008.

#### (ii) Riverina Regional Library

Council holds a share in Riverina Regional Library. Council does not have control or a significant influence over the organisation and accordingly has not been included as part of the primary financial statements. Council's share of Riverina Regional Library is not material.

#### (iii) Riverina Joint Organisation

Council is a member of the Riverina Joint Organisation, established under the *Local Government Act 1993 (NSW)* together with the Bland Shire, Cootamundra-Gundagai Regional, Coolamon Shire, Junee Shire, Temora Shire, Lockhart Shire and Wagga City Councils. Council's share of Riverina Joint Organisation is not material.

#### (iv) Riverina Eastern Regional Organisation of Councils

Council is a member of the Riverina Eastern Regional Organisation of Councils, together with the Bland Shire, Cootamundra-Gundagai Regional, Coolamon Shire, Junee Shire, Temora Shire, Lockhart Shire, Goldenfields Water County Council & Riverina Water County Council. Council's share of Riverina Eastern Regional Organisation of Councils is not material.

## 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.

Compensation for 14 KMP's have been included in the table below.

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

\$ '000	2024	2023
<b>Compensation:</b>		
Short-term benefits	1,164	1,194
Post-employment benefits	93	82
Other long-term benefits	61	39
<b>Total</b>	<b>1,318</b>	<b>1,315</b>

#### 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	Impairment provision on outstanding balances	Impairment expense
\$ '000						
<b>2024</b>						
Earthworks (Easties Dirt Works)	1	136	–	Normal payment terms	–	–
Childcare Services	2	–	–	Normal payment terms	–	–
Earthworks and Plumbing Services (Bluey's Plumbin' & Diggin')	3	2,777	–	Normal payment terms	–	–
<b>2023</b>						
Earthworks (Easties Dirt Works)	1	194	–	Normal payment terms	–	–
Childcare Services	2	12	–	Normal payment terms	–	–
Earthworks and Plumbing Services (Bluey's Plumbin' & Diggin')	3	1,695	–	Normal payment terms	–	–

## F1-1 Key management personnel (KMP) (continued)

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- 1 Council contracted Easties Dirt Works to perform earthworks during the year, a company which the Principal is a close family member of a KMP of Council. The contractor engagement is controlled through Council's Vendor Panel process which requires vendors to submit their details to Council and is subsequently reviewed by senior management. Council awards work to these vendors by tender or quotes depending on the size of the contract in accordance with its procurement policy. Amounts were billed based on Council's schedule of Plant & Equipment Quotation Rates and were due and payable under normal payment terms.
- 2 Council pays a partner of a KMP of Council for services relating to Childcare. Payment is made at contract rates determined under family assistance laws and were due and payable under normal payment terms.
- 3 Council contracted Bluey's Plumbin' & Diggin' to perform earthworks and plumbing services during the year, a company which the Principal is a close family member of a KMP of Council. The contractor engagement is controlled through Council's Vendor Panel process which requires vendors to submit their details to Council and is subsequently reviewed by senior management. Council awards work to these vendors by tender or quotes depending on the size of the contract in accordance with its procurement policy. Amounts were billed based on Council's schedule of Plant & Equipment Quotation Rates and were due and payable under normal payment terms.

## F1-2 Councillor and Mayoral fees and associated expenses

Annexure 1

\$ '000	2024	2023
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
– Mayoral fee	24	23
– Councillors' fees	124	118
– Other expenses	30	32
<b>Total</b>	<b>178</b>	<b>173</b>

## F2 Other relationships

### F2-1 Audit fees

\$ '000	2024	2023
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms.		
<b>Auditors of the Council - NSW Auditor-General:</b>		
<b>(i) Audit and other assurance services</b>		
Audit and review of financial statements	82	84
<b>Remuneration for audit and other assurance services</b>	<b>82</b>	<b>84</b>
<b>Total Auditor-General remuneration</b>	<b>82</b>	<b>84</b>
<b>Non NSW Auditor-General audit firms</b>		
<b>(i) Audit and other assurance services</b>		
Internal Audit and Audit Committee Services	17	21
Other Audit Services	10	5
<b>Remuneration for audit and other assurance services</b>	<b>27</b>	<b>26</b>
<b>Total remuneration of non NSW Auditor-General audit firms</b>	<b>27</b>	<b>26</b>
<b>Total audit fees</b>	<b>109</b>	<b>110</b>

## G Other matters

Annexure 1

### G1-1 Statement of Cash Flows information

#### (a) Reconciliation of Operating Result

\$ '000	2024	2023
<b>Net operating result from Income Statement</b>	<b>10,840</b>	9,026
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	14,160	11,809
(Gain) / loss on disposal of assets	(369)	(273)
Non-cash capital grants and contributions	(357)	(50)
Unwinding of discount rates on reinstatement provisions	79	30
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	(6,466)	1,494
Increase / (decrease) in provision for impairment of receivables	96	(99)
(Increase) / decrease of inventories	35	(178)
Increase / (decrease) in payables	388	153
Increase / (decrease) in accrued interest payable	(5)	(5)
Increase / (decrease) in other accrued expenses payable	784	84
Increase / (decrease) in other liabilities	449	(84)
Increase / (decrease) in contract liabilities	(3,758)	1,581
Increase / (decrease) in employee benefit provision	12	(57)
Increase / (decrease) in other provisions	(448)	(4)
<b>Net cash flows from operating activities</b>	<b>15,440</b>	<b>23,427</b>

#### (b) Non-cash investing and financing activities

Gifted Assets - roads and other infrastructure for new subdivisions and RMS gifted roads.

	345	50
<b>Total non-cash investing and financing activities</b>	<b>345</b>	<b>50</b>

## G2-1 Commitments

Annexure 1

### Capital commitments (exclusive of GST)

\$ '000	2024	2023
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Buildings	–	106
Land development	35	–
Plant and equipment	253	299
Roads & drainage infrastructure	1,064	3,073
<b>Total commitments</b>	<b>1,352</b>	<b>3,478</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	1,352	3,478
<b>Total payable</b>	<b>1,352</b>	<b>3,478</b>
<b>Sources for funding of capital commitments:</b>		
Unrestricted general funds	148	2,059
Future grants and contributions	499	1,218
Internally restricted reserves	705	201
<b>Total sources of funding</b>	<b>1,352</b>	<b>3,478</b>

#### Details of capital commitments

The above commitments relate mainly to the following projects;

- Purchase of Hino Truck
- Purchase of Tandem Tipping Trailer
- Guardrail at Gerogery West
- Solar Street Lighting
- Road Capital Improvements

## G3-1 Events occurring after the reporting date

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

## G4 Changes from prior year statements

### G4-1 Changes in accounting policy

#### Voluntary changes in accounting policies

Council made no voluntary changes in accounting policies during the year.



## G4-2 Correction of errors

## Annexure 1

## Nature of prior period error

**Depreciation of the road pavement Sub-base**

Road pavement may be broken into a shortlife component (base) and a long life component (sub-base). The estimated useful life of the base is 60-80 years whilst the sub-base is estimated to be 120-160 years.

Council has not accounted for the depreciation of the long life component of the pavement. This error was identified during the conduct of the road assets revaluation in 2023-24.

The error identified above has been corrected by restating the balances at the beginning of the earliest period presented (1 July 2022) and taking the adjustment through to accumulated surplus at that date. Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown below.

**Statement of Financial Position**

\$ '000	Original Balance 1 July, 2022	Impact Increase/ (decrease)	Restated Balance 1 July, 2022
<b>Total current assets</b>	34,302	–	34,302
Infrastructure, property , plant and equipment	720,495	(31,769)	688,726
<b>Total non-current assets</b>	727,626	(31,769)	695,857
<b>Total assets</b>	<b>761,928</b>	<b>(31,769)</b>	<b>730,159</b>
<b>Total current liabilities</b>	13,099	–	13,099
<b>Total non-current liabilities</b>	9,513	–	9,513
<b>Total liabilities</b>	<b>22,612</b>	<b>–</b>	<b>22,612</b>
<b>Net assets</b>	739,316	(31,769)	707,547
<b>Accumulated Surplus</b>	292,965	(31,769)	261,196
<b>Total equity</b>	<b>739,316</b>	<b>(31,769)</b>	<b>707,547</b>

## G4-2 Correction of errors (continued)

Annexure 1

## Statement of Financial Position

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
<b>Total current assets</b>	40,619	–	40,619
Infrastructure, property, plant and equipment	791,886	(32,943)	758,943
<b>Total non-current assets</b>	799,015	(32,943)	766,072
<b>Total assets</b>	<b>839,634</b>	<b>(32,943)</b>	<b>806,691</b>
<b>Total current liabilities</b>	14,617	–	14,617
<b>Total non-current liabilities</b>	8,484	–	8,484
<b>Total liabilities</b>	<b>23,101</b>	<b>–</b>	<b>23,101</b>
<b>Net assets</b>	816,533	(32,943)	783,590
Accumulated Surplus	303,165	(32,943)	270,222
<b>Total equity</b>	<b>816,533</b>	<b>(32,943)</b>	<b>783,590</b>

## Income Statement

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
<b>Total income from continuing operations</b>	<b>52,090</b>	<b>–</b>	<b>52,090</b>
Depreciation, amortisation and impairment of non-financial assets	10,635	1,174	11,809
<b>Total expenses from continuing operations</b>	<b>41,890</b>	<b>1,174</b>	<b>43,064</b>
<b>Net operating result for the year</b>	<b>10,200</b>	<b>(1,174)</b>	<b>9,026</b>

## G4-3 Changes in accounting estimates

Council made no changes to accounting estimates during the year.

## G5 Statement of developer contributions

### G5-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2023	Contributions received during the year			Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2024
		Cash	Non-cash	Land			
Roads	43	–	–	–	1	–	44
Open space	53	–	–	–	2	(54)	1
Community facilities	62	–	–	–	3	–	65
Other	13	–	–	–	1	–	14
<b>S7.11 contributions – under a plan</b>	<b>171</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7</b>	<b>(54)</b>	<b>124</b>
<b>S7.12 levies – under a plan</b>	<b>534</b>	<b>248</b>	<b>–</b>	<b>–</b>	<b>24</b>	<b>–</b>	<b>806</b>
<b>Total S7.11 and S7.12 revenue under plans</b>	<b>705</b>	<b>248</b>	<b>–</b>	<b>–</b>	<b>31</b>	<b>(54)</b>	<b>930</b>
S7.11 not under plans	–	92	–	–	–	–	92
<b>Total contributions</b>	<b>705</b>	<b>340</b>	<b>–</b>	<b>–</b>	<b>31</b>	<b>(54)</b>	<b>1,022</b>

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.

## G5-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2023	Contributions received during the year			Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2024
		Cash	Non-cash	Land			
<b>CONTRIBUTION PLAN NUMBER 1 – FORMER HUME SHIRE PROPORTION OF GREATER HUME SHIRE</b>							
Roads	43	-	-	-	1	-	44
Open space	1	-	-	-	-	-	1
Community facilities	62	-	-	-	3	-	65
Other	13	-	-	-	1	-	14
<b>Total</b>	<b>119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>124</b>
<b>INFRASTRUCTURE CONTRIBUTIONS PLAN - SOUTH JINDERA LOW DENSITY RESIDENTIAL AREA</b>							
Drainage	-	-	-	-	-	-	-
Open space	52	-	-	-	2	(54)	-
Other	-	-	-	-	-	-	-
<b>Total</b>	<b>52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>(54)</b>	<b>-</b>
 <b>S7.12 Levies – under a plan</b>							
<b>GREATER HUME SHIRE COUNCIL S7.12 LEVY DEVELOPMENT CONTRIBUTIONS PLAN 2014</b>							
Other	534	248	-	-	24	-	806
<b>Total</b>	<b>534</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>806</b>

G5-3 S7.4 planning agreements

\$ '000	Opening balance at 1 July 2023	Contributions received during the year			Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2024
		Cash	Non-cash	Land			
<b>Walla Walla Solar Farm</b>							
Community facilities	700	-	-	39	-	739	
<b>Culcairn Solar Farm</b>							
Community Facilities	-	150	-	2	-	152	
<b>Total</b>	<b>700</b>	<b>150</b>	<b>-</b>	<b>41</b>	<b>-</b>	<b>891</b>	

## G6 Statement of performance measures

Annexure 1

## G6-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2024	Indicator 2024	Indicator Restated 2023	Benchmark
<b>1. Operating performance ratio</b>				
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>(1,933)</b>	<b>(4.29)%</b>	5.92%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>45,039</b>			
<b>2. Own source operating revenue ratio</b>				
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	<b>23,553</b>	<b>40.93%</b>	43.04%	> 60.00%
Total continuing operating revenue <sup>1</sup>	<b>57,540</b>			
<b>3. Unrestricted current ratio</b>				
Current assets less all external restrictions	<b>32,206</b>	<b>3.35x</b>	5.25x	> 1.50x
Current liabilities less specific purpose liabilities	<b>9,605</b>			
<b>4. Debt service cover ratio</b>				
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>12,495</b>	<b>13.29x</b>	12.43x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>940</b>			
<b>5. Rates and annual charges outstanding percentage</b>				
Rates and annual charges outstanding	<b>983</b>	<b>6.96%</b>	5.57%	< 10.00%
Rates and annual charges collectable	<b>14,119</b>			
<b>6. Cash expense cover ratio</b>				
Current year's cash and cash equivalents plus all term deposits	<b>24,747</b>	<b>7.99 months</b>	11.22 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	<b>3,097</b>			

(1) Excludes fair value adjustments, reversal of revaluation decrements, and net gain on sale of assets.

(2) Excludes impairment/revaluation decrements and net loss on sale of assets.

## G6-2 Statement of performance measures by fund

\$ '000	General Indicators <sup>3</sup>		Water Indicators		Sewer Indicators		Benchmark
	2024	Restated 2023	2024	2023	2024	2023	
<b>1. Operating performance ratio</b>							
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>(5.15)%</b>	6.64%	<b>6.91%</b>	(2.70)%	<b>(0.72)%</b>	(0.10)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>							
<b>2. Own source operating revenue ratio</b>							
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>36.26%</b>	38.63%	<b>94.50%</b>	91.85%	<b>90.42%</b>	96.25%	> 60.00%
Total continuing operating revenue <sup>1</sup>							
<b>3. Unrestricted current ratio</b>							
Current assets less all external restrictions	<b>3.51x</b>	5.25x	<b>15.72x</b>	18.17x	<b>142.76x</b>	140.81x	> 1.50x
Current liabilities less specific purpose liabilities							
<b>4. Debt service cover ratio</b>							
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>11.76x</b>	11.47x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
<b>5. Rates and annual charges outstanding percentage</b>							
Rates and annual charges outstanding	<b>7.18%</b>	5.67%	<b>0.27%</b>	0.41%	<b>8.52%</b>	7.38%	< 10.00%
Rates and annual charges collectable							
<b>6. Cash expense cover ratio</b>							
Current year's cash and cash equivalents plus all term deposits	<b>5.98</b>	9.39	∞	∞	∞	∞	> 3.00
Monthly payments from cash flow of operating and financing activities	<b>months</b>	months					months

(1) - (2) Refer to Notes at Note 24(a) above.

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

**End of audited financial statements.**

**End of the audited financial statements**

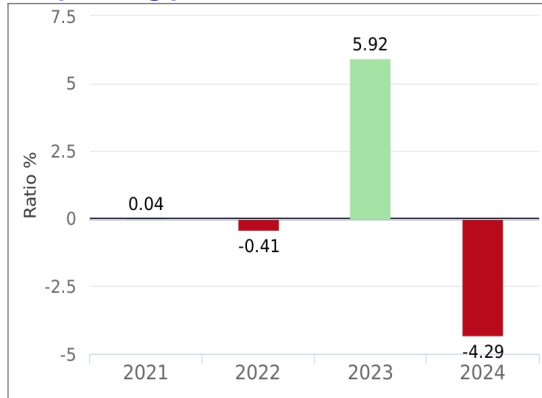


# H Additional Council disclosures (unaudited)

Annexure 1

## 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 2023/24 result**

2023/24 ratio (4.29)%

The operating performance ratio of Greater Hume Council has yielded an unfavourable outcome. The previous financial year was impacted by an increase in the prepayment of the Financial Assistance Grant and other grant funding.

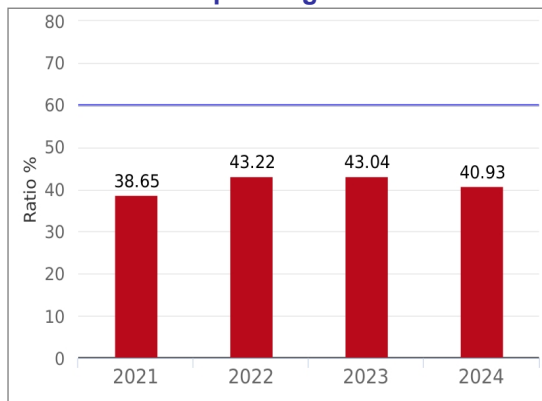
Benchmark: — > 0.00%

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 2023/24 result**

2023/24 ratio 40.93%

The ratio remains consistent with previous financial years. Greater Hume Council relies heavily on grants and contributions due to its relatively small population and the large area it needs to service.

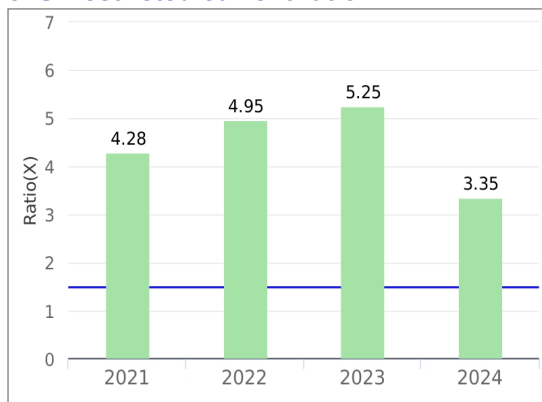
Benchmark: — > 60.00%

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 2023/24 result**

2023/24 ratio 3.35x

Greater Hume Council's financial ratio exceeds the established benchmark, reflecting a strong financial capability to meet its short term obligations.

Benchmark: — > 1.50x

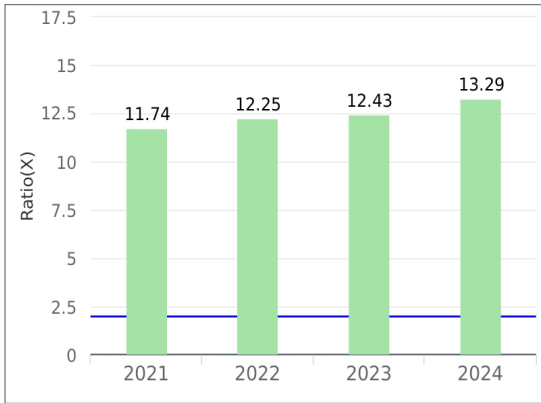
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

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

**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 2023/24 result**

**2023/24 ratio 13.29x**

Council maintains a relatively low level of borrowings. The ratio indicates that Council is able to comfortably service its current debt level.

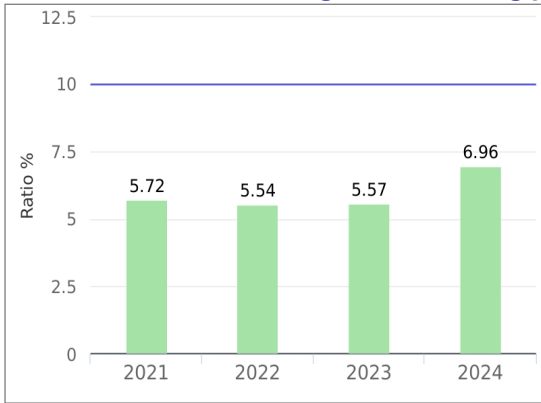
Benchmark: — > 2.00x

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 2023/24 result**

**2023/24 ratio 6.96%**

The Council has observed an increase in the level of outstanding rates and charges, which can be attributed to the higher inflation rates and rising cost of living. Despite this increase, the Council's outstanding rates and charges remain well under the industry benchmark.

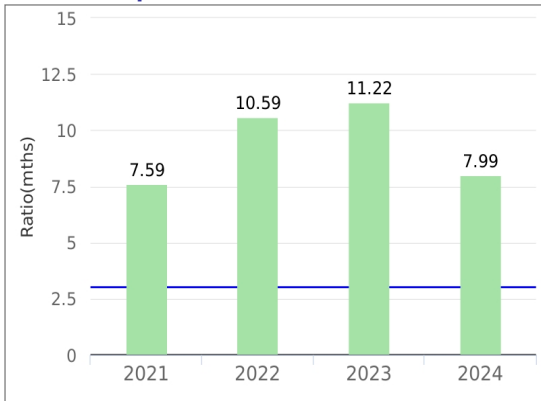
Benchmark: — < 10.00%

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 2023/24 result**

**2023/24 ratio 7.99 months**

Council continues to maintain a strong liquidity ratio which is well above the industry benchmark.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

## H1-2 Financial review

## Annexure 1

## Key financial figures of Council over the past 5 years

\$ '000	2024	2023	2022	2021	2020
<b>Inflows:</b>					
Rates and annual charges revenue	13,220	12,612	12,228	11,791	11,416
User charges revenue	7,114	7,715	6,554	7,388	6,042
Interest and investment revenue (losses)	1,224	1,053	297	248	461
Grants income – operating and capital	33,139	28,353	25,056	30,967	18,368
Total income from continuing operations	57,909	52,090	46,846	52,027	37,223
Sale proceeds from IPPE	1,391	1,491	2,086	1,640	681
<b>Outflows:</b>					
Employee benefits and on-cost expenses	13,894	13,196	12,675	11,146	10,696
Borrowing costs	268	117	203	284	231
Materials and contracts expenses	16,919	16,495	11,379	15,379	14,892
Total expenses from continuing operations	47,069	43,064	35,344	37,553	35,982
Total cash purchases of IPPE	22,521	15,280	18,453	21,264	14,575
Total loan repayments (incl. leases)	672	1,061	619	580	589
Operating surplus/(deficit) (excl. capital income)	(1,661)	3,083	996	261	(3,470)
<b>Financial position figures</b>					
Current assets	45,086	40,619	34,302	32,567	31,561
Current liabilities	16,074	14,617	13,099	10,423	7,688
Net current assets	29,012	26,002	21,203	22,144	23,873
Available working capital (Unrestricted net current assets)	9,578	6,539	9,941	7,767	7,900
Cash and investments – unrestricted	1,065	1,633	4,587	2,425	4,876
Cash and investments – internal restrictions	15,228	18,889	13,389	12,310	10,345
Cash and investments – total	29,747	38,128	30,798	26,292	23,735
Total borrowings outstanding (loans, advances and finance leases)	2,984	3,644	4,683	3,244	3,764
Total value of IPPE (excl. land and earthworks)	825,477	733,374	664,741	599,482	581,219
Total accumulated depreciation	279,448	268,253	208,789	183,534	174,529
Indicative remaining useful life (as a % of GBV)	66%	63%	66%	69%	70%

**Source:** published audited financial statements of Council (current year and prior year)

## H1-3 Council information and contact details

Annexure 1

### Principal place of business:

39 Young Street  
Holbrook NSW 2644

### Contact details

#### Mailing Address:

PO Box 99  
Holbrook NSW 2644

**Telephone:** 02 6036 0100

#### Opening hours:

8:30am - 5:00pm  
Monday to Friday

**Internet:** <http://www.greaterhume.nsw.gov.au>

**Email:** [mail@greaterhume.nsw.gov.au](mailto:mail@greaterhume.nsw.gov.au)

### Officers

#### General Manager

Evelyn Arnold

#### Responsible Accounting Officer

Dean Hart

#### Public Officer

Louise Frichot

#### Auditors

Audit Office of NSW  
Level 15, 1 Margaret St  
Sydney NSW 2000

### Elected members

#### Mayor

Councillor Lea Parker

#### Councillors

Matt Hicks  
Ben Hooper  
Ashley Lindner  
Brian Liston  
Kerry Morton  
Jenny O'Neill  
Lea Parker  
Annette Schilg (Deputy Mayor)

### Other information

**ABN:** 44 970 341 154

## Greater Hume Shire Council

Annexure 1

### General Purpose Financial Statements

for the year ended 30 June 2024

#### Independent Auditor's Reports:

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On the Financial Statements (Sect 417 [2])

## Greater Hume Shire Council

Annexure 1

### General Purpose Financial Statements

for the year ended 30 June 2024

#### Independent Auditor's Reports: (continued)

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#### On the Financial Statements (Sect 417 [3])



Greater  
Hume  
Council

Annexure 1



# Special Purpose Financial Statements

For the year ended 30 June 2024

Annexure 1



## Special Purpose Financial Statements

for the year ended 30 June 2024

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**Background**

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

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

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

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

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

## Special Purpose Financial Statements

for the year ended 30 June 2024

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

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

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

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

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

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

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

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Councillor Lea Parker

**Mayor**

22 October 2024

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Councillor Ben Hooper

**Councillor**

22 October 2024

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Evelyn Arnold

**General Manager**

22 October 2024

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Dean Hart

**Responsible Accounting Officer**

22 October 2024

## Greater Hume Shire Council

Annexure 1

## Income Statement of water supply business activity

for the year ended 30 June 2024

\$ '000	2024	2023
<b>Income from continuing operations</b>		
Access charges	744	729
User charges	1,517	1,021
Interest and investment income	154	142
Grants and contributions provided for operating purposes	13	139
Other income	74	80
<b>Total income from continuing operations</b>	<b>2,502</b>	<b>2,111</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	523	486
Materials and services	273	324
Depreciation, amortisation and impairment	544	502
Water purchase charges	989	856
<b>Total expenses from continuing operations</b>	<b>2,329</b>	<b>2,168</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>173</b>	<b>(57)</b>
Grants and contributions provided for capital purposes	132	36
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>305</b>	<b>(21)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>305</b>	<b>(21)</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(43)	–
<b>Surplus (deficit) after tax</b>	<b>262</b>	<b>(21)</b>
<b>Opening accumulated surplus</b>	<b>11,506</b>	<b>11,527</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Corporate taxation equivalent	43	–
<b>Closing accumulated surplus</b>	<b>11,811</b>	<b>11,506</b>
<b>Return on capital %</b>	<b>0.7%</b>	<b>(0.2)%</b>
<b>Subsidy from Council</b>	<b>942</b>	<b>1,064</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	262	(21)
Less: capital grants and contributions (excluding developer contributions)	(132)	(36)
<b>Surplus for dividend calculation purposes</b>	<b>130</b>	<b>–</b>
<b>Dividend calculated from surplus</b>	<b>65</b>	<b>–</b>

## Greater Hume Shire Council

Annexure 1

## Income Statement of sewerage business activity

for the year ended 30 June 2024

\$ '000	2024	2023
<b>Income from continuing operations</b>		
Access charges	1,526	1,490
User charges	72	155
Liquid trade waste charges	191	92
Interest and investment income	130	126
Grants and contributions provided for operating purposes	30	17
Other income	6	36
<b>Total income from continuing operations</b>	<b>1,955</b>	<b>1,916</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	759	758
Materials and services	469	474
Depreciation, amortisation and impairment	741	686
<b>Total expenses from continuing operations</b>	<b>1,969</b>	<b>1,918</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(14)</b>	<b>(2)</b>
Grants and contributions provided for capital purposes	174	57
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>160</b>	<b>55</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>160</b>	<b>55</b>
<b>Surplus (deficit) after tax</b>	<b>160</b>	<b>55</b>
<b>Opening accumulated surplus</b>	<b>15,677</b>	15,622
<b>Plus adjustments for amounts unpaid:</b>		
<b>Closing accumulated surplus</b>	<b>15,837</b>	15,677
<b>Return on capital %</b>	<b>0.0%</b>	0.0%
<b>Subsidy from Council</b>	<b>1,873</b>	1,667
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	160	55
Less: capital grants and contributions (excluding developer contributions)	(174)	(57)
<b>Surplus for dividend calculation purposes</b>	<b>-</b>	<b>-</b>
<b>Dividend calculated from surplus</b>	<b>-</b>	<b>-</b>

## Greater Hume Shire Council

Annexure 1

## Statement of Financial Position of water supply business activity

as at 30 June 2024

\$ '000	2024	2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	3,789	3,486
Receivables	1,031	621
<b>Total current assets</b>	<b>4,820</b>	<b>4,107</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	25,936	25,050
<b>Total non-current assets</b>	<b>25,936</b>	<b>25,050</b>
<b>Total assets</b>	<b>30,756</b>	<b>29,157</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	241	226
<b>Total current liabilities</b>	<b>241</b>	<b>226</b>
<b>Total liabilities</b>	<b>241</b>	<b>226</b>
<b>Net assets</b>	<b>30,515</b>	<b>28,931</b>
<b>EQUITY</b>		
Accumulated surplus	11,810	11,506
Revaluation reserves	18,705	17,425
<b>Total equity</b>	<b>30,515</b>	<b>28,931</b>

## Greater Hume Shire Council

## Annexure 1

## Statement of Financial Position of sewerage business activity

as at 30 June 2024

\$ '000	2024	2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,427	1,898
Receivables	483	355
<b>Total current assets</b>	<b>2,910</b>	<b>2,253</b>
<b>Non-current assets</b>		
Infrastructure, property, plant and equipment	43,222	41,423
<b>Total non-current assets</b>	<b>43,222</b>	<b>41,423</b>
<b>Total assets</b>	<b>46,132</b>	<b>43,676</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	17	16
<b>Total current liabilities</b>	<b>17</b>	<b>16</b>
<b>Total liabilities</b>	<b>17</b>	<b>16</b>
<b>Net assets</b>	<b>46,115</b>	<b>43,660</b>
<b>EQUITY</b>		
Accumulated surplus	15,837	15,677
Revaluation reserves	30,278	27,983
<b>Total equity</b>	<b>46,115</b>	<b>43,660</b>

## Note – Material accounting policy information

## Annexure 1

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

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

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

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993 (Act)*, the *Local Government (General) Regulation 2022 (Regulation)* and the Local Government Code of Accounting Practice and Financial Reporting.

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

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

### National Competition Policy

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

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

### Declared business activities

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

#### Category 1

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

##### Greater Hume Shire Council Combined Water Supplies

Comprising the whole of the operations and assets of the water supply systems servicing the towns of Jindera, Burrumbuttock, Brocklesby, Gerogery and Culcairn.

#### Category 2

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

##### Greater Hume Shire Council Combined Sewerage Service

Comprising the whole of the operations and assets of the sewerage reticulation and treatment system servicing the towns of Burrumbuttock, Culcairn, Henty, Holbrook, Jindera and Walla Walla.

### Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

#### Notional rate applied (%)

Corporate income tax rate – **25%**

## Note – Material accounting policy information (continued)

Annexure 1

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

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

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

The payment of taxation equivalent charges, referred to in the Best Practice Management of Water Supply and Sewer Guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to the DPIE – 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, currently 25%

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

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

### Local government rates and charges

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

### Loan and debt guarantee fees

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

#### (i) Subsidies

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

#### (ii) Return on investments (rate of return)

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

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective 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 4.03% at 30 June 2023.



## Note – Material accounting policy information (continued)

Annexure 1

### (iii) Dividends

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

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

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

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

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

Greater Hume Shire Council

Annexure 1

Special Purpose Financial Statements

for the year ended 30 June 2024

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Greater  
Hume  
Council

Annexure 1



# Special Schedules

For the year ended 30 June 2024

## Annexure 1

Special Schedules

for the year ended 30 June 2024

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## Greater Hume Shire Council

Annexure 1

## Permissible income for general rates

\$ '000	Notes	Calculation 2023/24	Calculation 2024/25
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	9,554	10,040
Plus or minus adjustments <sup>2</sup>	b	36	39
<b>Notional general income</b>	c = a + b	<b>9,590</b>	<b>10,079</b>
<b>Permissible income calculation</b>			
Percentage increase	d	4.70%	5.20%
Plus percentage increase amount <sup>3</sup>	f = d x (c + e)	451	524
<b>Sub-total</b>	g = (c + e + f)	<b>10,041</b>	<b>10,603</b>
Plus (or minus) last year's carry forward total	h	1	2
<b>Sub-total</b>	j = (h + i)	<b>1</b>	<b>2</b>
<b>Total permissible income</b>	k = g + j	<b>10,042</b>	<b>10,605</b>
Less notional general income yield	l	10,040	10,605
<b>Catch-up or (excess) result</b>	m = k - l	<b>2</b>	<b>-</b>
<b>Carry forward to next year <sup>6</sup></b>	p = m + n + o	<b>2</b>	<b>-</b>

**Notes**

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

## Greater Hume Shire Council

## Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance <sup>a</sup>	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
<b>Buildings</b>	Other	10	10	120	101	9,445	11,180	18.1%	29.9%	48.5%	3.2%	0.3%
	Council Offices / Administration Centres	40	40	51	52	4,566	8,415	0.0%	0.0%	87.4%	12.6%	0.0%
	Works Depots	–	–	65	98	3,286	5,330	46.9%	1.3%	38.7%	13.1%	0.0%
	Public Halls	200	200	41	36	4,970	16,840	0.0%	4.1%	14.0%	81.9%	0.0%
	Houses	–	–	25	22	2,348	2,348	0.0%	100.0%	0.0%	0.0%	0.0%
	Libraries	209	209	9	5	1,826	3,678	0.0%	27.3%	72.7%	0.0%	0.0%
	Museums	–	–	8	6	457	1,150	0.0%	15.9%	64.5%	19.0%	0.6%
	Amenities/Public Toilets	40	40	27	25	2,368	4,951	19.5%	17.4%	27.2%	27.4%	8.5%
	Sporting Facilities	–	–	26	32	12,012	24,116	19.8%	3.9%	41.3%	33.0%	2.0%
	Aged Care Facilities	82	82	74	42	3,701	6,172	0.0%	55.4%	44.6%	0.0%	0.0%
	<b>Sub-total</b>	<b>581</b>	<b>581</b>	<b>446</b>	<b>419</b>	<b>44,979</b>	<b>84,180</b>	<b>12.2%</b>	<b>15.3%</b>	<b>41.2%</b>	<b>30.2%</b>	<b>1.1%</b>
<b>Other structures</b>	Other structures	230	230	42	20	22,351	33,071	15.5%	13.0%	59.4%	11.2%	0.9%
	<b>Sub-total</b>	<b>230</b>	<b>230</b>	<b>42</b>	<b>20</b>	<b>22,351</b>	<b>33,071</b>	<b>15.5%</b>	<b>13.0%</b>	<b>59.4%</b>	<b>11.2%</b>	<b>0.9%</b>
<b>Roads</b>	Sealed Roads Surface	1,673	1,673	4,848	9,084	25,641	40,149	11.6%	54.9%	29.3%	3.8%	0.3%
	Sealed Roads Structure	1,380	1,380	–	–	255,562	361,336	4.2%	67.6%	26.1%	1.8%	0.3%
	Unsealed roads	1,640	1,640	1,181	3,388	15,945	26,381	51.5%	18.1%	24.8%	4.6%	1.0%
	Bridges	–	–	20	17	57,196	84,142	5.7%	72.2%	20.4%	1.3%	0.5%
	Footpaths	80	80	53	55	5,725	6,764	3.2%	94.7%	1.1%	0.4%	0.7%
	Kerb & Gutter	–	–	73	78	9,492	18,925	6.1%	23.4%	32.0%	27.4%	11.2%
	Bulk earthworks	–	–	–	–	277,151	277,151	100.0%	0.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>4,773</b>	<b>4,773</b>	<b>6,175</b>	<b>12,622</b>	<b>646,713</b>	<b>814,848</b>	<b>38.9%</b>	<b>42.1%</b>	<b>16.7%</b>	<b>1.9%</b>	<b>0.4%</b>
<b>Water supply network</b>	Mains	1,307	1,307	114	157	22,143	35,653	22.0%	47.0%	19.0%	12.0%	0.0%
	Pumping Station/s	50	50	8	7	516	865	6.0%	89.0%	5.0%	0.0%	0.0%
	Treatment Works	–	–	80	30	245	460	0.0%	100.0%	0.0%	0.0%	0.0%
	Reservoirs	4,728	4,728	11	8	2,102	4,846	7.0%	40.0%	15.0%	38.0%	0.0%
	Bores	–	–	–	–	377	522	0.0%	100.0%	0.0%	0.0%	0.0%
	Other	–	–	4	3	78	176	0.0%	78.0%	0.0%	2.0%	20.0%
	<b>Sub-total</b>	<b>6,085</b>	<b>6,085</b>	<b>217</b>	<b>205</b>	<b>25,460</b>	<b>42,522</b>	<b>19.4%</b>	<b>48.4%</b>	<b>17.7%</b>	<b>14.4%</b>	<b>0.1%</b>

## Greater Hume Shire Council

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

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance <sup>a</sup>	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
<b>Sewerage network</b>	Mains	190	190	42	32	26,588	43,910	19.0%	33.0%	48.0%	0.0%	0.0%
	Pumping Station/s	195	195	46	43	3,875	6,137	11.0%	77.0%	10.0%	2.0%	0.0%
	Treatment Works	–	–	60	80	5,890	10,508	5.0%	82.0%	11.0%	2.0%	0.0%
	Reuse Scheme	500	500	20	2	1,423	1,710	0.0%	94.0%	3.0%	3.0%	0.0%
	<b>Sub-total</b>	<b>885</b>	<b>885</b>	<b>168</b>	<b>157</b>	<b>37,777</b>	<b>62,265</b>	<b>15.3%</b>	<b>47.3%</b>	<b>36.8%</b>	<b>0.6%</b>	<b>0.0%</b>
<b>Stormwater drainage</b>	Stormwater drainage	4,700	4,700	142	132	18,303	22,203	51.6%	29.9%	7.6%	1.9%	8.9%
	<b>Sub-total</b>	<b>4,700</b>	<b>4,700</b>	<b>142</b>	<b>132</b>	<b>18,303</b>	<b>22,203</b>	<b>51.6%</b>	<b>29.9%</b>	<b>7.6%</b>	<b>1.9%</b>	<b>9.0%</b>
<b>Open space / recreational assets</b>	Swimming pools	–	–	124	177	8,501	13,207	15.1%	32.9%	46.8%	5.2%	0.0%
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>124</b>	<b>177</b>	<b>8,501</b>	<b>13,207</b>	<b>15.1%</b>	<b>32.9%</b>	<b>46.8%</b>	<b>5.2%</b>	<b>0.0%</b>
<b>Total – all assets</b>		<b>17,254</b>	<b>17,254</b>	<b>7,314</b>	<b>13,732</b>	<b>804,084</b>	<b>1,072,296</b>	<b>33.9%</b>	<b>39.3%</b>	<b>21.3%</b>	<b>4.9%</b>	<b>0.6%</b>

(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



## Greater Hume Shire Council

## Annexure 1

## Report on infrastructure assets as at 30 June 2024

## Infrastructure asset performance indicators (consolidated) \*

\$ '000	Amounts	Indicator	Indicator	Benchmark
	2024	2024	Restated 2023	
<b>Buildings and infrastructure renewals ratio</b>				
Asset renewals <sup>1</sup>	<b>12,694</b>	<b>98.51%</b>	101.01%	> 100.00%
Depreciation, amortisation and impairment	<b>12,886</b>			
<b>Infrastructure backlog ratio</b>				
Estimated cost to bring assets to a satisfactory standard	<b>17,254</b>	<b>2.12%</b>	0.25%	< 2.00%
Net carrying amount of infrastructure assets	<b>814,029</b>			
<b>Asset maintenance ratio</b>				
Actual asset maintenance	<b>13,732</b>	<b>187.75%</b>	175.97%	> 100.00%
Required asset maintenance	<b>7,314</b>			
<b>Cost to bring assets to agreed service level</b>				
Estimated cost to bring assets to an agreed service level set by Council	<b>17,254</b>	<b>1.61%</b>	0.18%	
Gross replacement cost	<b>1,072,296</b>			

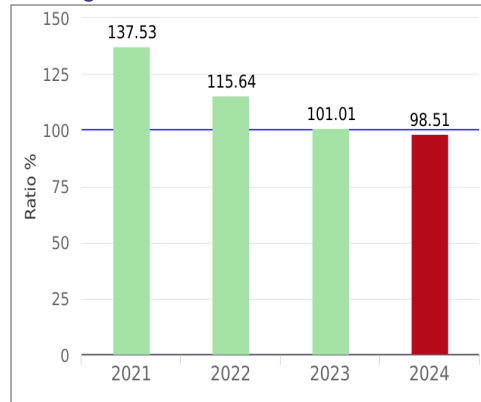
(\*) All asset performance indicators are calculated using classes identified in the previous table.

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

# Greater Hume Shire Council

## Report on infrastructure assets as at 30 June 2024

### Buildings and infrastructure renewals ratio



**Buildings and infrastructure renewals ratio**

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

Commentary on result	
23/24 ratio	98.51%
The renewal projects for major roads and stormwater drainage infrastructure have achieved a renewal ratio that is consistent with the Council's benchmark target of at least 100%.	

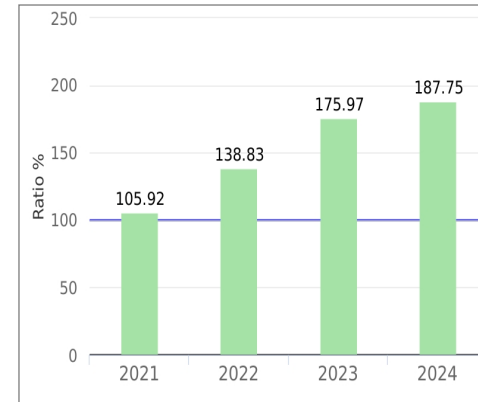
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### Asset maintenance ratio



**Asset maintenance ratio**

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

Commentary on result	
23/24 ratio	187.75%
Council's annual maintenance expenditure is adequate to ensure that the ratio of infrastructure backlog remains at a satisfactory level.	

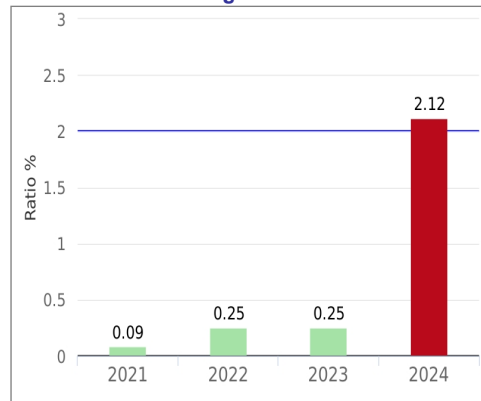
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### Infrastructure backlog ratio



**Infrastructure backlog ratio**

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

Commentary on result	
23/24 ratio	2.12%
The condition of Council's roads have deteriorated due to the wet weather and increased usage by heavy vehicles. Council is currently focused on addressing and managing the existing backlog.	

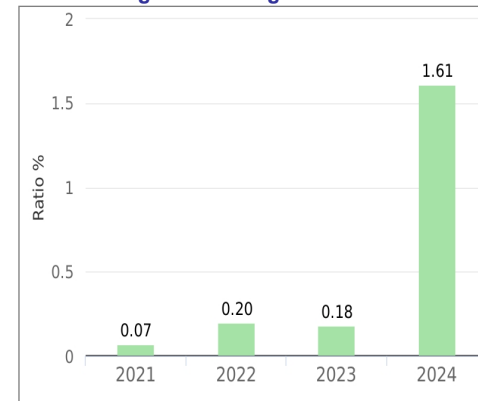
Benchmark: — < 2.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### Cost to bring assets to agreed service level



**Cost to bring assets to agreed service level**

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

Commentary on result	
23/24 ratio	1.61%
Council is consistently working to gain a better understanding of the maintenance needs for its assets. This ongoing effort is reflected in the improvement of these ratio.	

## Greater Hume Shire Council

### Report on infrastructure assets as at 30 June 2024

#### Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2024	2023	2024	2023	2024	2023	
<b>Buildings and infrastructure renewals ratio</b>							
Asset renewals <sup>1</sup>							
Depreciation, amortisation and impairment	<b>109.42%</b>	112.00%	<b>0.00%</b>	7.37%	<b>0.00%</b>	17.93%	> 100.00%
<b>Infrastructure backlog ratio</b>							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	<b>1.37%</b>	0.26%	<b>23.90%</b>	0.00%	<b>2.34%</b>	0.08%	< 2.00%
<b>Asset maintenance ratio</b>							
Actual asset maintenance							
Required asset maintenance	<b>192.96%</b>	178.61%	<b>94.47%</b>	131.06%	<b>93.45%</b>	155.56%	> 100.00%
<b>Cost to bring assets to agreed service level</b>							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	<b>1.06%</b>	0.20%	<b>14.31%</b>	0.00%	<b>1.42%</b>	0.05%	

(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.