

Bogan Shire Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2024



Bogan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024



Bogan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2024

Contents	Page
Understanding Council's Financial Statements	3
Statement by Councillors and Management	4
Primary Financial Statements:	
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Contents for the notes to the Financial Statements	10
Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	90
On the Financial Statements (Sect 417 [3])	93

Overview

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

81 Cobar Street
Nyngan NSW 2825

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.bogan.nsw.gov.au.

Bogan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2024

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

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

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

Bogan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management

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

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

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

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

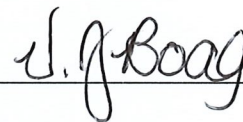
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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 August 2024.



G R J Neill
Mayor
22 August 2024



V J Boag
Councillor
22 August 2024



D A Francis
General Manager
22 August 2024



S A Waterhouse
Responsible Accounting Officer
22 August 2024

Bogan Shire Council

Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024 \$ '000		Notes	Actual 2024 \$ '000	Actual 2023 \$ '000
	Income from continuing operations			
5,493	Rates and annual charges	B2-1	5,492	5,352
5,231	User charges and fees	B2-2	9,879	10,647
98	Other revenues	B2-3	307	229
9,180	Grants and contributions provided for operating purposes	B2-4	16,731	19,782
450	Grants and contributions provided for capital purposes	B2-4	8,057	12,183
857	Interest and investment income	B2-5	1,378	698
232	Other income	B2-6	314	266
339	Net gain from the disposal of assets	B4-1	–	–
21,880	Total income from continuing operations		42,158	49,157
	Expenses from continuing operations			
8,630	Employee benefits and on-costs	B3-1	8,256	8,360
12,682	Materials and services	B3-2	16,645	18,032
65	Borrowing costs	B3-3	64	69
4,442	Depreciation, amortisation and impairment of non-financial assets	B3-4	4,806	4,571
290	Other expenses	B3-5	260	269
–	Net loss from the disposal of assets	B4-1	215	67
26,109	Total expenses from continuing operations		30,246	31,368
(4,229)	Operating result from continuing operations		11,912	17,789
(4,229)	Net operating result for the year attributable to Council		11,912	17,789
(3,779)	Net operating result for the year before grants and contributions provided for capital purposes		3,855	5,606

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

Bogan Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2024

	Notes	Actual 2024 \$ '000	Actual 2023 \$ '000
Net operating result for the year – from Income Statement		11,912	17,789
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<u>18,311</u>	<u>16,052</u>
Total items which will not be reclassified subsequently to the operating result		18,311	16,052
Total other comprehensive income for the year		<u>18,311</u>	<u>16,052</u>
Total comprehensive income for the year attributable to Council		<u>30,223</u>	<u>33,841</u>

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

Bogan Shire Council

Statement of Financial Position

as at 30 June 2024

	Notes	Actual 2024 \$ '000	Actual 2023 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	16,755	10,559
Investments	C1-2	16,800	12,800
Receivables	C1-4	7,079	17,137
Inventories	C1-5	1,391	901
Other		110	100
Total current assets		42,135	41,497
Non-current assets			
Receivables	C1-4	558	838
Infrastructure, property, plant and equipment (IPPE)	C1-6	307,625	283,924
Investments accounted for using the equity method	D2-1	124	88
Total non-current assets		308,307	284,850
Total assets		350,442	326,347
LIABILITIES			
Current liabilities			
Payables	C3-1	1,743	4,687
Contract liabilities	C3-2	5,221	8,216
Borrowings	C3-3	128	126
Employee benefit provisions	C3-4	2,028	2,090
Total current liabilities		9,120	15,119
Non-current liabilities			
Borrowings	C3-3	1,807	1,936
Total non-current liabilities		1,807	1,936
Total liabilities		10,927	17,055
Net assets		339,515	309,292
EQUITY			
Accumulated surplus	C4-1	207,873	195,961
IPPE revaluation reserve	C4-1	131,642	113,331
Council equity interest		339,515	309,292
Total equity		339,515	309,292

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

Bogan Shire Council

Statement of Changes in Equity

for the year ended 30 June 2024

	Notes	2024			2023		
		Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July		195,961	113,331	309,292	178,172	97,279	275,451
Net operating result for the year		11,912	–	11,912	17,789	–	17,789
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	18,311	18,311	–	16,052	16,052
Other comprehensive income		–	18,311	18,311	–	16,052	16,052
Total comprehensive income		11,912	18,311	30,223	17,789	16,052	33,841
Closing balance at 30 June		207,873	131,642	339,515	195,961	113,331	309,292

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

Bogan Shire Council

Statement of Cash Flows

for the year ended 30 June 2024

Original unaudited budget 2024 \$ '000		Notes	Actual 2024 \$ '000	Actual 2023 \$ '000
Cash flows from operating activities				
Receipts:				
5,909	Rates and annual charges		5,681	5,303
10,879	User charges and fees		14,142	8,966
1,245	Interest received		1,308	497
11,834	Grants and contributions		29,239	31,930
–	Bonds, deposits and retentions received		378	21
1,126	Other		1,950	2,361
Payments:				
(10,911)	Payments to employees		(8,312)	(8,231)
(15,757)	Payments for materials and services		(22,779)	(18,725)
(90)	Borrowing costs		(66)	(70)
(20)	Bonds, deposits and retentions refunded		(379)	(18)
(170)	Other		(280)	(445)
4,045	Net cash flows from operating activities	G1-1	20,882	21,589
Cash flows from investing activities				
Receipts:				
–	Redemption of term deposits		10,800	6,800
339	Proceeds from sale of IPPE		576	317
Payments:				
12,800	Acquisition of term deposits		(14,800)	(12,800)
279,294	Payments for IPPE		(11,135)	(15,867)
292,433	Net cash flows from investing activities		(14,559)	(21,550)
Cash flows from financing activities				
Payments:				
(2,062)	Repayment of borrowings		(127)	(123)
(2,062)	Net cash flows from financing activities		(127)	(123)
294,416	Net change in cash and cash equivalents		6,196	(84)
10,559	Cash and cash equivalents at beginning of year		10,559	10,643
304,975	Cash and cash equivalents at end of year	C1-1	16,755	10,559
12,800	plus: Investments on hand at end of year	C1-2	16,800	12,800
317,775	Total cash, cash equivalents and investments		33,555	23,359

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

Bogan Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2024

A About Council and these financial statements	12
A1-1 Basis of preparation	12
B Financial Performance	14
B1 Functions or activities	14
B1-1 Functions or activities – income, expenses and assets	14
B1-2 Components of functions or activities	15
B2 Sources of income	17
B2-1 Rates and annual charges	17
B2-2 User charges and fees	18
B2-3 Other revenues	19
B2-4 Grants and contributions	20
B2-5 Interest and investment income	24
B2-6 Other income	24
B3 Costs of providing services	25
B3-1 Employee benefits and on-costs	25
B3-2 Materials and services	26
B3-3 Borrowing costs	27
B3-4 Depreciation, amortisation and impairment of non-financial assets	28
B3-5 Other expenses	29
B4 Gains or losses	30
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	30
B5 Performance against budget	31
B5-1 Material budget variations	31
C Financial position	33
C1 Assets we manage	33
C1-1 Cash and cash equivalents	33
C1-2 Financial investments	34
C1-3 Restricted and allocated cash, cash equivalents and investments	35
C1-4 Receivables	37
C1-5 Inventories	39
C1-6 Infrastructure, property, plant and equipment	40
C2 Leasing activities	45
C2-1 Council as a lessee	45
C2-2 Council as a lessor	47
C3 Liabilities of Council	48
C3-1 Payables	48
C3-2 Contract Liabilities	49
C3-3 Borrowings	51
C3-4 Employee benefit provisions	54
C4 Reserves	55
C4-1 Nature and purpose of reserves	55
D Council structure	56

Bogan Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2024

D1 Results by fund	56
D1-1 Income Statement by fund	56
D1-2 Statement of Financial Position by fund	57
D1-3 Details of internal loans	58
D2 Interests in other entities	59
D2-1 Interests in joint arrangements	59
E Risks and accounting uncertainties	61
E1-1 Risks relating to financial instruments held	61
E2-1 Fair value measurement	64
E3-1 Contingencies	73
F People and relationships	76
F1 Related party disclosures	76
F1-1 Key management personnel (KMP)	76
F1-2 Councillor and Mayoral fees and associated expenses	78
F1-3 Other related parties	n/a
F2 Other relationships	79
F2-1 Audit fees	79
G Other matters	80
G1-1 Statement of Cash Flows information	80
G2-1 Commitments	81
G3-1 Events occurring after the reporting date	82
G4 Statement of developer contributions	83
G4-1 Summary of developer contributions	83
G5 Statement of performance measures	84
G5-1 Statement of performance measures – consolidated results	84
G5-2 Statement of performance measures by fund	85
H Additional Council disclosures (unaudited)	87
H1-1 Statement of performance measures – consolidated results (graphs)	87
H1-2 Council information and contact details	89

A About Council and these financial statements

A1-1 Basis of preparation

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

The material accounting policy information related to these consolidated 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) employee benefit provisions – refer Note C3-4.

Monies and other assets received by Council

The Consolidated Fund

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

The Consolidated Fund has been included in the financial statements of the Council.

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

- General purpose operations
- Water service
- Sewerage service

Volunteer services

Council has volunteers at the Nyngan Museum. If this service was not donated then Council would not provide it.

A1-1 Basis of preparation (continued)

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2023.

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

New accounting standards adopted during the year

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

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

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

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

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

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

B Financial Performance

B1 Functions or activities

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

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

	<i>Income</i>		<i>Expenses</i>		<i>Operating result</i>		<i>Grants and contributions</i>		<i>Carrying amount of assets</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Functions or activities										
Civic Leadership – Leadership, Advocacy & Governance	–	–	727	767	(727)	(767)	–	–	–	–
Civic Leadership – Managing Our Business	8,336	8,622	1,593	1,679	6,743	6,943	4,068	4,799	37,393	37,490
Economic – Local Industries & Business	86	362	78	77	8	285	86	332	469	319
Economic – Public Transport & Air Services	2	3	82	87	(80)	(84)	–	–	345	300
Economic – Tourism	18	191	132	137	(114)	54	128	170	–	–
Environmental – Built Environment	1,675	979	2,025	1,708	(350)	(729)	15	–	4,115	3,899
Environmental – Health, Safety & Regulation	317	345	512	559	(195)	(214)	288	293	38	36
Environmental – Natural Environment	79	354	251	226	(172)	128	106	398	–	–
Environmental – Waste & Recycling	1,276	1,253	1,060	1,065	216	188	157	171	575	282
Infrastructure – Sewer	1,349	610	888	1,002	461	(392)	641	–	13,686	12,980
Infrastructure – Transport Networks	19,565	21,760	13,834	16,175	5,731	5,585	12,820	13,948	212,098	196,600
Infrastructure – Water	3,919	8,574	3,211	2,459	708	6,115	1,460	6,408	51,926	48,737
Social – Community Centres	2,411	2,294	1,495	1,422	916	872	2,884	2,361	22,791	19,894
Social – Education	–	–	2	2	(2)	(2)	–	–	–	–
Social – Emergency Services	231	192	379	397	(148)	(205)	143	192	961	834
Social – Inclusive Communities	1,694	1,867	1,941	1,663	(247)	204	1,736	1,731	2,966	2,196
Social – Public Health	1,198	1,745	1,820	1,660	(622)	85	118	1,016	2,878	2,685
Social – Social & Cultural	2	6	216	283	(214)	(277)	138	146	201	95
Total functions and activities	42,158	49,157	30,246	31,368	11,912	17,789	24,788	31,965	350,442	326,347

B1-2 Components of functions or activities

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

Social - Social & Cultural

Council function includes not-for-profit community functions where Council assists community organisations to achieve their outcomes. This function also includes Councils community and social development role that helps to apply for Grants for Council and to assist with strategic direction.

Social - Community Centres

Council function includes community facilities maintained by Council such as Parks & Gardens, Sport & Recreation Facilities, Cemetery, Swimming Pool, Library as well as Halls, Museum & Historic Buildings.

Social - Inclusive Communities

Council function supports children, the elderly and people with disabilities. This includes Councils Bogan Bush Mobile Service, Early Learning Centre, Youth Services and Seniors Living.

Social - Education

Council function that supports our local schools with providing access to education at all levels.

Social - Public Health

Council function aims to ensure our community has access to medical services, facilities and programs to enhance and protect health in the community. This includes our Council run Medical Centre as well as support to other health practitioners within the town.

Social - Emergency Services

Council function that supports our fire, police and ambulance services to provide effective and efficient services to the community. This includes administrative support to the District Rural Fire Service as well as hazard reduction programs done in conjunction with the RFS and support to other emergency services.

Infrastructure - Transport Networks

Council function to construct and maintain the Bogan Shire transport network to enable safe and efficient travel and freight throughout the Shire. Council has a large fleet of plant and equipment used primarily to carry out its own roadworks as well as contract work to the Shires highways on behalf of the Roads & Maritime Services. Council maintains its own plant and equipment and uses the plan system to fund this function.

Infrastructure - Water

Council has access to a safe and secure water supply that provides the community with a reliable, safe and cost effective water service to the Nyngan township as well as a raw water supply to Councils villages.

Infrastructure - Sewer

Council has access to a safe and reliable sewerage service.

Environmental - Built Environment

This Council function includes development and building control through respectful planning processes and facilitation of development in line with statutory requirements as well as the building and maintenance of Council owned buildings.

Environmental - Waste & Recycling

Council function that aims to ensure our waste stream is effectively managed. This includes activities such as waste collection, waste recycling and Councils waste disposal facility.

B1-2 Components of functions or activities (continued)

Environmental - Natural Environment

Council function that aims to ensure open space areas are protected and managed to preserve their valued use and biodiversity while minimising the impact of pollution and weeds on the environment. Council has a noxious weeds program that assists to achieve this outcome.

Environmental - Health, Safety & Regulation

This Council function helps to meet compliance and regulatory obligations concerning public health. Activities include environmental administration function, storm water & drainage as well as animal control and other compliance management.

Economic - Local Industries & Business

Council aims to assist local industries and businesses including Tourism to support them to grow and prosper including Councils villages.

Economic - Tourism

Council function aims to ensure Bogan Shire is regarded as a welcoming and attractive place for people to live and visit, producing services, cultural experiences and recreational opportunities. Activities include the Council run visitor information centre.

Economic - Public Transport & Air Services

Council function that aims to ensure Bogan Shire has reliable, cost effective and regular public transport to and from our town. Council does provide and maintain an aerodrome to enable air services to access Nyngan.

Civic Leadership - Leadership, Advocacy & Governance

Council function that aims to achieve open, transparent and effective local government. The activities include Elected Members and the General Manager functions.

Civic Leadership - Managing Our Business

This function of Council aims to achieve effective and responsive management of Councils resources to deliver all goals and strategies. Activities include Corporate Services, Rates, Finance, Information Technology, Records, Customer Service, People & Culture, Human Resources and Occupational Health and Safety.

Civic Leadership - Disaster Management

Council function to ensure Council has the ability to plan, arrange and implement measures for the prevention of, preparation for, response to and recovery from emergencies. An activity of the function is to maintain Council's Levee Bank to prevent future flooding.

B2 Sources of income

B2-1 Rates and annual charges

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Ordinary rates		
Residential	355	355
Farmland	1,940	1,876
Mining	673	649
Business	278	267
Less: pensioner rebates (mandatory)	(7)	(8)
Less: pensioner rebates (Council policy)	(6)	(7)
Rates levied to ratepayers	3,233	3,132
Pensioner rate subsidies received	7	8
Total ordinary rates	3,240	3,140
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	836	831
Water supply services	913	887
Sewerage services	390	379
Waste management services (non-domestic)	141	146
Less: pensioner rebates (mandatory)	(34)	(37)
Less: pensioner rebates (Council policy)	(28)	(30)
Annual charges levied	2,218	2,176
Pensioner annual charges subsidies received:		
– Water	9	9
– Sewerage	7	8
– Domestic waste management	18	19
Total annual charges	2,252	2,212
Total rates and annual charges	5,492	5,352

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

Material accounting policy information

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

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

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

B2-2 User charges and fees

		2024	2023
	<i>Timing</i>	Actual	Actual
		\$ '000	\$ '000
Specific user charges (per s502 - specific 'actual use' charges)			
Water supply services	1	1,430	1,253
Sewerage services	1	163	160
Total specific user charges		1,593	1,413
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Inspection services	2	4	4
Planning and building regulation	2	49	54
Private works – section 67	2	481	434
Regulatory/ statutory fees	2	6	13
Regulatory fees	2	3	2
Section 10.7 certificates (EP&A Act)	2	16	10
Section 603 certificates	2	8	8
Total fees and charges – statutory/regulatory		567	525
(ii) Fees and charges – other (incl. general user charges (per s608))			
Aerodrome	2	2	2
Cemeteries	2	36	36
Child care	2	256	267
Community centres	2	2	1
Library and art gallery	2	4	3
Medical centre	2	999	801
Museum	2	9	10
Waste disposal tipping fees	2	66	81
Park rents	2	1	3
Reimbursements	2	136	69
Transport for NSW works (state roads not controlled by Council)	2	6,203	7,431
Sundry sales	2	3	1
Water connection fees	2	2	4
Total fees and charges – other		7,719	8,709
Total other user charges and fees		8,286	9,234
Total user charges and fees		9,879	10,647
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		1,593	1,412
User charges and fees recognised at a point in time (2)		8,286	9,235
Total user charges and fees		9,879	10,647

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, the customer is required to pay on arrival or in advance. There is no material obligation for Council in relation to refunds or returns.

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

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

B2-3 Other revenues

	<i>Timing</i>	2024 Actual \$ '000	2023 Actual \$ '000
Legal fees recovery – rates and charges (extra charges)	2	54	24
Carbon Bank Energy Rebate	2	–	–
Diesel rebate	2	118	96
Insurance claims recoveries	2	43	28
Sales – general	2	9	24
Insurance policy rebate	2	49	27
Other (Procurement rebate)	2	1	–
Sales – scrap metal	2	27	19
Other	2	6	11
Total other revenue		307	229

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	–	–
Other revenue recognised at a point in time (2)	307	229
Total other revenue		307

Material accounting policy information for other revenue

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

		Operating 2024 Actual \$ '000	Operating 2023 Actual \$ '000	Capital 2024 Actual \$ '000	Capital 2023 Actual \$ '000
	<i>Timing</i>				
General purpose grants and non-developer contributions (untied)					
Current year allocation					
Financial assistance – general component	2	314	975	–	–
Financial assistance – local roads component	2	73	459	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	3,586	3,749	–	–
Financial assistance – local roads component	2	1,612	1,815	–	–
Amount recognised as income during current year		5,585	6,998	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Bushfire and emergency services	2	143	192	–	–
Water supplies	2	374	–	1,084	6,408
Sewerage services	2	–	–	640	–
Child care	2	997	892	–	148
Community centres	1	–	–	86	333
Economic development	1	–	–	–	164
Heritage and cultural	2	–	25	–	–
Environmental programs	2	163	378	–	–
Library	2	71	69	6	–
Noxious weeds	2	76	43	–	–
Recreation and culture	1	176	146	2,070	2,223
Street lighting	2	17	16	–	–
Storm/flood damage	1	2,533	4,674	–	–
Transport (other roads and bridges funding)	2	4,129	3,563	2,184	1,503
Waste & Resource Management Facility	1	–	–	158	171
Medical centre	1	118	863	–	–
Youth services	1	45	273	223	320
Wage subsidy apprentices	2	33	126	–	–
Other (Flood Emergency AGRN1025)	1	–	–	288	293
Other (GP Housing)	1	–	–	–	153
Other (Bogan Shire Youth & Community Centre)	1	–	–	1,316	61
Transport (roads to recovery)	2	1,249	345	–	–
Other specific grants	2	–	160	–	–
Previously contributions:					
Medical centre	2	–	1	–	–
Roads and bridges	1	–	–	2	–
Tourism	2	–	–	–	6
Other contributions	2	–	30	–	–
Transport for NSW contributions (regional roads, block grant)	2	1,007	988	–	400
Total special purpose grants and non-developer contributions (tied)		11,131	12,784	8,057	12,183
Total grants and non-developer contributions		16,716	19,782	8,057	12,183
Comprising:					
– Commonwealth funding		7,889	8,315	1,225	1,168
– State funding		8,794	11,311	6,832	10,857
– Other funding		33	156	–	158
		16,716	19,782	8,057	12,183

B2-4 Grants and contributions (continued)

Developer contributions

	Notes	Timing	Operating 2024 Actual \$ '000	<i>Operating 2023 Actual \$ '000</i>	Capital 2024 Actual \$ '000	<i>Capital 2023 Actual \$ '000</i>
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G4					
Cash contributions						
S 7.12 – fixed development consent levies		2	15	–	–	–
Total developer contributions			15	–	–	–
Total contributions			15	–	–	–
Total grants and contributions			16,731	19,782	8,057	12,183
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			2,872	6,026	4,143	9,974
Grants and contributions recognised at a point in time (2)			13,859	13,756	3,914	2,209
Total grants and contributions			16,731	19,782	8,057	12,183

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

	Operating 2024 Actual \$ '000	<i>Operating 2023 Actual \$ '000</i>	Capital 2024 Actual \$ '000	<i>Capital 2023 Actual \$ '000</i>
Unspent grants and contributions				
Unspent funds at 1 July	4,882	1,024	-	-
Add: Funds received and not recognised as revenue in the current year	4,624	4,741	-	-
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(1,867)	(883)	-	-
Unspent funds at 30 June	7,639	4,882	-	-

Roads to Recovery Grant \$132K Rural Fire Service \$36K Planning Portal \$63K Ladies Toilets at Nyngan Golf Club \$4K, Resources for Regions 9 Programs \$1.051M, Regional & Local Roads Repair Program \$6.018M, Strong Start Cadetship \$23K, Netwaste Illegal Dumping \$18K, Regional Housing Strategy Planning Fund \$156K

Council's unspent Capital grants are included in Contract Liabilities and restricted internally

B2-4 Grants and contributions (continued)

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement but include Transport for NSW Ordered Works, Local Roads and Community Infrastructure and Fixing Local Roads. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

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

Developer contributions

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

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

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

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

B2-5 Interest and investment income

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	51	38
– Overdue user fees and charges	9	–
– Cash and investments	1,312	653
– Other	6	7
Total interest and investment income (losses)	1,378	698
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	29	17
General Council cash and investments	1,076	568
Restricted investments/funds – external:		
Water fund operations	113	22
Sewerage fund operations	150	70
Domestic waste management operations	10	21
Total interest and investment income	1,378	698

B2-6 Other income

		2024	2023
		Actual	Actual
		\$ '000	\$ '000
Rental income			
Other lease income			
Room/Facility Hire		87	60
Leaseback fees - council vehicles		14	12
Other		177	181
Total other lease income		278	253
Total rental income	C2-2	278	253
Net share of interests in joint ventures and associates using the equity method			
Joint ventures		36	13
Total net share of interests in joint ventures and associates using the equity method	D2-1	36	13
Total other income		314	266

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Salaries and wages	6,630	6,338
Employee leave entitlements (ELE)	1,262	1,517
ELE on-costs	(16)	(5)
Superannuation	822	761
Workers' compensation insurance	208	259
Fringe benefit tax (FBT)	57	56
Total employee costs	8,963	8,926
Less: capitalised costs	(707)	(566)
Total employee costs expensed	8,256	8,360
Number of 'full-time equivalent' employees (FTE) at year end	101	93

Material accounting policy information

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

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

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

B3-2 Materials and services

	Notes	2024 Actual \$ '000	2023 Actual \$ '000
Raw materials and consumables		10,901	10,256
Contractor costs		16,931	21,219
Audit Fees	F2-1	68	73
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	170	157
Advertising		26	29
Bank charges		15	13
Cleaning		8	9
Computer software charges		290	272
Electricity and heating		235	214
Fire control expenses		156	183
Insurance		712	632
Office expenses (including computer expenses)		39	28
Postage		20	16
Printing and stationery		33	29
Street lighting		94	83
Subscriptions and publications		64	66
Telephone and communications		91	83
Tourism expenses (excluding employee costs)		17	24
Valuation fees		19	49
Travel expenses		29	31
Training costs (other than salaries and wages)		103	105
Other expenses		16	12
Legal expenses:			
– Legal expenses: debt recovery		48	23
– Legal expenses: other		13	19
Expenses from short-term leases		15	15
Expenses from leases of low value assets		4	4
Expenses from Peppercorn leases		11	11
Total materials and services		30,128	33,655
Less: capitalised costs		(13,483)	(15,623)
Total materials and services		16,645	18,032

B3-3 Borrowing costs

	2024 <i>Actual</i> \$ '000	2023 <i>Actual</i> \$ '000
Interest bearing liability costs		
Interest on loans	64	69
Total interest bearing liability costs	64	69
Total borrowing costs expensed	64	69

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

	Notes	2024 \$ '000	2023 \$ '000
Depreciation and amortisation			
Plant and equipment		936	858
Office equipment		76	79
Furniture and fittings		24	24
Infrastructure:	C1-6		
– Buildings – non-specialised		320	272
– Buildings – specialised		498	485
– Other structures		122	94
– Roads		1,732	1,730
– Bridges		154	154
– Footpaths		61	60
– Stormwater drainage		4	7
– Water supply network		628	569
– Sewerage network		251	239
Total depreciation and amortisation costs		4,806	4,571
Total depreciation, amortisation and impairment for non-financial assets		4,806	4,571

Material accounting policy information

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

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

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

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

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

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

B3-5 Other expenses

	Notes	2024 Actual \$ '000	2023 Actual \$ '000
Impairment of receivables			
Rates and annual charges		–	20
Total impairment of receivables	C1-4	–	20
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		221	212
Donations, contributions and assistance to other organisations (Section 356)		39	37
Total other expenses		260	269

B4 Gains or losses

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

	Notes	2024 Actual \$ '000	2023 Actual \$ '000
Gain (or loss) on disposal of property (excl. investment property)			
Less: carrying amount of property assets sold/written off		(221)	(11)
Gain (or loss) on disposal		(221)	(11)
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		536	274
Less: carrying amount of plant and equipment assets sold/written off		(350)	(192)
Gain (or loss) on disposal		186	82
Gain (or loss) on disposal of infrastructure	C1-6		
Less: carrying amount of infrastructure assets sold/written off		(198)	(146)
Gain (or loss) on disposal		(198)	(146)
Gain (or loss) on disposal of term deposits	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		10,800	6,800
Less: carrying amount of term deposits sold/redeemed/matured		(10,800)	(6,800)
Gain (or loss) on disposal		–	–
Other (Operational Land)			
Proceeds from disposal – Other (Operational Land)		40	43
Less: carrying amount of Other (Operational Land) assets sold/written off		(22)	(35)
Gain (or loss) on disposal		18	8
Net gain (or loss) from disposal of assets		(215)	(67)

Material accounting policy information

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

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 22 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Revenues				
Rates and annual charges	5,493	5,492	(1)	0% U
User charges and fees	5,231	9,879	4,648	89% F
Council received additional funding from TfNSW contract and ordered works to what was originally budgeted.				
Other revenues	98	307	209	213% F
Council received additional income to what was budgeted.				
Operating grants and contributions	9,180	16,731	7,551	82% F
Council received Grant funds from Local Roads and Community Infrastructure, Regional Emergency Road Repair Fund and Regional Housing Strategy that weren't in the original budget.				
Capital grants and contributions	450	8,057	7,607	1,690% F
Council received funds from Restart NSW for the completion of the second Storage Dam which was accounted for in a previous budget as well as funding from the Public Library Infrastructure Grant and the Infrastructure Betterment Fund that weren't in the original budget.				
Interest and investment revenue	857	1,378	521	61% F
Interest rates were again favourable throughout the year and the budget was prepared predicting a decrease in interest rates.				
Net gains from disposal of assets	339	-	(339)	(100)% U
The amount of income budgeted did not take into account the cost of disposal of the capital items and therefore there is a variation to the budget.				
Other income	232	314	82	35% F
Council received additional income to what was originally budgeted.				

B5-1 Material budget variations (continued)

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----		
Expenses					
Employee benefits and on-costs	8,630	8,256	374	4%	F
Materials and services	12,682	16,645	(3,963)	(31)%	U
Materials and services costs increased due to additional costs for the extra TfNSW ordered works and contract works as well as Grant projects that weren't originally budgeted that required materials do complete the works.					
Borrowing costs	65	64	1	2%	F
Depreciation, amortisation and impairment of non-financial assets	4,442	4,806	(364)	(8)%	U
Other expenses	290	260	30	10%	F
Council budget for an increase to the Emergency Service Levy which did not occur.					
Net losses from disposal of assets	-	215	(215)	∞	U
Not originally budgeted.					
Statement of cash flows					
Cash flows from operating activities	4,045	20,882	16,837	416%	F
Additional operating cash flows due to extra income from TfNSW Contract and ordered works as well as additional grant funding provided throughout 2024.					
Cash flows from investing activities	292,433	(14,559)	(306,992)	(105)%	U
Additional investing cash flows are due to additional funding received allowing Council to invest more funds.					
Cash flows from financing activities	(2,062)	(127)	1,935	(94)%	F
Budget account for the Capital portion of the loan repayments and not just interest causing this variation to the budget.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Cash assets		
Cash on hand and at bank	101	101
Cash equivalent assets		
– Deposits at call	16,654	10,458
Total cash and cash equivalents	16,755	10,559
Reconciliation of cash and cash equivalents		
Total cash and cash equivalents per Statement of Financial Position	16,755	10,559
Balance as per the Statement of Cash Flows	16,755	10,559

C1-2 Financial investments

	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Debt securities at amortised cost				
Long term deposits	16,800	–	12,800	–
Total	16,800	–	12,800	–
Total financial investments	16,800	–	12,800	–
Total cash assets, cash equivalents and investments	33,555	–	23,359	–

Material accounting policy information

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.

Amortised cost

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

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

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

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

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	33,555	23,359
Less: Externally restricted cash, cash equivalents and investments	<u>(12,226)</u>	<u>(7,693)</u>
Cash, cash equivalents and investments not subject to external restrictions	21,329	15,666
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	15	216
Specific purpose unexpended grants (recognised as revenue) – general fund	7,639	4,882
Water fund	2,511	–
Sewer fund	2,003	2,595
Domestic waste management	58	–
External restrictions – other	12,226	7,693
Total external restrictions	12,226	7,693

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

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

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	21,329	15,666
Less: Internally restricted cash, cash equivalents and investments	(15,255)	(15,274)
Unrestricted and unallocated cash, cash equivalents and investments	6,074	392

Internal allocations

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

Plant and vehicle replacement	3,163	978
Employees leave entitlement	507	522
Carry over works	4,392	2,928
Demolition fund	100	72
Lawlor Street	129	153
FAG grant in advance	5,197	5,564
Museum	14	18
Other (capital building projects)	138	55
Roads and ancillary services	1,373	4,711
Village amenities	121	107
Waste facility	121	166
Total internal allocations	15,255	15,274

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

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	6,074	392

C1-4 Receivables

	2024 Current Actual \$ '000	2024 Non-current Actual \$ '000	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000
Rates and annual charges	413	178	302	448
Interest and extra charges	–	211	–	217
User charges and fees	2,092	113	5,541	102
Private works	–	–	5	–
Contributions to works	819	–	284	–
Accrued revenues				
– Interest on investments	284	–	208	–
Government grants and subsidies	3,098	–	10,420	–
Net ATO receivable	379	–	389	–
Other debtors	21	93	15	108
Total	7,106	595	17,164	875
Less: provision for impairment				
Rates and annual charges	(27)	–	(27)	–
Interest and extra charges	–	(37)	–	(37)
Total provision for impairment – receivables	(27)	(37)	(27)	(37)
Total net receivables	7,079	558	17,137	838
Externally restricted receivables				
Water supply				
– Specific purpose grants	–	–	3,805	507
– Rates and availability charges	63	52	96	67
– Other	248	103	226	79
Sewerage services				
– Specific purpose grants	81	–	–	–
– Rates and availability charges	58	36	68	42
– Other	7	–	5	–
Total external restrictions	457	191	4,200	695
Internally restricted receivables				
– Internal restricted receivables - Specific Purpose Grants	–	–	5,149	–
– Internal restricted receivables - Plant Fund	–	–	2,000	–
Internally restricted receivables	–	–	7,149	–
Unrestricted receivables	6,622	367	5,788	143
Total net receivables	7,079	558	17,137	838

C1-4 Receivables (continued)

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year	64	44
+ new provisions recognised during the year	–	20
Balance at the end of the year	64	64

Material accounting policy information

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

Impairment

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

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

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

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

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

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

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

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

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

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

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

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

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Inventories at cost				
Stores and materials	1,391	-	901	-
Total inventories at cost	1,391	-	901	-
Total inventories	1,391	-	901	-

Externally restricted assets

There are no restrictions applicable to the above assets.

Material accounting policy information

Raw materials and stores, work in progress and finished goods

Raw materials and stores 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.

C1-6 Infrastructure, property, plant and equipment

	At 1 July 2023			Asset movements during the reporting period							At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
By aggregated asset class	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	10,508	–	10,508	347	313	–	–	(9,501)	–	–	1,667	–	1,667
Plant and equipment	11,542	(4,898)	6,644	1,075	720	(337)	(936)	–	–	–	12,432	(5,266)	7,166
Office equipment	895	(642)	253	63	–	(13)	(76)	–	–	–	902	(675)	227
Furniture and fittings	295	(180)	115	10	16	–	(24)	–	–	–	322	(205)	117
Land:													
– Operational land	295	–	295	–	–	(22)	–	–	16	–	289	–	289
– Community land	2,268	–	2,268	–	–	–	–	–	(16)	–	2,252	–	2,252
– Crown land	1,170	–	1,170	–	–	–	–	–	–	–	1,170	–	1,170
Infrastructure:													
– Other structures	6,874	(2,276)	4,598	212	410	–	(122)	34	–	415	8,008	(2,461)	5,547
– Buildings – specialised	26,919	(15,266)	11,653	628	939	(221)	(498)	402	–	1,519	30,536	(16,114)	14,422
– Buildings – non-specialised	17,467	(5,029)	12,438	53	626	–	(320)	157	–	1,129	19,516	(5,433)	14,083
– Roads	112,161	(39,089)	73,072	2,971	281	(12)	(1,732)	884	–	5,655	122,307	(41,188)	81,119
– Bridges	20,269	(8,850)	11,419	–	–	–	(154)	–	–	767	21,358	(9,326)	12,032
– Footpaths	5,004	(2,771)	2,233	719	118	(186)	(61)	12	–	181	5,936	(2,920)	3,016
– Bulk earthworks (non-depreciable)	89,938	–	89,938	–	–	–	–	–	–	4,829	94,767	–	94,767
– Stormwater drainage	9,878	(209)	9,669	–	9	–	(4)	–	–	523	10,418	(221)	10,197
– Water supply network	52,808	(15,401)	37,407	482	282	–	(628)	8,012	–	2,523	64,260	(16,182)	48,078
– Sewerage network	20,417	(10,173)	10,244	713	–	–	(251)	–	–	770	22,165	(10,689)	11,476
Other assets:													
– Other	154	(154)	–	–	–	–	–	–	–	–	154	(154)	–
Total infrastructure, property, plant and equipment	388,862	(104,938)	283,924	7,273	3,714	(791)	(4,806)	–	–	18,311	418,459	(110,834)	307,625

(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)

	At 1 July 2022			Asset movements during the reporting period						At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
By aggregated asset class	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	5,676	–	5,676	1,575	5,204	–	–	(1,947)	–	10,508	–	10,508
Plant and equipment	10,231	(4,185)	6,046	971	677	(192)	(858)	–	–	11,542	(4,898)	6,644
Office equipment	891	(586)	305	27	–	–	(79)	–	–	895	(642)	253
Furniture and fittings	295	(156)	139	–	–	–	(24)	–	–	295	(180)	115
Land:												
– Operational land	310	–	310	–	–	(35)	–	–	20	295	–	295
– Community land	1,787	–	1,787	–	138	–	–	–	343	2,268	–	2,268
– Crown land	1,022	–	1,022	–	–	–	–	–	148	1,170	–	1,170
Infrastructure:												
– Buildings – non-specialised	15,505	(4,391)	11,114	–	342	–	(272)	404	850	17,467	(5,029)	12,438
– Buildings – specialised	24,401	(13,670)	10,731	79	470	–	(485)	54	804	26,919	(15,266)	11,653
– Other structures	5,561	(2,016)	3,545	69	812	(11)	(94)	7	270	6,874	(2,276)	4,598
– Roads	102,868	(35,178)	67,690	2,106	1,027	(146)	(1,730)	226	3,899	112,161	(39,089)	73,072
– Bridges	19,138	(8,202)	10,936	–	–	–	(154)	–	637	20,269	(8,850)	11,419
– Footpaths	4,603	(2,556)	2,047	128	–	–	(60)	–	118	5,004	(2,771)	2,233
– Bulk earthworks (non-depreciable)	84,916	–	84,916	–	–	–	–	–	5,022	89,938	–	89,938
– Stormwater drainage	9,098	(187)	8,911	–	78	–	(7)	–	687	9,878	(209)	9,669
– Water supply network	46,600	(13,751)	32,849	1,367	–	–	(569)	1,256	2,504	52,808	(15,401)	37,407
– Sewerage network	18,956	(9,223)	9,733	–	–	–	(239)	–	750	20,417	(10,173)	10,244
Other assets:												
– Other	154	(154)	–	–	–	–	–	–	–	154	(154)	–
Total infrastructure, property, plant and equipment	352,012	(94,255)	257,757	6,322	8,748	(384)	(4,571)	–	16,052	388,862	(104,938)	283,924

(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)

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:

When infrastructure, property, plant and equipment are acquired by Council for nil or nominal consideration, the assets are initially recognised at their fair value at acquisition date.

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	20 to 40
Office furniture	10 to 20	Benches, seats etc.	20 to 40
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 10	Buildings: masonry	40 to 70
Other plant and equipment	5 to 15	Buildings: other	40 to 70
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Pump Stations	16 to 80
Bores	20 to 40	Signs	35
Reticulation pipes: PVC	70 to 80		
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface & shoulder	20 to 30	Swimming pools	40-70
Sealed roads: pavement	100	Other open space/recreational assets	40-70
Unsealed roads	100	Other infrastructure	40-70
Bridge: deck & rail	80		
Bridge: super & substructure	160		
Kerb & Gutter	75		
Footpaths & walkways	60 to 80		
Culverts	85		
Floodways	15 to 20		

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

Revaluation model

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

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

Increases in the carrying amounts arising on revaluation are credited to the IPPE revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as

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

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.

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

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

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

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to Note C2.

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

Rural Fire Service assets

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

Council has assessed these assets as immaterial and have not recognised them.

Externally restricted infrastructure, property, plant and equipment

	as at 30/06/24			as at 30/06/23		
	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000
Water supply						
WIP	871	–	871	8,732	–	8,732
Infrastructure	64,260	16,182	48,078	52,808	15,401	37,407
Total water supply	65,131	16,182	48,949	61,540	15,401	46,139
Sewerage services						
WIP	27	–	27	25	–	25
Infrastructure	22,165	10,689	11,476	20,417	10,173	10,244
Total sewerage services	22,192	10,689	11,503	20,442	10,173	10,269
Domestic waste management						
Plant and equipment	751	352	399	745	287	458
Total domestic waste management	751	352	399	745	287	458
Total restricted infrastructure, property, plant and equipment	88,074	27,223	60,851	82,727	25,861	56,866

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land and buildings, vehicles, machinery and IT equipment.

(a) Income Statement

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

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Expenses relating to short-term leases	15	15
Expenses relating to leases of low-value assets	4	4
Expenses relating to Peppercorn leases	11	11
	30	30

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

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

- carparking
- visitor centre/museum
- community halls
- community land
- shared pathway

The leases are generally between 1 and 70 years 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)

Material accounting policy information

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

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

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the Statement of Financial Position as:

– property, plant and equipment – where the rental is incidental, or the asset is held to meet Councils service delivery objective (refer note C1-6).

	2024	2023
	Actual	Actual
	\$ '000	\$ '000

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

(i) Assets held as property, plant and equipment

Council provides operating leases on Council buildings for the purpose of meeting their service requirements for Medical Services in the Bogan Shire or employee accommodation, the table below relates to operating leases on assets disclosed in C1-6.

Lease income (excluding variable lease payments not dependent on an index or rate)	278	253
Total income relating to operating leases for Council assets	278	253

(ii) Maturity analysis of contractual lease income

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

< 1 year	113	107
1–2 years	61	59
2–3 years	38	37
3–4 years	34	30
Total undiscounted lease payments to be received	246	233

C3 Liabilities of Council

C3-1 Payables

	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
	\$ '000	\$ '000	\$ '000	\$ '000
Goods and services – operating expenditure	1,127	–	3,976	–
Goods and services – capital expenditure	40	–	188	–
Accrued expenses:				
– Borrowings	23	–	25	–
– Salaries and wages	219	–	191	–
Security bonds, deposits and retentions	19	–	20	–
Prepaid rates	315	–	287	–
Total payables	1,743	–	4,687	–

Payables relating to restricted assets

	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
	\$ '000	\$ '000	\$ '000	\$ '000
Externally restricted assets				
Water	50	–	2,225	–
Sewer	1	–	–	–
Payables relating to externally restricted assets	51	–	2,225	–
Total payables relating to restricted assets	51	–	2,225	–
Total payables relating to unrestricted assets	1,692	–	2,462	–
Total payables	1,743	–	4,687	–

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

		2024	2024	2023	2023
		Current	Non-current	Current	Non-current
		Actual	Actual	Actual	Actual
	Notes	\$ '000	\$ '000	\$ '000	\$ '000
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	5,221	-	8,216	-
Total grants received in advance		5,221	-	8,216	-
Total contract liabilities		5,221	-	8,216	-

Notes

(i) Council has received funding to construct assets including a Residential Subdivision, various road upgrades 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.

C3-2 Contract Liabilities (continued)

Contract liabilities relating to restricted assets

	2024 Current Actual \$ '000	2024 Non-current Actual \$ '000	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000
Externally restricted assets				
Water	-	-	52	-
Sewer	-	-	560	-
Contract liabilities relating to externally restricted assets	-	-	612	-
Internally restricted assets				
Other (Capital Grants Received in Advance)	5,221	-	7,604	-
Contract liabilities relating to internally restricted assets	5,221	-	7,604	-
Total contract liabilities relating to restricted assets	5,221	-	8,216	-
Total contract liabilities	5,221	-	8,216	-

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

	2024 Actual \$ '000	2023 Actual \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	3,469	2,878
User fees and charges received in advance:		
Transport for NSW works	-	274
Total revenue recognised that was included in the contract liability balance at the beginning of the period	3,469	3,152

Significant changes in contract liabilities

Council has expended some of the Grant Funding received in advance for Capital Projects in 2022/2023 however significant funds still remain that have been recognised as Contract Liabilities in 2023/2024.

Material accounting policy information

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

C3-3 Borrowings

	2024 Current Actual \$ '000	2024 Non-current Actual \$ '000	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000
Loans – secured ¹	128	1,807	126	1,936
Total borrowings	128	1,807	126	1,936

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

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

C3-3 Borrowings (continued)

Borrowings relating to restricted assets

	2024 Current Actual \$ '000	2024 Non-current Actual \$ '000	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000
Total borrowings relating to unrestricted assets	128	1,807	126	1,936
Total borrowings	128	1,807	126	1,936

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

The following borrowings, even though classified as current, are not expected to be settled in the next 12 months.

(a) Changes in liabilities arising from financing activities

	2023		Non-cash movements			2024
	<i>Opening Balance</i> \$ '000	<i>Cash flows</i> \$ '000	<i>Acquisition</i> \$ '000	<i>Fair value changes</i> \$ '000	<i>Acquisition due to change in accounting policy</i> \$ '000	<i>Closing balance</i> \$ '000
Loans – secured	2,062	(127)	–	–	–	1,935
Total liabilities from financing activities	2,062	(127)	–	–	–	1,935

	2022		Non-cash movements			2023
	<i>Opening Balance</i> \$ '000	<i>Cash flows</i> \$ '000	<i>Acquisition</i> \$ '000	<i>Fair value changes</i> \$ '000	<i>Acquisition due to change in accounting policy</i> \$ '000	<i>Closing balance</i> \$ '000
Loans – secured	2,185	(123)	–	–	–	2,062
Total liabilities from financing activities	2,185	(123)	–	–	–	2,062

C3-3 Borrowings (continued)

(b) Financing arrangements

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Credit cards/purchase cards	45	45
Total financing arrangements	45	45
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	13	13
Total drawn financing arrangements	13	13
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Credit cards/purchase cards	32	32
Total undrawn financing arrangements	32	32

Breaches and defaults

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

C3-4 Employee benefit provisions

	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Annual leave	1,103	–	1,073	–
Long service leave	889	–	980	–
Other leave	36	–	37	–
Total employee benefit provisions	2,028	–	2,090	–

Employee benefit provisions relating to restricted assets

There are no restricted assets (external or internal) applicable to the above provisions

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

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	1,267	1,286
	1,267	1,286

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.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

D Council structure

D1 Results by fund

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

D1-1 Income Statement by fund

	General 2024 \$ '000	Water 2024 \$ '000	Sewer 2024 \$ '000
Income from continuing operations			
Rates and annual charges	4,218	897	377
User charges and fees	8,286	1,430	163
Interest and investment revenue	1,100	121	157
Other revenues	301	2	4
Grants and contributions provided for operating purposes	16,542	182	7
Grants and contributions provided for capital purposes	6,129	1,287	641
Other income	314	–	–
Total income from continuing operations	36,890	3,919	1,349
Expenses from continuing operations			
Employee benefits and on-costs	7,810	338	108
Materials and services	13,875	2,244	526
Borrowing costs	64	–	–
Depreciation, amortisation and impairment of non-financial assets	3,927	628	251
Other expenses	256	1	3
Net losses from the disposal of assets	215	–	–
Total expenses from continuing operations	26,147	3,211	888
Operating result from continuing operations	10,743	708	461
Net operating result for the year	10,743	708	461
Net operating result attributable to each council fund	10,743	708	461
Net operating result for the year before grants and contributions provided for capital purposes	4,614	(579)	(180)

D1-2 Statement of Financial Position by fund

	General 2024 \$ '000	Water 2024 \$ '000	Sewer 2024 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	12,241	2,511	2,003
Investments	16,800	–	–
Receivables	6,587	311	181
Inventories	1,391	–	–
Other	110	–	–
Total current assets	37,129	2,822	2,184
Non-current assets			
Receivables	237	155	166
Infrastructure, property, plant and equipment	247,173	48,949	11,503
Investments accounted for using the equity method	124	–	–
Total non-current assets	247,534	49,104	11,669
Total assets	284,663	51,926	13,853
LIABILITIES			
Current liabilities			
Payables	1,692	50	1
Contract liabilities	5,221	–	–
Borrowings	128	–	–
Employee benefit provision	2,028	–	–
Total current liabilities	9,069	50	1
Non-current liabilities			
Borrowings	1,807	–	–
Total non-current liabilities	1,807	–	–
Total liabilities	10,876	50	1
Net assets	273,787	51,876	13,852
EQUITY			
Accumulated surplus	174,731	26,558	6,584
Revaluation reserves	99,056	25,318	7,268
Council equity interest	273,787	51,876	13,852
Total equity	273,787	51,876	13,852

D1-3 Details of internal loans

(in accordance with s410(3) of the *Local Government Act 1993*)

Details of individual internal loans	Council ID / Ref
Borrower (by purpose)	General Fund
Lender (by purpose)	Sewer Fund
Date of Minister's approval	21/06/2018
Date raised	1/01/2019
Term years	10 years
Dates of maturity	1/07/2028
Rate of interest (%)	3%
Amount originally raised	\$340,000
Total repaid during year (principal and interest) (\$'000)	\$39,607
Principal outstanding at end of year (\$'000)	\$165,568

D2 Interests in other entities

	<i>Council's share of net assets</i>	
	<i>2024</i> <i>\$ '000</i>	<i>2023</i> <i>\$ '000</i>
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint ventures	124	88
Total net share of interests in joint ventures and associates using the equity method – assets	124	88
Total Council's share of net assets	124	88

D2-1 Interests in joint arrangements

Net carrying amounts – Council's share

	<i>Place of business</i>	<i>Nature of relationship</i>	<i>Interest in ownership</i>		<i>2024</i> <i>\$ '000</i>	<i>2023</i> <i>\$ '000</i>
			<i>2024</i>	<i>2023</i>		
North Western Library Co-operative	Warren	Joint venture	25.0%	25.0%	124	88
Total carrying amounts – material joint ventures					124	88

North Western Library Co-operative North Western Library Co-operative

Material joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

Details

	<i>Principal activity</i>	<i>Measurement method</i>
North Western Library Co-operative	Joint Purchase of Books & E-Resources	Book value

Relevant interests and fair values

	<i>Interest in outputs</i>		<i>Proportion of voting power</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
North Western Library Co-operative	25.0%	25.0%	25.0%	25.0%

D2-1 Interests in joint arrangements (continued)

Summarised financial information for joint ventures

	North Western Library Co-operative	
	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Statement of financial position		
Current assets		
Cash and cash equivalents	239	100
Non-current assets		
	259	253
Net assets	498	353
Statement of comprehensive income		
Income	267	258
Other expenses	(122)	(205)
Profit/(loss) from continuing operations	145	53
Profit/(loss) for the period	145	53
Total comprehensive income	145	53
Share of income – Council (%)	25.0%	25.0%
Profit/(loss) – Council (\$)	36	13
Total comprehensive income – Council (\$)	36	13
Reconciliation of the carrying amount		
Opening net assets (1 July)	353	300
Profit/(loss) for the period	145	53
Closing net assets	498	353
Council's share of net assets (%)	25.0%	25.0%
Council's share of net assets (\$)	124	88

Material accounting policy information

The Council has determined that it has only joint ventures.

Joint ventures:

Interests in joint ventures are accounted for using the equity method in accordance with *AASB128 Investments in Associates and Joint Ventures*.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition. If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated. Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

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

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

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

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

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

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

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns 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.

(a) Market risk – interest rate and price risk

	2024 \$ '000	2023 \$ '000
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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	334	233
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Impact of a 10% movement in price of investments

– Equity / Income Statement	–	–
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(b) Credit risk

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

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

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

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

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

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

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

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to 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.

	<i>Not yet overdue rates and annual charges</i>			<i>Total</i> \$ '000
	<i>Not yet overdue</i> \$ '000	<i>< 5 years</i> \$ '000	<i>≥ 5 years</i> \$ '000	
2024				
Gross carrying amount	–	590	1	591
2023				
Gross carrying amount	–	632	118	750

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.

	<i>Not yet overdue</i> \$ '000	<i>Overdue debts</i>				<i>Total</i> \$ '000
		<i>0 - 30 days</i> \$ '000	<i>31 - 60 days</i> \$ '000	<i>61 - 90 days</i> \$ '000	<i>> 91 days</i> \$ '000	
2024						
Gross carrying amount	4,927	14	1	–	2,168	7,110
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2023						
Gross carrying amount	15,958	287	104	–	940	17,289
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

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

(c) Liquidity risk

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

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

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

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

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

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

	<i>Weighted average interest rate %</i>	<i>Subject to no maturity \$ '000</i>	<i>payable in:</i>			<i>Total cash outflows \$ '000</i>	<i>Actual carrying values \$ '000</i>
			<i>≤ 1 Year \$ '000</i>	<i>1 - 5 Years \$ '000</i>	<i>> 5 Years \$ '000</i>		
2024							
Payables	0.00%	19	1,724	–	–	1,743	1,743
Borrowings	2.94%	–	186	744	1,005	1,935	1,935
Total financial liabilities		19	1,910	744	1,005	3,678	3,678
2023							
Payables	0.00%	20	4,667	–	–	4,687	4,687
Borrowings	2.94%	–	186	744	1,132	2,062	2,062
Total financial liabilities		20	4,853	744	1,132	6,749	6,749

Loan agreement breaches

Council had no loan agreement breaches during the reporting year.

E2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

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

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

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

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

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

The table below shows the assigned level for each asset and liability held at fair value by Council.

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
Recurring fair value measurements									
Infrastructure, property, plant and equipment									
	C1-6								
Plant and equipment				–	–	7,166	6,644	7,166	6,644
Office equipment				–	–	227	253	227	253
Furniture and fittings				–	–	117	115	117	115
Operational land		30/06/23	30/06/23	–	–	289	295	289	295
Community land and crown land		30/06/23	30/06/23	–	–	3,422	3,438	3,422	3,438
Buildings – non-specialised		30/06/22	30/06/22	4,471	4,174	9,612	8,264	14,083	12,438
Buildings – specialised		30/06/22	30/06/22	141	39	14,281	11,614	14,422	11,653
Other structures		30/06/22	30/06/22	–	–	5,547	4,598	5,547	4,598
Roads		30/06/22	30/06/22	–	–	81,119	73,072	81,119	73,072
Bulk earthworks		30/06/22	30/06/22	–	–	94,767	89,938	94,767	89,938
Storm water drainage		30/06/22	30/06/22	–	–	10,197	9,669	10,197	9,669
Water supply network		30/06/21	30/06/21	–	–	48,078	37,407	48,078	37,407
Sewerage network		30/06/21	30/06/21	–	–	11,476	10,244	11,476	10,244
Bridges		30/06/22	30/06/22	–	–	12,032	11,419	12,032	11,419
Footpaths		30/06/22	30/06/22	–	–	3,016	2,233	3,016	2,233
Total infrastructure, property, plant and equipment				4,612	4,213	301,346	269,203	305,958	273,416

Non-recurring fair value measurements

Transfers between level 1 and level 2 fair value hierarchies

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

Valuation techniques

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

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

E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment and Furniture & Fittings

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

- Plant & Equipment – Graders, Trucks, Rollers, Tractors and Motor Vehicles.
- Office Equipment – Computers, photocopiers, calculators etc.
- Furniture & Fittings – Chairs, Desks etc

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

Operational & Community Land

Operational, Community Land & crown Land are based on either the Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value, having regard to the highest and best use for the land. Operational Land is based on the Valuer General's land value as these are representative of the actual market values in the Bogan Shire LGA. As these rates were not considered to be observable market evidence they have been classified as Level 3.

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

Buildings – Non-Specialised & Specialised

Non-Specialised & Specialised Buildings were valued by external valuers in 2022. Aspect Property Consultants used the principles of Fair Value as defined in Accounting Standard AASB13. They applied the following techniques.

Where a price for an identical asset is not observable, an entity measures fair value using another valuation technique that maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

A cost approach was used to value buildings. As these assets were not considered to have observable, market evidence they have been classified as Level 3.

Cost Approach

A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

All residential properties have been valued using the "Market Approach". As these were considered to have observable market evidence they have been classified as level 2 inputs.

Market Approach

A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (ie similar) assets, liabilities or a group of assets and liabilities, such as a business.

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

Other Structures

Other Structures comprise the Cemetery, Parks and Ovals, Nyngan Swimming Pool, Aerodrome buildings, playground equipment, lighting and fencing etc. These assets have been valued by external valuers, Aspect Property Consultants using the principles of Fair Value as defined in Accounting Standard AASB13. They applied the following valuation techniques.

A cost approach was used to value other structures.

As these values were not considered to contain observable market evidence they have been classified as Level 3.

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

Roads, Bridges and Footpaths

Roads, Bridges and Footpaths were valued by external valuers Assetic in 2022. The valuation was undertaken in accordance with Australian Accounting Standards including AASB133 Fair Value Measurement, AASB116 Property, Plant & Equipment, AASB5 Assets Held for Sale and AASB136 Impairment. They have applied the following techniques.

E2-1 Fair value measurement (continued)

Inputs to the valuation include the design and construction, average cost of construction, condition and consumption score for each component. As these are supported by observable evidence obtained via inspection and market evidence they have been classified as Level 2 inputs. The unobservable inputs used to assess the level of remaining service potential required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

As this method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

As a result, the revaluation for Council's assets portfolio is classified as having been valued using Level 3 valuation inputs. Under this approach, the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

Roads comprise of sealed pavement, unsealed pavement, kerb and gutter and culverts, signs, shelters and traffic islands.

All assets valued at fair value are being used for their highest and best use based on previous assumptions.

Storm Water Drainage

Storm Water was valued by external valuers Assetic in 2022. The valuation was undertaken in accordance with Australian Accounting Standards including AASB133 Fair Value Measurement, AASB116 Property, Plant & Equipment, AASB5 Assets Held for Sale and AASB136 Impairment. They have applied the following techniques;

Inputs to the valuation include the design and construction, average cost of construction, condition and consumption score for each component. As these are supported by observable evidence obtained via inspection and market evidence they have been classified as Level 2 inputs. The unobservable inputs used to assess the level of remaining service potential required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

As this method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

As a result, the revaluation for Council's assets portfolio is classified as having been valued using Level 3 valuation inputs. Under this approach, the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

Storm Water Drainage comprises levee bank, open drain, distribution system pumping station and hazard signs.

All assets valued at fair value are being used for their highest and best use based on previous assumptions.

Water Supply Network

Assets within this class comprise treatment works, reservoirs, pumping stations and water pipelines.

In 2020/2021 Council undertook a revaluation of its Water Assets by external valuers MorisonLow. The asset valuation was completed in accordance with AASB116 and AASB13. As part of the revaluation, a condition inspection was undertaken of above ground assets in Nyngan as well as in the Villages of Coolabah, Girilambone and Hermidale.

The valuation methodologies were based on the AASB requirements and fair-value approach:

- The remaining useful lives have been determined through the application of remaining life models and took into account factors like physical use, wear and tear, historical maintenance practices, construction standards, material type of each asset component, testing and evaluation, age, adaptability, functionality, utilisation and capacity.
 - Where methods or standards of design and/or construction have changed, the current replacement cost of an asset has been estimated using its modern engineering equivalent replacement asset (MEERA).
 - Where possible, unit prices and rates have been based on recent capital projects of Council and maintenance estimating rates. All rates for construction are compared to industry sources.
 - Additional excavation works, design and project management fees have been allowed for under the fair-value approach.
- The current replacement cost (CRC) of an asset includes the cost of decommissioning, removal and site restoration to the extent required for the construction or installation of the replacement asset. Where it is intended to decommission and not replace an asset, the CRC includes an allowance for such decommissioning, removal and site restoration.

E2-1 Fair value measurement (continued)

- Where no current condition data was available, estimates were made based on the age of the assets and the best information currently available.

As these values were not considered to contain observable market evidence they have been classified as Level 3.

Sewerage Network

Assets within this class comprise treatment works, pumping stations and sewerage mains.

In 2020/2021 Council undertook a revaluation of its Water Assets by external valuers MorisonLow. The asset valuation was completed in accordance with AASB16 and AASB13. As part of the valuation, a condition inspection was undertaken of above ground assets in Nyngan as well as in the Villages of Coolabah, Girilambone & Hermidale.

The valuation methodologies were based on the AASB requirements and fair-value approach.

- The remaining useful lives have been determined through the application of remaining useful life models and took into account factors like physical use, wear and tear, historical maintenance practices, construction standards, material type of each asset component, testing and evaluation, age, adaptability, functionality, utilisation and capacity.

- Where methods or standards of design and/or construction have changed, the current replacement cost of an asset has been estimated using its modern engineering equivalent replacement asset (MEERA).

- Where possible, unit prices and rates have been based on recent capital projects of Council and maintenance estimating rates. All rates for construction are compared to industry sources.

- Additional excavation works, design and project management fees have been allowed for under the fair-value approach. The current replacement cost (CRC) of an asset includes the cost of decommissioning, removal and site restoration to the extent required for the construction or installation of the replacement asset. Where it is intended to decommission and not replace an asset, the CRC includes an allowance for such decommissioning, removal and site restoration.

- Where no current condition was available estimates were made based on the age of the assets and the best information currently available.

As these values were not considered to contain observable market evidence they have been classified as Level 3.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

	<i>Fair value (30/6/24) 2024 \$ '000</i>	<i>Valuation technique/s</i>	<i>Unobservable inputs</i>
Infrastructure, property, plant and equipment			
Plant and equipment	7,166	Cost Approach	<ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value
Office equipment	227	Cost Approach	<ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value
Furniture and fittings	117	Cost Approach	<ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value
Operational land	289	Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value, having regard to the highest and best use for the land	<ul style="list-style-type: none"> • Land value based on price per square metre
Community land and Crown land	3,422	Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value, having regard to the highest and best use for the land	<ul style="list-style-type: none"> • Land value based on price per square metre
Buildings – non - specialised	14,083	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan as at 30/6/22. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour & materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Buildings – specialised	14,422	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan as at 30/6/22. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour & materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Other structures	5,547	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan as at 30/6/22. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Roads	81,119	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value

E2-1 Fair value measurement (continued)

	Fair value (30/6/24) 2024 \$ '000	Valuation technique/s	Unobservable inputs
Bulk earthworks	94,767	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Storm water drainage	10,197	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Water supply network	48,078	Cost Approach using Level 3 inputs due to no market based evidence. Indexation used in 2023.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Sewer network	11,476	Cost Approach using Level 3 inputs due to no market based evidence. Indexation used in 2023.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Bridges	12,032	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Footpaths	3,016	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value

E2-1 Fair value measurement (continued)

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

	<i>Plant and equipment</i>		<i>Office equipment</i>		<i>Furniture and fittings</i>		<i>Operational Land</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Opening balance	6,644	6,046	253	305	115	139	295	310
Total gains or losses for the period								
Other movements								
Purchases (GBV)	1,795	1,648	63	27	26	–	–	–
Disposals (WDV)	(337)	(192)	(13)	–	–	–	(22)	(35)
Depreciation and impairment	(936)	(858)	(76)	(79)	(24)	(24)	–	–
Other movement (Reval Increment)	–	–	–	–	–	–	–	20
Other movement (adjustments for rounding)	–	–	–	–	–	–	16	–
Closing balance	7,166	6,644	227	253	117	115	289	295

	<i>Community/ crown land</i>		<i>Buildings non-specialised</i>		<i>Building specialised</i>		<i>Other structures</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Opening balance	3,438	2,809	8,264	6,940	11,614	10,692	4,598	3,545
Total gains or losses for the period								
Other movements								
Purchases (GBV)	–	138	667	342	1,467	549	622	881
Disposals (WDV)	–	–	–	–	(221)	–	–	(11)
Depreciation and impairment	–	–	(225)	(272)	(494)	(485)	(122)	(94)
Other movement (Reval Increment)	–	491	749	850	1,513	804	415	270
Other movement (WIP)	–	–	157	404	402	54	34	7
Other movement (adjustments for rounding)	(16)	–	–	–	–	–	–	–
Closing balance	3,422	3,438	9,612	8,264	14,281	11,614	5,547	4,598

E2-1 Fair value measurement (continued)

	Roads		Bulk earthworks		Stormwater drainage		Water network	
	2024	2023	2024	2023	2024	2023	2024	2023
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	73,072	67,690	89,938	84,916	9,669	8,911	37,407	32,849
Total gains or losses for the period								
Other movements								
Purchases (GBV)	3,252	3,133	–	–	9	78	764	1,367
Disposals (WDV)	(12)	(146)	–	–	–	–	–	–
Depreciation and impairment	(1,732)	(1,730)	–	–	(4)	(7)	(628)	(569)
Other movement (Reval Increment)	5,655	3,899	4,829	5,022	523	687	2,523	2,504
Other movement (WIP)	884	226	–	–	–	–	8,012	1,256
Closing balance	81,119	73,072	94,767	89,938	10,197	9,669	48,078	37,407

	Bridges		Footpaths		Sewerage		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	11,419	10,936	2,233	2,047	10,244	9,733	269,203	247,868
Purchases (GBV)	–	–	837	128	713	–	10,215	8,291
Disposals (WDV)	–	–	(186)	–	–	–	(791)	(384)
Depreciation and impairment	(154)	(154)	(61)	(60)	(251)	(239)	(4,707)	(4,571)
Other movement (Reval Increment)	767	637	181	118	770	750	17,925	16,052
Other movement (WIP)	–	–	12	–	–	–	9,501	1,947
Closing balance	12,032	11,419	3,016	2,233	11,476	10,244	301,346	269,203

Information relating to the transfers into and out of the level 3 fair valuation hierarchy includes:**Buildings - non-specialised**

\$714K was transferred into Buildings for extension to the Early Learning Centre from Work-in-Progress in 2022/2023 and current year acquisitions, in addition to this \$6K was transferred for new air conditioners at 8B Dandaloo St, \$6K for electrical upgrades at 76A Pangee St, \$41K for replacements solar battery and inverter at the Waste Facility and \$69K for new driveways at the three village RFS sheds.

E2-1 Fair value measurement (continued)

Buildings - specialised

\$51k was spent on toilet block near the Cobb and Co Coach, \$100K on refurbishing Toilet Block at Davidson Park, \$221K on refurbishing CWA Hall, \$44K on Security shutters, sewer pump station and sink, becnh and hot water unit in BBQ area at the Larkin Oval Canteen Facility, \$20K at the ELC for new security cameras, \$19K for Walker Pavilion kitchen renovations, \$21K new shelving at Wye Pavilion, \$142K Girilambone toilet block, \$42K at the Nyngan pool for a new gantry, elctric hoist & media supply and \$150K for new amenties block, \$86K for toilet block at lower weir, \$572K for new female amenities at Larkin Oval, \$203K for new Pony Club amenities block and BBQ area, \$142K to refurbish Tennis Clubhouse, \$100K to refurnish old Fire Station, \$9K for security cameras at workshop and \$46K for the Waste & Recycling shed at the Waste Facility.

Other Structures

\$96K was transferred for New bins, seating, garden beds, viewing platform and shelter at the Big Bogan carpark extension, \$38K for Davidson Park irrigation and \$32 for the Mural Wall and seatings, \$4K for solar lights on the Nymagee St footpath, \$19K for showground shelter over grandstand, \$202K for resurfacing tennis courts, \$89K for Youth Centre shade sails and flexible bollards in carpark and an electronic scoreboard for the sports hall, \$24 for security cameras at aerodrome, \$58K for Hermidale sports ground grandstand and wash down bay, \$35K for Waste Facility gantry, tank and irrigation parts and litter fencing, \$20K for ELC landscaping and new fencing, \$3K for O'Reilly park seating and 22K for drinking fountain and footpaths and handrails at Nyngan Pool .

Roads

An amount of \$1,095k was transferred into roads for R2R Program resheeting, resealing and construction. \$626K on Tottenham Rd through the repair grant. \$1,845K was for resealing and resheeting from Fixing Local Roads program, \$467K was spent on widening and additional gravel and resealing on LRCI projects, \$21K on kerb & gutter replacements and \$80K on carparks at the Big Bogan and the ELC.

Footpaths

\$547K was transferred for the upgrade of footpaths in Pangee St for Resources for Regions Funding as well as \$185K for the renewal of footpaths through the LRCI prohram.

\$117K was transferred for new footpaths at the Big Bogan extension, Davidson Park, Larkin Oval female changeroom amd footpath near the Electric Vehicle charging station.

Stormwater Assets

An amount of \$9K was transferred for a pipe culvert at the Junior League oval.

Highest and best use

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

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements, including the method used to determine Council's rate of contributions and any minimum funding requirements.

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% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million for 1 January 2022 to 31 December 2024, apportioned 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 and monitored annually between triennials.

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

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

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

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

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

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ended 30th June 2024 was \$37,122.00. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2023.

The amount of additional contributions included in the total employer contribution advised above is \$13,962.52. Council's expected contribution to the plan for the next annual reporting period is \$26,052.40.

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 othe accumulation accounts and reserves in both assets and liabilities.

The share of tany funding surplus or deficit that can be attributed to Council is 0.14%.

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

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

Investment return	6% per annum
Salary inflation *	3.5% per annum
Increase in CPI	3.5% for FY 23/24 2.5% per annum thereafter

*Plus promotional increases

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

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

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

E3-1 Contingencies (continued)

(iv) Other guarantees

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

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 30/6/08.

(ii) Infringement notices/fines

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

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

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

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

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

	2024	2023
	\$ '000	\$ '000
Compensation:		
Short-term benefits	1,908	1,730
Post-employment benefits	204	177
Other long-term benefits	51	37
Termination benefits	37	23
Total	2,200	1,967

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

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 \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2024						
Supply of goods and service	1	65	–	30 days	–	–
Supply of service	2	4,167	–	14 days	–	–
Supply of goods	3	4	–	14 days	–	–
Supply of goods	1	4	–	14 days	–	–
Supply of goods and service	3	27	–	14 days	–	–
Supply of Goods or Service	3	7	–	14 days	–	–
Supply of Goods or Service	3	49	–	7 days	–	–
Supply of Goods or Services	3	89	–	5 days	–	–
Supply of service	2	16	–	5 days	–	–
2023						
Supply of goods and service	1	49	–	30 days	–	–
Supply of service	2	5,316	–	14 days	–	–
Supply of goods	3	12	–	14 days	–	–
Supply of goods	1	3	–	14 days	–	–
Supply of goods and service	3	20	–	14 days	–	–
Supply of Goods or Service	3	9	–	14 days	–	–

1 Supply of goods and services by KMP. Supplier is engaged by Council under the normal conditions of Councils procurement policy. Amounts billed were based on normal rates for such supplies and were due and payable under normal payment terms.

2 Contract works undertaken by KMP within a specialty area have been engaged under Councils normal procurement and tendering processes. Amounts billed were based on normal rates for such supplies and were due and payable under normal payment terms.

3 Close family members of Council's KMP are engaged by Council under the conditions of Councils procurement policy. Amounts billed were based on normal rates for such supplies and were due and payable under normal payment terms following Council procurement process.

F1-2 Councillor and Mayoral fees and associated expenses

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	30	29
Councillors' fees	87	86
Other Councillors' expenses (including Mayor)	53	42
Total	170	157

F2 Other relationships

F2-1 Audit fees

	2024	2023
	Actual	Actual
	\$ '000	\$ '000

During the year, the following fees were incurred for services provided by the auditors of Council, related practices and non-related audit firms

(i) Audit and other assurance services

Audit and review of financial statements	61	60
Other audit and assurance services (Internal Auditor)	7	13
Total audit fees	68	73

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of Operating Result

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Net operating result from Income Statement	11,912	17,789
Add / (less) non-cash items:		
Depreciation and amortisation	4,806	4,571
(Gain) / loss on disposal of assets	215	67
Share of net (profits)/losses of associates/joint ventures using the equity method	(36)	(13)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	10,338	(6,341)
Increase / (decrease) in provision for impairment of receivables	-	20
(Increase) / decrease of inventories	(490)	(246)
(Increase) / decrease of other current assets	(10)	30
Increase / (decrease) in payables	(2,849)	2,289
Increase / (decrease) in accrued interest payable	(2)	(1)
Increase / (decrease) in other accrued expenses payable	28	(5)
Increase / (decrease) in other liabilities	27	19
Increase / (decrease) in contract liabilities	(2,995)	3,249
Increase / (decrease) in employee benefit provision	(62)	161
Net cash flows from operating activities	20,882	21,589

G2-1 Commitments

Details of capital commitments

Council has Capital commitments to Westrac for a Caterpillar Grader 140 JOY3 for \$636,751, Convic Pty Ltd for the Skate Park for \$632,350 and Ertech for replacement of the Belaringar Syphon \$1,391,566.

G3-1 Events occurring after the reporting date

There are no other known events after the reporting period which would give rise to a material impact on the reported results or financial position.

G4 Statement of developer contributions

G4-1 Summary of developer contributions

	Opening balance at 1 July 2023 \$ '000	Contributions received during the year			Interest and investment income earned \$ '000	Amounts expended \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2024 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash Land \$ '000	Non-cash Other \$ '000					
S7.12 levies – under a plan	–	15	–	–	–	–	15	–	
Total S7.11 and S7.12 revenue under plans	–	15	–	–	–	–	15	–	
S7.4 planning agreements	216	–	–	–	(216)	–	–	–	
Total contributions	216	15	–	–	(216)	–	15	–	

Under the *Environmental Planning and Assessment Act 1979*, Council has entered into a voluntary planning agreement between themselves and Hera Mine to provide maintenance on the Hermidale Nymagee Road for an annual contribution from the mine . These funds have now been fully expended.

Council has also received funds through the Bogan Shire 7.12 Fixed Levy Developments contributions plan. These funds are to be expended based on the works program contained in the Plan.

Council must externally restrict the funds that are unused for future use.

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2024	Indicator 2024	Indicator 2023	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	4,034	11.84%	15.31%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	34,065			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	17,334	41.15%	34.96%	> 60.00%
Total continuing operating revenue ¹	42,122			
3. Unrestricted current ratio				
Current assets less all external restrictions	29,452	3.77x	2.69x	> 1.50x
Current liabilities less specific purpose liabilities	7,802			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	8,904	46.62x	53.65x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	191			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	738	11.35%	14.42%	< 10.00%
Rates and annual charges collectable	6,500			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	33,555	12.61 months	10.15 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	2,662			

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

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

G5-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2024	2023	2024	2023	2024	2023	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	15.60%	18.62%	(22.00)%	(13.53)%	(25.42)%	(64.53)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	38.48%	36.09%	62.52%	25.16%	51.96%	98.69%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	3.77x	2.69x	56.44x	1.81x	2,184.00	4.83x	> 1.50x
Current liabilities less specific purpose liabilities					x		
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	45.99x	53.11x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	10.98%	13.52%	12.82%	18.76%	13.00%	16.53%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	12.13	9.98	11.67	0.00	37.73	40.81	> 3.00
Monthly payments from cash flow of operating and financing activities	months	months	months		months	months	months

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

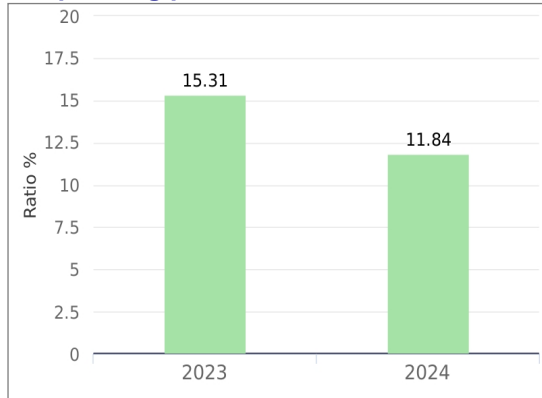
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 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 11.84%

Council has been able to maintain operating expenditure within operating income for 2023/2024 due again to the significant grant income that Council has received.

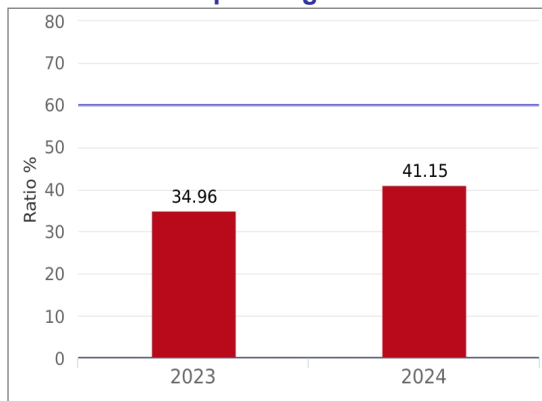
Benchmark: — > 0.00%

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 41.15%

Council relies heavily on the Financial Assistance Grant to fund both the Early Learning Centre and the Medical Centre as well as many other services for Council. Council has limited opportunities to raise revenue through rates to fund its services and with continual increases to operational costs Council would not be able to meet these costs without this funding assistance.

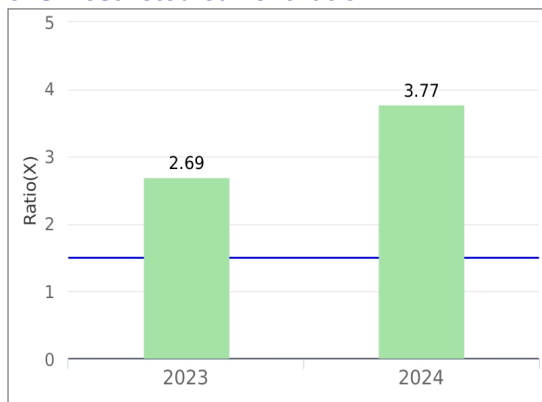
Benchmark: — > 60.00%

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 3.77x

Council continues to meet the benchmark for this ratio.

Benchmark: — > 1.50x

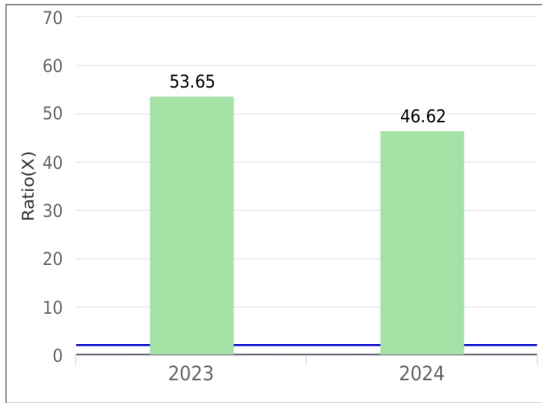
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

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

4. Debt service cover ratio



Purpose of debt service cover ratio

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

Commentary on 2023/24 result

2023/24 ratio 46.62x

Council continues to meet the benchmark for this ratio.

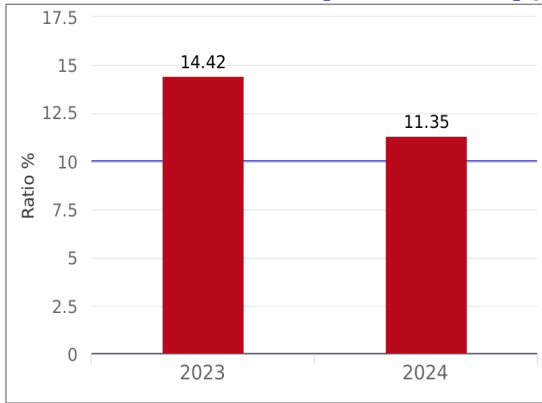
Benchmark: — > 2.00x

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 11.35%

Council held a Sale of Land for Unpaid rates in 2024 that has helped to reduce this ratio. Council will continue to actively recover debt in 2024/2025 which may include another Sale of Land if necessary to reduce this percentage.

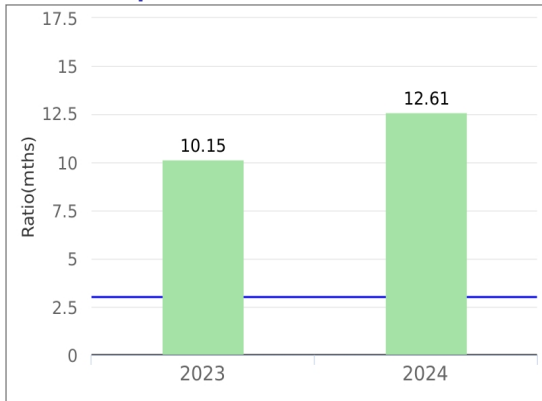
Benchmark: — < 10.00%

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 12.61 months

Councils liquidity ratio remains above the benchmark for 2023/2024.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

81 Cobar Street
Nyngan NSW 2825

Contact details

Mailing Address:

PO Box 221
Nyngan NSW 2825

Telephone: 02 6835 9000

Facsimile: 02 6835 9011

Opening hours:

8:00am - 4:30pm
Monday to Friday

Internet: www.bogan.nsw.gov.au

Email: admin@bogan.nsw.gov.au

Officers

General Manager

D A Francis

Responsible Accounting Officer

S A Waterhouse

Public Officer

Auditor General

Auditors

Auditor General NSW
Level 19, Darling Park Tower 2,
201 Sussex Street,
Sydney NSW 2000

Elected members

Mayor

G R J Neill

V J Boag

W G Deacon

J L Douglas

A J Elias

G N Jackson

D J Menzies

K J Bright

R Milligan

Other information

ABN: 68 886 242 083



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

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

In my opinion:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

16 October 2024
SYDNEY



Cr Glen Neill
Mayor
Bogan Shire Council
PO Box 221
NYNGAN NSW 2825

Contact: Hong Wee Soh
Phone no: 02 9275 7397
Our ref: R008-2124742775-7351

16 October 2024

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2024
Bogan Shire Council**

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

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

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

INCOME STATEMENT

Operating result

	2024	2023	Variance
	\$m	\$m	%
Rates and annual charges revenue	5.49	5.35	2.6
Grants and contributions revenue	24.79	31.97	22.5
Operating result from continuing operations	11.91	17.79	33.1
Net operating result before capital grants and contributions	3.86	5.61	31.2

Rates and annual charges revenue (\$5.49 million) increased by \$0.14 million (2.6 per cent) in 2023–2024.

Grants and contributions revenue (\$24.79 million) decreased by \$7.18 million (22.5 per cent) in 2024–2025 due to:

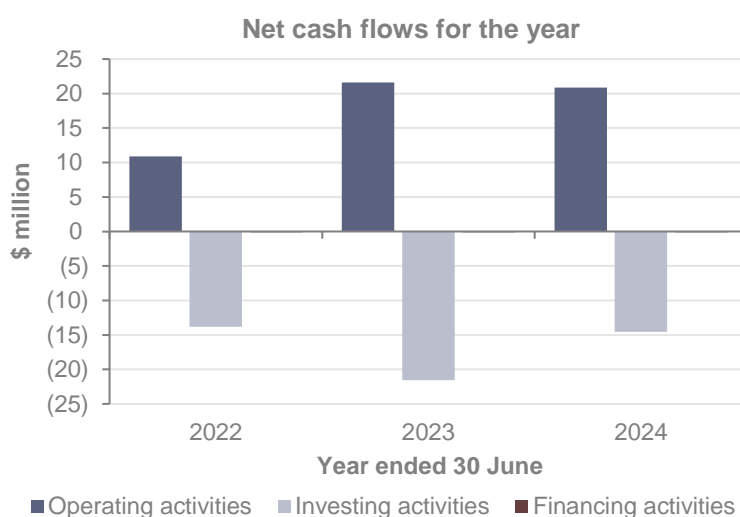
- a decrease in capital grants relating to water supplies of \$5.32 million
- receiving 85.0 per cent of the financial assistance grants for 2024-25 in advance (100 per cent in 2022-23).

Council’s operating result from continuing operations (\$11.91 million including the effect of depreciation and amortisation expense of \$4.81 million) was \$5.88 million lower than the 2022–23 result. This was mainly due to the reduction in revenue from grants and contributions.

The net operating result before capital grants and contributions (\$3.86 million) was \$1.75 million lower than the 2022–23 result, which was mainly due to a reduction from grants and contributions provided for operating purposes.

STATEMENT OF CASH FLOWS

- The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year and reveals that cash increased by \$6.2 million to \$16.8 million at the close of the year.
- This is mostly due to holding funds in longer term investments.



FINANCIAL POSITION

Cash and investments

Cash and investments	2024	2023	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	33.6	23.4	Externally restricted balances comprise mainly of specific purpose unexpended grants – general fund, water and sewerage funds.
Restricted cash and investments:			Internal allocations are determined by council policies or decisions, which are subject to change.
• External restrictions	12.2	7.7	
• Internal allocations	15.3	15.3	

Debt

After repaying principal and interest, total debt as at 30 June 2024 was \$1.9 million (2023: \$2.1 million).

PERFORMANCE

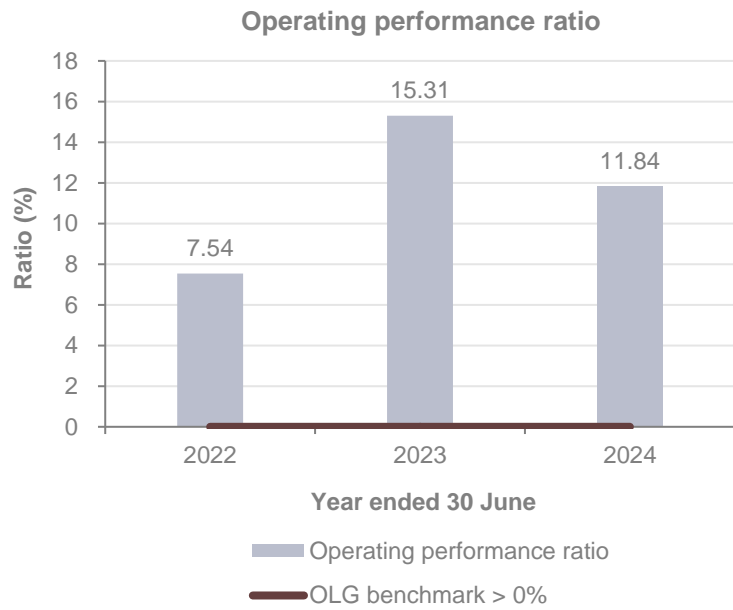
Performance measures

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

Operating performance ratio

The Council met the OLG benchmark for the current reporting period.

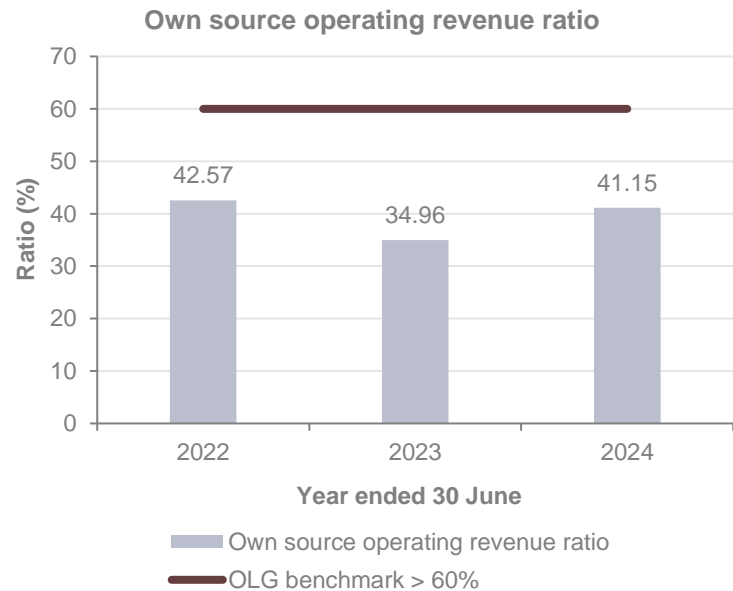
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

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

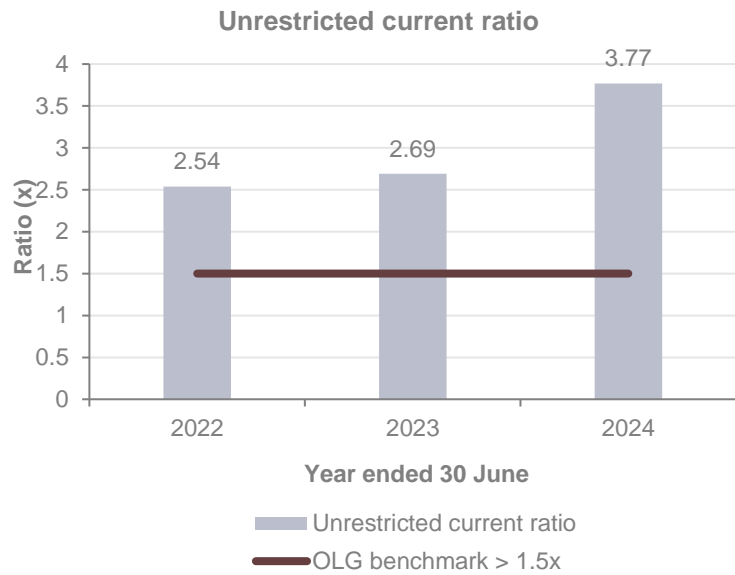
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

The Council met the OLG benchmark for the current reporting period.

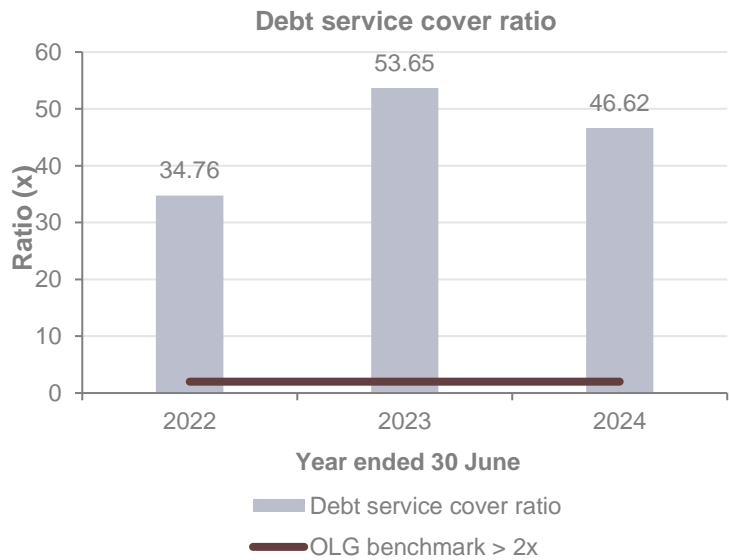
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

The Council met the OLG benchmark for the current reporting period.

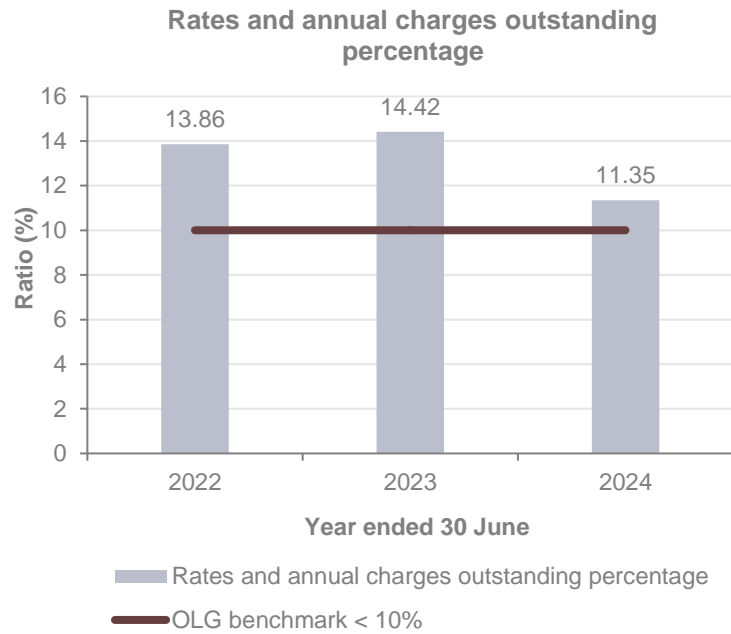
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

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

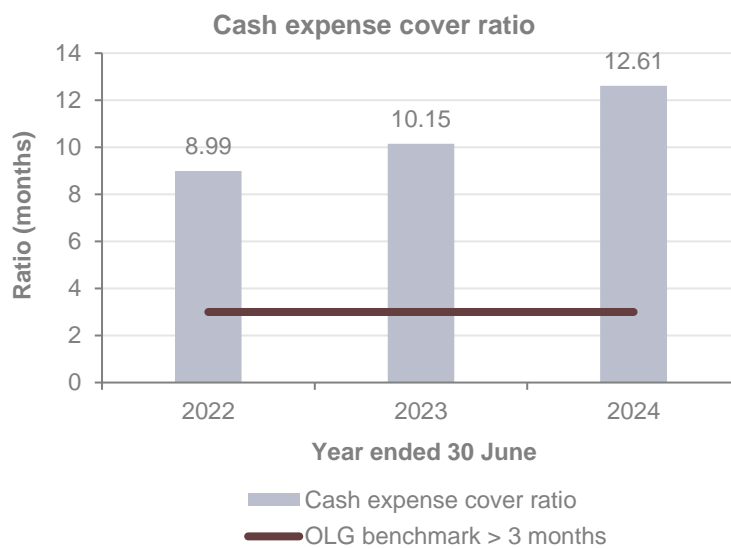
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional councils.



Cash expense cover ratio

The Council met the OLG benchmark for the current reporting period.

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



Infrastructure, property, plant and equipment renewals

- Council's asset renewal additions for the year were \$7.3 million compared to \$6.3 million for the prior year.
- Renewals primarily consisted of plant, roads, and other infrastructure.
- The level of asset renewals during the year represented 151.0 percent of the total depreciation expense of \$4.8 million for the year.

Legislative compliance

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

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

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.



Hong Wee Soh
Associate Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Bogan Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2024



Bogan Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2024

Contents	Page
Statement by Councillors and Management	3
Special Purpose Financial Statements:	
Income Statement of water supply business activity	4
Income Statement of sewerage business activity	5
Statement of Financial Position of water supply business activity	6
Statement of Financial Position of sewerage business activity	7
Note – Material accounting policy information	8
Auditor's Report on Special Purpose Financial Statements	10

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).

Bogan Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management

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

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

- 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 (DCCEEW) *Regulatory and assurance framework for local water utilities, July 2022.*

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

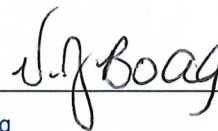
- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records; and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

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



G R J Neill
Mayor
22 August 2024



V J Boag
Councillor
22 August 2024



D A Francis
General Manager
22 August 2024



S A Waterhouse
Responsible Accounting Officer
22 August 2024

Bogan Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2024

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Income from continuing operations		
Access charges	897	869
User charges	1,430	1,253
Interest and investment income	121	20
Grants and contributions provided for operating purposes	182	9
Other income	2	15
Total income from continuing operations	2,632	2,166
Expenses from continuing operations		
Employee benefits and on-costs	338	331
Materials and services	1,563	1,447
Depreciation, amortisation and impairment	628	569
Water purchase charges	681	111
Other expenses	1	1
Total expenses from continuing operations	3,211	2,459
Surplus (deficit) from continuing operations before capital amounts	(579)	(293)
Grants and contributions provided for capital purposes	1,287	6,408
Surplus (deficit) from continuing operations after capital amounts	708	6,115
Surplus (deficit) from all operations before tax	708	6,115
Surplus (deficit) after tax	708	6,115
Plus accumulated surplus	25,850	19,735
Closing accumulated surplus	26,558	25,850
Return on capital %	(1.2)%	(0.6)%
Subsidy from Council	2,684	2,148
Calculation of dividend payable:		
Surplus (deficit) after tax	708	6,115
Less: capital grants and contributions (excluding developer contributions)	(1,287)	(6,408)
Surplus for dividend calculation purposes	-	-
Potential dividend calculated from surplus	-	-

Bogan Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2024

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
Income from continuing operations		
Access charges	377	363
User charges	163	159
Interest and investment income	157	71
Grants and contributions provided for operating purposes	7	8
Other income	4	8
Total income from continuing operations	708	609
Expenses from continuing operations		
Employee benefits and on-costs	108	119
Materials and services	526	641
Depreciation, amortisation and impairment	251	239
Other expenses	3	3
Total expenses from continuing operations	888	1,002
Surplus (deficit) from continuing operations before capital amounts	(180)	(393)
Grants and contributions provided for capital purposes	641	–
Surplus (deficit) from continuing operations after capital amounts	461	(393)
Surplus (deficit) from all operations before tax	461	(393)
Surplus (deficit) after tax	461	(393)
Plus accumulated surplus	6,123	6,516
Closing accumulated surplus	6,584	6,123
Return on capital %	(1.6)%	(3.8)%
Subsidy from Council	675	806
Calculation of dividend payable:		
Surplus (deficit) after tax	461	(393)
Less: capital grants and contributions (excluding developer contributions)	(641)	–

Bogan Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2024

	2024	2023
	Actual	Actual
	\$ '000	\$ '000
ASSETS		
Current assets		
Cash and cash equivalents	2,511	–
Receivables	311	4,127
Total current assets	2,822	4,127
Non-current assets		
Receivables	155	653
Infrastructure, property, plant and equipment	48,949	46,139
Total non-current assets	49,104	46,792
Total assets	51,926	50,919
LIABILITIES		
Current liabilities		
Contract liabilities	–	52
Payables	50	2,225
Total current liabilities	50	2,277
Total liabilities	50	2,277
Net assets	51,876	48,642
EQUITY		
Accumulated surplus	26,558	25,850
Revaluation reserves	25,318	22,792
Total equity	51,876	48,642

Bogan Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2024

	2024 Actual \$ '000	2023 Actual \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	2,003	2,595
Receivables	181	107
Total current assets	2,184	2,702
Non-current assets		
Receivables	166	206
Infrastructure, property, plant and equipment	11,503	10,269
Total non-current assets	11,669	10,475
Total assets	13,853	13,177
LIABILITIES		
Current liabilities		
Contract liabilities	-	560
Payables	1	-
Total current liabilities	1	560
Total liabilities	1	560
Net assets	13,852	12,617
EQUITY		
Accumulated surplus	6,584	6,123
Revaluation reserves	7,268	6,494
Total equity	13,852	12,617

Note – Material accounting policy information

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

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

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

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

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

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

a. Bogan Shire Council Combined Water Supplies

Water supply operations servicing the town of Nyngan and the villages of Hermidale, Girilambone and Coolabah.

Category 2

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

b. Bogan Shire Council Sewerage Service

Sewerage reticulation and treatment operations and net assets servicing the town of Nyngan.

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%** (LY 25%)

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

Note – Material accounting policy information (continued)

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

In accordance with DCCEEW's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to DCCEEW's regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

Income tax

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

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

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

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of 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 4.30% at 30/6/24.

(iii) Dividends

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



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

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

The Declared Business Activities of the Council are:

- Water Supply
- Sewerage

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

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

16 October 2024
SYDNEY

Bogan Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2024



Bogan Shire Council

Special Schedules

for the year ended 30 June 2024

Contents

Page

Special Schedules:

Permissible income for general rates 3

Report on infrastructure assets as at 30 June 2024 7

Bogan Shire Council

Permissible income for general rates

	Notes	Calculation 2023/24 \$ '000	Calculation 2024/25 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	3,096	3,228
Plus or minus adjustments ²	b	35	18
Notional general income	c = a + b	3,131	3,246
Permissible income calculation			
Percentage increase	d	3.70%	4.50%
Plus percentage increase amount ³	f = d x (c + e)	116	146
Sub-total	g = (c + e + f)	3,247	3,392
Plus (or minus) last year's carry forward total	h	3	22
Sub-total	j = (h + i)	3	22
Total permissible income	k = g + j	3,250	3,414
Less notional general income yield	l	3,228	3,388
Catch-up or (excess) result	m = k - l	22	26
Carry forward to next year ⁴	p = m + n + o	22	26

Notes

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



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

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

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

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

16 October 2024
SYDNEY

Bogan Shire Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Buildings	Administration & Governance	130	130	130	–	861	2,567	0.0%	0.0%	100.0%	0.0%	0.0%
	Public Order & Safety	10	10	10	58	986	1,231	0.0%	52.0%	48.0%	0.0%	0.0%
	Health	10	10	10	8	2,864	4,025	0.0%	78.0%	22.0%	0.0%	0.0%
	Solid Waste Management	–	–	–	3	253	299	0.0%	100.0%	0.0%	0.0%	0.0%
	Welfare & Community Services	10	10	15	14	2,804	3,514	41.0%	59.0%	0.0%	0.0%	0.0%
	Housing & Community Amenities	250	250	250	84	3,815	4,756	6.0%	19.0%	75.0%	0.0%	0.0%
	Cemeteries	10	10	35	5	22	26	0.0%	0.0%	100.0%	0.0%	0.0%
	Libraries	25	20	20	–	918	1,578	0.0%	0.0%	100.0%	0.0%	0.0%
	Museums & Cultural Heritage	10	10	10	–	173	438	0.0%	20.0%	80.0%	0.0%	0.0%
	Community Centres & Halls	1,300	1,300	1,300	185	5,078	11,592	22.0%	0.0%	65.0%	10.0%	3.0%
	Sporting Grounds and Venues	–	–	–	–	6,129	10,489	12.0%	11.0%	77.0%	0.0%	0.0%
	Parks & Gardens	–	–	–	–	858	1,339	6.0%	94.0%	0.0%	0.0%	0.0%
	Swimming Pool	40	40	40	14	1,861	3,927	1.0%	1.0%	98.0%	0.0%	0.0%
	Transport	–	–	–	–	1,825	4,172	1.0%	1.0%	95.0%	3.0%	0.0%
	Other Economic Affairs	–	–	–	14	58	98	0.0%	24.0%	76.0%	0.0%	0.0%
Sub-total		1,795	1,790	1,820	385	28,505	50,051	11.4%	19.3%	66.1%	2.6%	0.6%

Bogan Shire Council

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

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Other structures	Other structures	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Museums & Cultural Heritage	–	–	–	–	28	28	0.0%	0.0%	0.0%	0.0%	100.0%
	Housing & Community Amenities	–	–	–	–	11	12	0.0%	0.0%	0.0%	0.0%	100.0%
	Administration & Governance	–	–	–	–	12	26	0.0%	0.0%	0.0%	0.0%	100.0%
	Public Order & Safety	–	–	–	–	13	14	0.0%	0.0%	0.0%	0.0%	100.0%
	Health	–	–	–	–	14	16	0.0%	0.0%	0.0%	0.0%	100.0%
	Solid Waste Management	–	–	–	–	165	186	0.0%	0.0%	0.0%	0.0%	100.0%
	Welfare & Community Services	–	–	–	–	37	39	0.0%	0.0%	0.0%	0.0%	100.0%
	Cemeteries	–	–	–	–	62	77	0.0%	0.0%	0.0%	0.0%	100.0%
	Libraries	–	–	–	–	21	29	0.0%	0.0%	0.0%	0.0%	100.0%
	Community Centres & Halls	–	–	–	–	296	464	0.0%	0.0%	0.0%	0.0%	100.0%
	Sporting Grounds & Venues	50	50	50	–	1,810	2,858	8.0%	33.0%	57.0%	2.0%	0.0%
	Parks & Gardens	20	20	20	33	1,977	2,538	8.0%	5.0%	86.0%	1.0%	0.0%
	Swimming Pool	20	20	20	–	591	700	51.0%	44.0%	5.0%	0.0%	0.0%
	Transport	15	15	15	–	212	285	54.0%	33.0%	13.0%	0.0%	0.0%
	Other Economic Affairs	–	–	–	–	298	736	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub-total	105	105	105	33	5,547	8,008	11.8%	18.4%	57.7%	1.0%	11.1%

Bogan Shire Council

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

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Roads	Bridges	50	50	50	–	12,032	21,357	0.0%	71.0%	29.0%	0.0%	0.0%
	Footpaths	130	130	130	–	3,016	5,936	10.0%	17.0%	60.0%	13.0%	0.0%
	Kerb & Gutter	100	100	100	–	3,292	5,933	10.0%	40.0%	50.0%	0.0%	0.0%
	Traffic Island	10	10	10	–	51	95	0.0%	23.0%	77.0%	0.0%	0.0%
	Floodways	10	10	10	–	702	1,305	0.0%	8.0%	89.0%	3.0%	0.0%
	Signs	–	–	–	–	516	1,039	10.0%	3.0%	82.0%	5.0%	0.0%
	Bus Shelters	10	10	10	–	10	29	0.0%	0.0%	100.0%	0.0%	0.0%
	Culverts	70	70	70	–	9,543	16,743	0.0%	2.0%	96.0%	2.0%	0.0%
	Regional Road Sealed - Pavement	135	135	135	1,337	5,122	6,985	0.0%	80.0%	20.0%	0.0%	0.0%
	Regional Road Sealed - Surface	450	450	450	–	1,333	2,572	0.0%	66.0%	34.0%	0.0%	0.0%
	Regional Road - Unsealed Pavement	150	150	150	605	2,583	3,857	0.0%	25.0%	75.0%	0.0%	0.0%
	Rural Road Sealed - Pavement	150	150	150	1,387	27,805	37,256	0.0%	96.0%	4.0%	0.0%	0.0%
	Rural Road Sealed - Surface	340	340	340	365	9,228	15,817	0.0%	1.0%	98.0%	1.0%	0.0%
	Rural Road Sealed - Shoulder	–	–	–	6	290	555	0.0%	0.0%	100.0%	0.0%	0.0%
	Rural Road - Unsealed Pavement	500	500	500	2,942	20,644	30,122	0.0%	26.0%	72.0%	2.0%	0.0%
	Bulk earthworks	–	–	–	–	94,767	94,767	100.0%	0.0%	0.0%	0.0%	0.0%
Sub-total		2,105	2,105	2,105	6,642	190,934	244,368	39.3%	29.1%	30.8%	0.8%	0.0%
Water supply network	Mains	150	150	150	88	19,707	27,355	10.0%	43.0%	26.0%	21.0%	0.0%
	Potable Water Storage	20	20	20	–	1,670	3,638	2.0%	96.0%	1.0%	0.0%	1.0%
	Pumping Station/s	140	140	140	75	407	866	16.0%	58.0%	3.0%	22.0%	1.0%
	Raw Water Storage	20	20	20	275	23,191	24,780	100.0%	0.0%	0.0%	0.0%	0.0%
	Treatment	500	500	500	315	3,103	7,621	1.0%	42.0%	30.0%	27.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total		830	830	830	753	48,078	64,260	43.3%	29.5%	14.7%	12.4%
Sewerage network	Pumping Station/s	20	20	20	58	1,306	2,510	1.0%	93.0%	5.0%	1.0%	0.0%
	Treatment	50	50	50	48	2,777	3,293	1.0%	92.0%	6.0%	0.0%	1.0%
	Reticulation	90	90	90	146	7,393	16,362	1.0%	77.0%	22.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total		160	160	160	252	11,476	22,165	1.0%	81.0%	17.7%	0.1%

Bogan Shire Council

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

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Stormwater drainage	Open Drain	–	–	–	–	1,290	1,290	100.0%	0.0%	0.0%	0.0%	0.0%
	Levee	10	10	10	38	8,798	8,798	95.0%	0.0%	5.0%	0.0%	0.0%
	Sign	–	–	–	–	1	14	0.0%	0.0%	100.0%	0.0%	0.0%
	Pump Station	–	–	–	–	108	316	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub-total	10	10	10	38	10,197	10,418	92.6%	0.0%	7.4%	0.0%	0.0%
Total – all assets		5,005	5,000	5,030	8,103	294,737	399,270	35.2%	29.8%	31.8%	2.8%	0.4%

(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

Bogan Shire Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (consolidated) *

\$ '000	<i>Amounts</i> 2024	<i>Indicator</i> 2024	<i>Indicator</i> 2023	<i>Benchmark</i>
Buildings and infrastructure renewals ratio				
Asset renewals ¹	7,273	192.92%	172.74%	> 100.00%
Depreciation, amortisation and impairment	3,770			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	5,005	1.69%	1.57%	< 2.00%
Net carrying amount of infrastructure assets	296,404			
Asset maintenance ratio				
Actual asset maintenance	8,103	161.09%	210.97%	> 100.00%
Required asset maintenance	5,030			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	5,000	1.25%	1.12%	
Gross replacement cost	399,270			

(*) 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.

Bogan Shire Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (by fund)

\$ '000	<i>General fund</i>		<i>Water fund</i>		<i>Sewer fund</i>		<i>Benchmark</i>
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	
Buildings and infrastructure renewals ratio							
Asset renewals ¹	210.24%	222.56%	76.75%	0.00%	284.06%	0.00%	> 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	1.70%	1.47%	1.73%	2.22%	1.39%	1.56%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	175.69%	242.12%	90.72%	82.29%	157.50%	235.00%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	1.28%	1.06%	1.29%	1.57%	0.72%	0.78%	
Gross replacement cost							

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