

*Bogan*  
SHIRE

Annual  
Report  
2021/2022



*Comfortable Country Living*

Adopted 24/11/2022



# Completed Projects 2021/2022





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# About Bogan Shire

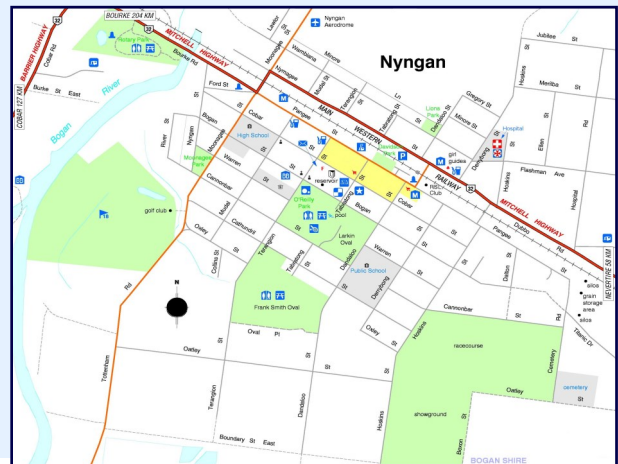
Bogan Shire, situated in Western New South Wales, has an area of 14,610 square kilometres, equivalent to about 1.8% of the State's land surface. The geographical centre of the State lies within the Shire boundaries. The Shire has an estimated population of 3012. Nyngan, the Shire's administrative centre, is located on the Bogan River at the junction of the Mitchell and Barrier Highways - an ideal rest point for the weary traveller.

There is an abundance of productive agricultural land for sheep and cattle production and large scale cropping enterprises. Nyngan's farmers are highly competitive on local and international markets and the large quantity of agricultural produce is conducive to the development of value adding industries and marketing ventures.

Nyngan offers warm hospitality and all the facilities of a modern rural township. Three Motels, two Caravan Parks, one hotel and access to 24-hours of free camping provides a choice of accommodation options. Three licensed Clubs and two hotels cater for entertainment and relaxation. The town also boasts a selection of cafes, restaurants and take-away food outlets for dining.

The Bogan Shire has a secondary school, five primary schools, a pre-school, a daycare centre, a mobile pre-school and a TAFE Campus. Nyngan's medical needs are catered for by the Bogan Shire Medical Centre, the Nyngan Health Service (Multi-purpose Health Centre which incorporates a hospital and nursing home complex) and a network of other health professionals including two private doctors and a dentist.

The recreational and sporting facilities in Nyngan are excellent and include facilities for bowls, golf, tennis, dancing, swimming, rugby league, rugby union, touch football, cricket, netball, fishing, boating, canoeing, water-skiing, soccer, little athletics and equestrian pursuits. Whether you are looking for an outback experience or a place to escape the hectic pace of the city life, we hope that a visit to the Bogan Shire will show you what real *"Comfortable Country Living"* is all about.





# *Mayor and General Manager's Message 2020/21*

The 2021/2022 financial year saw the end of Covid 19 restrictions which changed all of our lives. Thankfully Bogan Shire Council was able to keep providing services to our community through this difficult time working alongside our community to make the best of it. We continued to improve our “Comfortable Country Living” with many favourable comments from residents and visitors alike for the progress and improvements we have been able to make Nyngan as well as our three villages Coolabah, Girilambone and Hermidale.

Many of these improvements have only been made possible through Grant Funding received from both NSW and Federal Governments. Council is extremely grateful for this as it relieves the burden on our ratepayers and helps to make improvements to our town that may never have been able to be achieved without access to grants.

Road construction and maintenance, once again, was the biggest single line item in Council’s budget. Over \$1.25M was spent on gravel re-sheeting approximately 50km of our rural road network. \$429,085 was spent on regional road rehabilitation and 487,630 was spent on bitumen reseals. Over \$1.5M spent on other maintenance works on rural roads and town streets. In addition to the maintenance we undertook 3 kilometres of road construction on Colane and Pangee Roads to the value of \$469,885 as well as \$395,978 on footpath and kerb and gutter renewals within Nyngan.

Council remains in a sound financial position and have maintained our employment levels to be able to provide the services we are responsible for. Council extends its appreciation to Transport for NSW who have provided funding for Fixing Local Roads Rounds 3, Flood Damage Emergency Works and Repairs, Regional roads Block Grant and School Zone Infrastructure funding in 2021/2022 and to the Federal Government who offered another round of Local roads and Community Infrastructure under which Council received \$1,823,048 in funding to spend on roads and other community projects..

The Bogan Shire Medical Centre extensions were completed thanks to funding from the Building Better Regions Fund and have already seen expansions to the range of services provided at the Centre.

Stronger Country Community Funding, Resources for Regions Funding and ironically Drought Community Funding were used to complete the building of new Youth and Community Centre and since then a Youth officer has been appointed and is starting to engage with the Youth of our Community to fulfil a long-standing need.

# *Mayor and General Manager's Message 2021/2022*

A further round of Stronger Country Communities Funding has been approved and includes projects such as Showground fencing, street tree planting, levee bank walking paths, Pony Club amenities block, further improvements to the War Memorial Swimming Pool as well as funding to the Nyngan Golf Club to improve its facilities for lady golfers.

Round 8 of Resources for Regions has also been approved and will allow for a number of projects such as lead in infrastructure for two residential subdivisions, extension to the Bogan Shire early Learning Centre, new facilities at Larkin Oval for toilets and change rooms, upgrades to the Nyngan Waste and Resource Management Facility and improved facilities in our villages. Some of these projects have already commenced and will continue into 2023.

Council also continues to improve facilities at the Nyngan Showground so that we can maintain the high standard for events that are hosted there.

For the first time Council organised and ran Youth holiday programs, funded by the NSW Holiday Break grant, which included jewellery making and resin design workshops and a very successful Paddling on the Bogan River event using kayaks and paddleboards,

Community events were back in full swing and Council supported, promoted and provided assistance to community activities including Healthy Harold Van, Breast Screen Van and Storm Co. We continue to commemorate Anzac Day with ceremonies and a parade that a number of our community participated in.

We celebrated Australia Day, Seniors Week, Youth Week, were able to enjoy Anzac Day and Duck Creek race meetings and finished up 2021 with the Western Studio of Performing Arts Dance concert and Christmas Lights/Rural Mailbox competition.

Following COVID-19 delayed local government elections, the first meeting of the newly elected Council took place on 24 December 2021 and we welcomed three new Councillors to our team. Following many years of dedicated service to our community, our Mayor Ray Donald OAM and Councillor Kevin Ryan made the decision to retire from Council. We would like to take this opportunity to thank them both for their dedicated service and contributions to our Council and the people of Bogan Shire.

**Glen Neill**  
Mayor

**Derek Francis**  
General Manager



## Mission Statement

"Comfortable  
Country  
Living"

To provide a comfortable country lifestyle by progressively improving the level of appropriate facilities and services and encouraging growth and economic development that is responsive to the needs of the community

*Definition - Comfortable*

Safe and secure (both physically and financially protected), affordable, enjoyable, and relaxed community environment.



# Mission Statement

## DESIRED OUTCOMES

### Safe and Secure

- Economic viability for the shire as a whole – sustained business activity and continuing economic development
- Effective regulation and law enforcement
- Safe and trafficable road networks
- Full range of health services readily available
- Sanitation standards maintained
- Water quality assured
- Effective sewerage systems in place
- Flood Protection provided
- Protection and promotion of natural and man-made environments

### Enjoyable

- Quality sporting and recreation facilities provided
- Cultural and social fabric of the community encouraged and supported
- Library service catering for the broader community
- The latest communication mediums are easily accessible
- High standard of service maintained through successful management of assets

### Affordable

- Lower cost of living relative to regional and capital centres of population
- Competitive and diverse commercial enterprises
- Equitable distribution of rates, fees and charges
- Efficient and effective delivery of services

### Relaxed

- The more laid-back qualities associated with “country” living are not lost
- Community and social fabric promoted and supported



# Statement of Business Ethics

Bogan Shire Council is committed to the highest standards of honesty, fairness and integrity in all its business dealings.

Council operates according to an adopted Code of Conduct that sets out the standards of behaviour that Councillors and staff are expected to abide by when dealing with customers, suppliers, members of the community and public and when interacting with work colleagues.

With increasing business interaction between Council and the private sector it is important that standards of ethical behaviour expected of councillors and staff are maintained by members of the private sector in their dealings with Council.

Compliance with the standards contained within the document will ensure the best level of service can be provided to the community.

## Values

The way Bogan Shire Council makes decisions, takes action and conducts business is defined by the following values.

- **Taking pride** in Nyngan and the greater Bogan Shire.
- **Working together** as a team to get things done.
- Being **accountable** for our decisions and actions.
- Having **respect** for other people.
- Acting with **integrity and honesty**.
- Demonstrating **strong leadership**.
- Providing responsive **customer service**.

## Business Principles

The core principles underpinning all the business dealings of Bogan Shire Council are:

### Obtaining the Best Value for Money

This does not mean that the best value for money equates to the lowest price. Council will use a number of factors to determine best value for money. Included are cost, quality, reliability, whole life running cost and timelines.

# Statement of Business Ethics

## **Impartiality and Fairness**

Council will be objective, even handed and reasonable through business dealings. Council's business dealings will be transparent and open to public scrutiny whenever possible, subject to confidentiality and privacy obligations.

## **Compliance with Legal and Statutory Obligations**

Council at all times will adhere to all legal and statutory obligations.

## **What you can expect from Council and Staff**

In order to maintain the highest standards of integrity and ethical conduct, Councillors and staff are required to comply with a Code of Conduct which includes:

1. Be accountable for actions
2. Act with fairness and equity
3. Exercise authority appropriately and transparently
4. Be responsible for their safety and that of others
5. Ensure awareness and compliance with Code of Conduct
6. Avoid actual and perceived conflicts of interest
7. Maintain confidentiality and privacy of information
8. Not engage in external employment that may create a conflict, affect work performance, use resources or information of Council, or bring discredit to Council
9. Report corruption, maladministration and wastage



# Statement of Business Ethics

## What Bogan Shire Council expects from its providers

Council expects private sector providers of goods and services will observe the following principles when dealing with Council;

1. Act ethically, fairly and honestly in dealing with Council
2. Be economically, socially and environmentally responsible in the provision of goods and services
3. Respect the conditions set out in Council documents
4. Comply with Councils procurement and purchasing policy and procedures
5. Respect the obligation of Councillors and staff to comply with the Council Code of Conduct
6. Do not lobby Councillors or Staff
7. Provide accurate and reliable information and advice when requested
8. Declare actual or perceived conflicts when aware such exists
9. Do not divulge privileged or confidential information to unauthorised persons
10. Do not engage in cohesive practises
11. Do not offer Councillors or staff inducements or incentives designed to improperly influence the conduct of their duties

## Compliance

Council requires all providers to comply with the "Statement of Business Ethics". The principles are consistent with those of other public sector agencies, and are based on guidelines from the NSW Independent Commission against Corruption.

Non compliance could result in:

1. Termination of contracts
2. Loss of future opportunity
3. Investigation for corruption
4. Criminal Prosecution

# Council Contact Information



## Visit us:

Council Chambers are located at 81 Cobar Street, Nyngan NSW 2825

**Office Hours:** Monday to Friday from 8.00am – 4.30pm

## Contact us:

**Telephone:** (02) 6835 9000

**Fax:** (02) 6835 9011

**Email:** [admin@bogan.nsw.gov.au](mailto:admin@bogan.nsw.gov.au)

**Webpage:** [www.bogan.nsw.gov.au](http://www.bogan.nsw.gov.au)

## Write to us:

If you wish to write to Council on any matter, the letter should be addressed to:

*The General Manager  
Bogan Shire Council  
PO Box 221  
NYNGAN NSW 2825*

# Council Contact Information

## Meet with Staff:

Council staff are available during office hours to answer enquiries. It is good practice, although not essential, to make a prior appointment to see staff. This will ensure the staff member you require is available at the time.

## Attend Council meetings:

There are 11 Ordinary Council meetings each year, one per month except for January. Council meetings are held on the fourth Thursday of each month, except the December meeting which is held on the third Thursday of the month. Meetings start at 9.30am. Meetings are normally held at the Council Chambers on Cobar Street, Nyngan. All meetings of Council are now recorded and placed on Councils website and are normally open for the public to attend, with the exception of closed meeting items and during Covid 19. You may address Council in the Public Forum regarding a matter for consideration by Council in the meeting Business Paper. Notification to address the Council must be given 7 days before the day of the meeting. A Special Council Meeting may be called in between Ordinary Council Meetings if a matter of urgency arises that cannot wait until the next ordinary meeting. At least 24 hours notice must be given to call a Special Meeting. Bogan Shire Council comprises of nine Councillors, with the general election held every four years, usually in September except for this year where the election was postponed due to Covid 19. The most recent election was December 2021

## After Hours Service / Other Council Contacts

Bogan Bush Mobile	02 6835 9038	Swimming Pool	02 6835 9100
Early Learning Centre	02 6835 9038	Visitor Information Centre	02 6832 1056
Engineering Department	02 6835 9027	Works Depot	02 6835 9003
Museum	02 6832 1056	Bogan Medical Centre	02 6832 1305
Ranger	0428 607 407	Bogan Shire Youth & Community Centre	02 6835 9085
Library	02 68 35 9080	Rural Fire Service	02 6822 4422



# Statutory Information

## Local Government (General) Regulation 2005 Part 5

### s428(4)(b) cl 132 Amount of rates and charges written off during the year

The following amounts of Rates and Charges were written off during the period 01/07/2021 to 30/06/2022.

<b>General Rates</b>	<i>Pensioners</i>	\$14,237
	<i>Postponed</i>	\$2,932
	<i>Other (Ratepayers)</i>	\$35
<b>Water Charges</b>	<i>Pensioners</i>	\$16,646
	<i>Other (Ratepayers)</i>	\$5,821
<b>Sewerage Charges</b>	<i>Pensioners</i>	\$14,765
	<i>Other (Ratepayers)</i>	\$-
<b>Waste Charges</b>	<i>Pensioners</i>	\$34,811
<b>Interest Charges/Legal/ Other Charges</b>	<i>Postponed</i>	\$144
	<i>Other (Rate Payers)</i>	\$-
<b>Total Rates and Charges Written Off</b>		<b>\$89,391</b>

It should be noted that Council receives a subsidy payment from the Department of Local Government for 55% of the Pensioner write-offs for the year. In 2021/22 this subsidy amounted to \$44,254.

### s428(4)(b) cl 217(1)(a) Details of overseas visits by councillors, council staff or other persons representing council

No overseas visits were taken in 2021/2022 financial year.

# Statutory Information

## s428(4)(b) cl 217(1)(a1) Elected members expenses and provision of facilities

### Elected Member Expenses

The Mayoral Allowance for the year was \$18,777 with \$3,755 (20%) of this paid to the Deputy Mayor as remuneration for services carried out on behalf of Council in the Mayor's absence. Councillors' annual remuneration paid was \$8,589.

Councillors' travelling expenses, when using their own vehicle to attend Council functions and meetings, are reimbursed at the rates prescribed under the Car Allowance provisions of the Notional Agreement Preserving the Local Government State Award, with reimbursement of actual costs of incidentals subject to production of adequate documentation to substantiate claims. Lunch and morning tea is provided for Councillors on meeting days.

The following costs have been incurred by Council during the 2021/2022 financial year relating to the provision of councillor facilities and the payment of councillor expenses.

Councillors Fees	\$77,302
Mayoral Fee	\$18,777
Attendance at Conferences	\$9873
Training	\$400
Insurance - Councillors	\$22,681
Travel Costs	\$623
Office Equipment	\$852
Meals & Entertainment	\$4,114
Telephone Costs	\$52
Vehicle Costs	\$10,979
Other Costs	\$9,448
Total Elected Members Cost	\$155,101

### s428(4)(b) cl 217(1)(a2) Major contracts awarded

During the 2021/2022 financial year there were 4 large contracts awarded.

Wright Way Building—Design & Construct 70 Bogan Street Nyngan \$740,512

Civil Independence Industries Pty Ltd—Bitumen, Emlutions, Asphalt Materials and Services \$419,034

Inland Truck Centres—Supply and Delivery of Prime Mover—\$322,990

Rosmech Sames—Supply and Delivery of Street Sweeper \$364,252

# Statutory Information

## **s428(4)(b) cl 217(1)(a3) Amounts incurred by Council in relation to legal proceedings**

The following amounts of legal charges were incurred by Council for the following reasons:

→ Legal proceedings - debt recovery against ratepayers	\$5947
→ Other legal proceedings - Court Costs and excess paid	\$0

It should be noted that the majority of these charges are recoverable as a legal charge levied to the ratepayers concerned.

## **s428(4)(b) cl 217(1)(a4) Summary of resolutions made under Section 67 concerning work carried out on private land**

Council did not subsidise any private works undertaken during the year.

## **s428(4)(b) cl 217(1)(a5) Total amount contributed or otherwise granted under Section 356**

The total amount contributed or otherwise granted under Section 356 for the 2021/2022 financial year was \$33,518. The details of this amount are as follows:

Donation of Funding /Services to Sporting & Non-Profit bodies	\$27,317
Donations to Non-Profit Organisations	\$4,401
Student Scholarships	\$1,800
<b>TOTAL</b>	<b>\$33,518</b>

## **s428(4)(b) cl 217(1)(a6) External bodies exercising Council functions**

The external bodies that were delegated functions by Council during the year are as follows:

<b>Committee</b>	<b>Function</b>
Nyngan Museum Management Committee	Care and control of grounds and the organisation of activities
Hermidale Sports Ground	Care and control of grounds and the organisation of activities
Collerreina Hall	Care and control of grounds and the organisation of activities
Coolabah School of Arts Hall Committee	Care and control of grounds and the organisation of activities



# Statutory Information

## **s428(4)(b) cl 217(1)(a7) Controlling interest in companies**

Council held no controlling interest in any company during the 2021/2022 period.

## **s428(4)(b) cl 217(1)(a8) Corporations, partnerships, trusts, joint ventures, syndicates or other bodies in which Council participated**

Bogan Shire is incorporated within the North Western Library Association with the shires of Coonamble, Gilgandra and Warren. Council's financial interest in this association is reported in Note 14 to the General Purpose Financial Reports.

## **s428(4)(b) cl 217(1)(a9) Activities to implement EEO Management Plan**

The Anti-Discrimination and Equal Employment Opportunity Policy was recently reviewed by Management to ensure currency. Council's EEO Management Plan consists of 18 Strategies and 29 Activities, of which 97% have been undertaken in the current year.

## **s428(4)(b) cl 217(1)(b) Statement of Total Remuneration Package of General Manager Employment of General Manager**

During the year Council employed the General Manager under contract. Total remuneration, including salaries, superannuation, motor vehicle and rental assistance is shown in the table below.

Total Salary	\$259,645
Superannuation	\$24,738
Total value non-cash benefits	\$18,200
FBT	\$1,389
<b>Total</b>	<b>\$303,972</b>

## **Reg cl 217 (1) (d) Statement of total number of persons who performed paid work Wednesday 25 May 2022**

-Persons employed by the council on a permanent full-time, permanent part-time or casual basis or under a fixed-term contract Permanent 77 Permanent part-time 17 Casual 5 Fixed Term Contract 0

-Persons employed by the council as senior staff members — 1

-Persons engaged by the council, under a contract or other arrangement with the person's employer, wholly or principally for the labour of the person — 10

-Persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee — 0

# Statutory Information

## **s428(2)(f) cl 217(1)(f) Activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation**

### **Lodgement of pound data collection returns with the Division.**

#### **2021/22 Seizure Activity**

During the year Council seized 64 companion animals, and 6 companion animals (2 cats & 4 dogs) were voluntarily surrendered. Of these 38 were released to organisations for rehoming, 29 were returned to the owners, 2 were stolen from the pound facility and 1 dog was euthanised at Council's determination.

### **Lodgement of data relating to dog attacks with the Division**

Council received 1 report of a dog attack which resulted in the owners being issued with a Dangerous Dog Declaration and following non-compliance with the declaration, the dog was seized.

### **Companion animal community education programs carried out.**

Council undertook educational programs via the use of local media resources such as the council column in the local paper, Council's Website and via social media to distribute information to the general public. This information was also made available at both Council offices and the Public Library. Council's Compliance and Waste Officer has been actively involved with the Police, local Vets and ROAR (Rural Outback Animal Rescue) when dealing with surrendered or seized animals.

Council engaged the services of additional Compliance Officers which resulted in identifying 113 companion animals not complying with microchip and registration requirements. Of these 71 were not registered and 42 were neither microchipped or registered. Letters of non-compliance were sent to residents and owners reminding them of their obligations under the Companions Animals Act.

### **Amount of funding spent on companion animal management and activities.**

Council expended a net \$137,793 on activities relating to the management and control of companion animals during the 2021/2022 financial year. A further detailed breakup of the income and expenditure for the management and control of companion animals in the Bogan Shire is listed below:



# Statutory Information

<b>Income</b>	<b>\$</b>
Registration Fees	10,113
Other Fees (Microchipping, impounding)	1,304
<b>Total Income</b>	<b>11,417</b>
<b>Expenditure</b>	
Impounding & Controlling Expenses	136,827
Administration	325
Consultants/Training	641
Other Expenses	-
<b>Total Expenses</b>	<b>137,793</b>
<b>TOTAL COST OF COMPANION ANIMAL OPERATIONS</b>	<b>\$126,376</b>

## Strategies Council has in place to promote and assist the de-sexing of dogs and cats.

The Companion Animals Regulation 2008 significantly reduced the cost of lifelong registration for both de-sexed dogs and cats, which encourages residents to have their companion animals de-sexed. This fee is reduced even further for pensioners to help make the de-sexing of animals affordable and attractive option for all sectors in the community. During day to day duties, it is Council's strategy to have our Ranger actively educate residents on the benefits of de-sexing dogs and cats.

## Strategies in place to comply with the requirement under section 64 (Companion Animals Act) to seek alternatives to euthanasia for unclaimed animals

Before destroying a seized or surrendered animal it is the duty of the Council to consider whether there is an alternative action to that of destroying the animal and (if applicable) to adopt any such alternative.

## Off leash areas provided in the council area

Council provides an 'Off Leash' area which is located on the corner of Canonbar & Terangion Streets, Nyngan **Lot 1040 DP 1020916**.

## s125(1) cl 7 Schedule 2 information included on GIPA activity

Council received seven applications in the last reporting period under the Government Information (Public Access) Act 2009.

Council's program for the proactive release of information involves assessment on a case by case basis. Council has very little information that is discretionally unavailable.

### Number of access applications received

During the reporting period, Council received 2 formal access applications.

### Number of refused applications

During the reporting period, Council refused no formal access application.

### Statistical information about access applications

Table A: Number of applications by type of applicant and outcome*								
	Access Granted in Full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	1	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	2	0	0	1	0	0	0	0
Members of the public (other)	1	0	0	0	0	0	0	0

\*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

# Statutory Information

**Table B: Number of applications by type of application and outcome**

	Access Granted in Full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	4	0	0	1	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

\*A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual). The total number of decisions in Table B should be the same as Table A.

**Table C: Invalid applications**

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications 1	0

**Table D: Timeliness**

Decided within the statutory timeframe (20 days plus any extensions)	5
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0

**Table E: Applications for review under Part 5 of the Act (by type of applicant)**

Applications by access applicants	0
Applications by persons to whom information the subject of access application relates	0



#### **s93G(5) Compliance with and effect of planning agreements in force**

Council entered into a planning agreement governed by Subdivision 2 of Division 6 of Part 4 of the Act with Hera Resources Pty Ltd during the 2019/2020 financial year. Hera Resources Pty Limited is a wholly owned subsidiary of Aurelia Metals Ltd and owns and operates Hera Gold Mine at Nymagee. The agreement is a Road Maintenance Contribution of \$120,000 plus CPI increases per year for the life of the mine to be used for maintenance of the Nymagee Hermidale Road within the Bogan LGA. Council spent \$0 from this funding in 2022 however \$154,203 was spent from other Council funding on maintaining this road in 2021/2022.

#### **s31 cl 4 Public Interest Disclosures and Public Interest Disclosure Policy**

Council has an adopted Public Interest Disclosures and Internal Reporting Policy. No public interest disclosures were made during the year.

#### **s8(2) Carers Recognition Act 2010**

Council adopted a Carer's Leave Policy in March 2013 with a revised version adopted in June 2019.

### **S13(1) Disability Inclusion Act 2014**

Council adopted the Disability Inclusion Action Plan (DIAP) in April 2018. The DIAP's focus is on removing barriers and enabling people with a disability to participate fully in their communities. Bogan Shire Council takes pride in its ability to provide a Comfortable Country Lifestyle. In order to achieve this we must recognise a socially just community is one where everyone has fair and equal access to services. It is important to acknowledge some people need more support than others. Council recognises older people and people with a disability as being in need of this additional level of support.

Council has progressed the following initiatives from the DIAP:

- Council recognises International Day for People with Disabilities
- Liaise with the Interagency Group for ways to provide opportunities for people with disabilities
- Attend Interagency Meetings and ensure disability opportunity remains on agenda
- Successful in obtaining grant funding for construction of accessible toilet and change facilities at Larkin Oval
- Maintained appropriate Shade over the Liberty Swing
- An accessible front counter
- An accessible showground and racecourse
- Maintained and repaired existing footpaths pathways
- Obtained funding and extended accessible and safe footpath network
- Provided and maintained sufficient disabled car parking in Nyngan CBD
- Council's recruitment forms and processes are easy to understand by all.

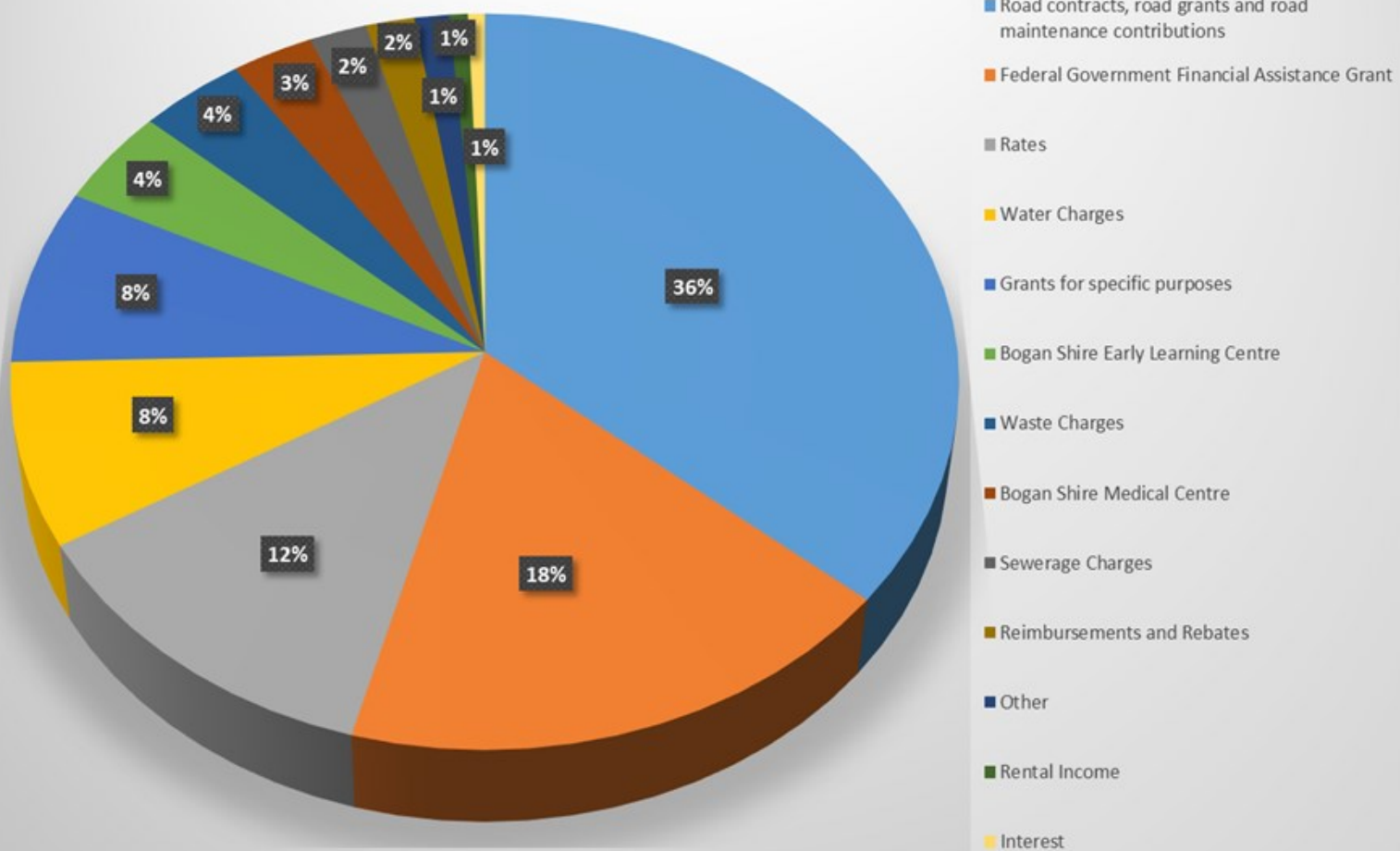
### **Swimming Pools Act (SP Act) 1992, s 22F(2) Swimming Pools Regulation 2018 (SP Reg) cl 23**

Details of inspections of private swimming pools. Include:

- |   |   |
|---|---|
| • number of inspections of tourist and visitor accommodation.   | 0 |
| • number of inspections of premises with more than 2 dwellings.   | 0 |
| • number of inspections that resulted in issuance a certificate of compliance under s22D of the SP Act.     | 4 |
| • number of inspections that resulted in issuance a certificate of noncompliance under cl 21 of the SP Reg. | 0 |

# Annexure One Financial Statements

## Operating Revenue



# Bogan Shire Council

ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2022

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# Bogan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2022

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# Bogan Shire Council

## General Purpose Financial Statements

for the year ended 30 June 2022

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### 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](http://www.bogan.nsw.gov.au).

# Bogan Shire Council

## General Purpose Financial Statements

for the year ended 30 June 2022

### Understanding Council's Financial Statements

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#### Introduction

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

#### What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2022.

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 2022

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

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

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

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

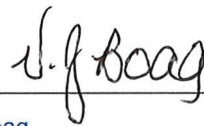
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 25 August 2022.



G R J Neill  
**Mayor**  
25 August 2022



V J Boag  
**Councillor**  
25 August 2022



D A Francis  
**General Manager**  
25 August 2022



S A Waterhouse  
**Responsible Accounting Officer**  
25 August 2022



## Bogan Shire Council

### Income Statement

for the year ended 30 June 2022

<i>Original unaudited budget 2022 \$ '000</i>		Notes	<i>Actual 2022 \$ '000</i>	<i>Actual 2021 \$ '000</i>
	<b>Income from continuing operations</b>			
5,302	Rates and annual charges	B2-1	<b>5,210</b>	5,203
3,913	User charges and fees	B2-2	<b>9,489</b>	9,144
159	Other revenues	B2-3	<b>245</b>	299
7,883	Grants and contributions provided for operating purposes	B2-4	<b>12,862</b>	9,728
150	Grants and contributions provided for capital purposes	B2-4	<b>7,747</b>	4,786
108	Interest and investment income	B2-5	<b>129</b>	152
211	Other income	B2-6	<b>209</b>	181
286	Net gain from the disposal of assets	B4-1	<b>65</b>	106
18,012	<b>Total income from continuing operations</b>		<b>35,956</b>	29,599
	<b>Expenses from continuing operations</b>			
7,373	Employee benefits and on-costs	B3-1	<b>7,903</b>	7,990
10,438	Materials and services	B3-2	<b>13,300</b>	11,388
75	Borrowing costs	B3-3	<b>73</b>	78
4,109	Depreciation, amortisation and impairment of non-financial assets	B3-4	<b>4,479</b>	4,145
449	Other expenses	B3-5	<b>263</b>	428
22,444	<b>Total expenses from continuing operations</b>		<b>26,018</b>	24,029
<b>(4,432)</b>	<b>Operating result from continuing operations</b>		<b>9,938</b>	5,570
<b>(4,432)</b>	<b>Net operating result for the year attributable to Council</b>		<b>9,938</b>	5,570
<b>(348)</b>	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>2,191</b>	784

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 2022

	Notes	<b>Actual 2022 \$ '000</b>	<b>Actual 2021 \$ '000</b>
<b>Net operating result for the year – from Income Statement</b>		<b>9,938</b>	<b>5,570</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<u>12,111</u>	<u>(48)</u>
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>12,111</b>	<b>(48)</b>
<b>Total other comprehensive income for the year</b>		<b>12,111</b>	<b>(48)</b>
<b>Total comprehensive income for the year attributable to Council</b>		<b>22,049</b>	<b>5,522</b>

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 2022

	Notes	<b>Actual 2022 \$ '000</b>	<b>Actual 2021 \$ '000</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	<b>10,643</b>	13,684
Investments	C1-2	<b>6,800</b>	2,800
Receivables	C1-4	<b>10,347</b>	5,320
Inventories	C1-5	<b>655</b>	659
Other		<b>130</b>	103
<b>Total current assets</b>		<b>28,575</b>	22,566
<b>Non-current assets</b>			
Receivables	C1-4	<b>1,307</b>	671
Infrastructure, property, plant and equipment (IPPE)	C1-6	<b>257,757</b>	239,583
Investments accounted for using the equity method	D2-1,D2-3	<b>75</b>	70
<b>Total non-current assets</b>		<b>259,139</b>	240,324
<b>Total assets</b>		<b>287,714</b>	262,890
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	<b>3,182</b>	1,852
Contract liabilities	C3-2	<b>4,967</b>	3,327
Borrowings	C3-3	<b>123</b>	119
Employee benefit provisions	C3-4	<b>1,929</b>	2,005
<b>Total current liabilities</b>		<b>10,201</b>	7,303
<b>Non-current liabilities</b>			
Borrowings	C3-3	<b>2,062</b>	2,185
<b>Total non-current liabilities</b>		<b>2,062</b>	2,185
<b>Total liabilities</b>		<b>12,263</b>	9,488
<b>Net assets</b>		<b>275,451</b>	253,402
<b>EQUITY</b>			
Accumulated surplus	C4-1	<b>178,172</b>	168,234
IPPE revaluation reserve	C4-1	<b>97,279</b>	85,168
<b>Council equity interest</b>		<b>275,451</b>	253,402
<b>Total equity</b>		<b>275,451</b>	253,402

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 2022

	Notes	2022			2021		
		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		168,234	85,168	253,402	162,664	85,216	247,880
<b>Net operating result for the year</b>		<b>9,938</b>	<b>–</b>	<b>9,938</b>	5,570	–	5,570
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	12,111	12,111	–	(48)	(48)
<b>Other comprehensive income</b>		<b>–</b>	<b>12,111</b>	<b>12,111</b>	<b>–</b>	<b>(48)</b>	<b>(48)</b>
<b>Total comprehensive income</b>		<b>9,938</b>	<b>12,111</b>	<b>22,049</b>	5,570	(48)	5,522
<b>Closing balance at 30 June</b>		<b>178,172</b>	<b>97,279</b>	<b>275,451</b>	168,234	85,168	253,402

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 2022

<i>Original unaudited budget 2022 \$ '000</i>		Notes	<i>Actual 2022 \$ '000</i>	<i>Actual 2021 \$ '000</i>
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
5,201	Rates and annual charges		5,178	5,468
3,406	User charges and fees		8,538	9,221
87	Interest received		105	73
9,128	Grants and contributions		17,707	15,843
–	Bonds, deposits and retentions received		28	29
190	Other		2,493	969
<i>Payments:</i>				
(7,590)	Payments to employees		(7,945)	(7,965)
(5,509)	Payments for materials and services		(14,853)	(12,716)
(75)	Borrowing costs		(75)	(79)
–	Bonds, deposits and retentions refunded		(29)	(28)
(1,587)	Other		(255)	(325)
3,251	<b>Net cash flows from operating activities</b>	G1-1	<b>10,892</b>	10,490
<b>Cash flows from investing activities</b>				
<i>Receipts:</i>				
–	Redemption of term deposits		2,800	7,800
286	Proceeds from sale of IPPE		314	562
<i>Payments:</i>				
–	Acquisition of term deposits		(6,800)	(2,800)
(3,423)	Payments for IPPE		(10,128)	(7,920)
(3,137)	<b>Net cash flows from investing activities</b>		<b>(13,814)</b>	(2,358)
<b>Cash flows from financing activities</b>				
<i>Payments:</i>				
(119)	Repayment of borrowings		(119)	(116)
(119)	<b>Net cash flows from financing activities</b>		<b>(119)</b>	(116)
(5)	<b>Net change in cash and cash equivalents</b>		<b>(3,041)</b>	8,016
9,580	Cash and cash equivalents at beginning of year		13,684	5,668
9,575	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>10,643</b>	13,684
6,800	plus: Investments on hand at end of year	C1-2	6,800	2,800
16,375	<b>Total cash, cash equivalents and investments</b>		<b>17,443</b>	16,484

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

# Bogan Shire Council

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# Bogan Shire Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

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These financial statements were authorised for issue by Council on 25 August 2022. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2005 (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.

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

- General purpose operations
- Water service
- Sewerage service

#### **The Trust Fund**

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

#### **Goods and Services Tax (GST)**

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



## A1-1 Basis of preparation (continued)

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

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

### Volunteer services

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

### New accounting standards and interpretations issued but not yet effective

#### New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2022 reporting period.

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

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

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

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

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

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

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

This standard has an effective date for the 30 June 2024 reporting period.

#### **AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 -2020 and Other Amendments**

This Standard amends a number of standards as follows:

- AASB 1 to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences,
- AASB 3 to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations,
- AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability,
- AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset,
- AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making and
- AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

**Council does not expect any material impact from the above amendments.**

This standard has an effective date for the 30 June 2023 reporting period.

## A1-1 Basis of preparation (continued)

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### **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 2022.

Those newly adopted standards had no material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures.

## 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>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</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>
<b>Functions or activities</b>										
Civic Leadership – Leadership, Advocacy & Governance	–	–	721	656	(721)	(656)	–	–	–	176
Civic Leadership – Managing Our Business	7,417	6,322	1,524	1,647	5,893	4,675	4,180	2,989	25,904	19,403
Economic – Local Industries & Business	37	5	96	53	(59)	(48)	14	–	312	431
Economic – Public Transport & Air Services	45	359	99	103	(54)	256	44	358	279	232
Economic – Tourism	246	362	88	89	158	273	235	350	–	18
Environmental – Built Environment	1,755	655	1,602	1,496	153	(841)	1,585	486	2,884	2,425
Environmental – Health, Safety & Regulation	41	19	397	521	(356)	(502)	–	–	23	14
Environmental – Natural Environment	42	44	151	129	(109)	(85)	42	68	–	–
Environmental – Waste & Recycling	1,072	996	982	914	90	82	12	–	197	95
Infrastructure – Sewer	541	544	845	768	(304)	(224)	–	–	12,033	11,837
Infrastructure – Transport Networks	15,110	13,574	12,650	10,761	2,460	2,813	8,003	6,891	182,718	173,977
Infrastructure – Water	5,056	2,643	2,139	1,917	2,917	726	3,005	562	40,065	35,333
Social – Community Centres	1,778	1,635	1,328	1,486	450	149	1,693	1,401	17,958	13,052
Social – Education	–	–	2	2	(2)	(2)	–	–	–	–
Social – Emergency Services	144	240	276	306	(132)	(66)	144	152	795	871
Social – Inclusive Communities	1,800	1,436	1,417	1,461	383	(25)	1,461	1,078	1,909	2,395
Social – Public Health	869	762	1,595	1,569	(726)	(807)	171	153	2,569	1,643
Social – Social & Cultural	3	3	106	151	(103)	(148)	20	26	68	988
<b>Total functions and activities</b>	<b>35,956</b>	<b>29,599</b>	<b>26,018</b>	<b>24,029</b>	<b>9,938</b>	<b>5,570</b>	<b>20,609</b>	<b>14,514</b>	<b>287,714</b>	<b>262,890</b>

## B1-2 Components of functions or activities

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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)

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### **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

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Ordinary rates</b>		
Residential	317	324
Farmland	1,839	1,804
Mining	608	691
Business	261	246
Less: pensioner rebates (mandatory)	(8)	(8)
Less: pensioner rebates (Council policy)	(6)	(6)
<b>Rates levied to ratepayers</b>	<b>3,011</b>	<b>3,051</b>
Pensioner rate subsidies received	8	8
<b>Total ordinary rates</b>	<b>3,019</b>	<b>3,059</b>
<b>Annual charges</b>		
<small>(pursuant to s.496, s.496A, s.496B, s.501 &amp; s.611)</small>		
Domestic waste management services	825	807
Water supply services	880	858
Sewerage services	372	371
Waste management services (non-domestic)	144	140
Less: pensioner rebates (mandatory)	(36)	(37)
Less: pensioner rebates (Council policy)	(30)	(31)
<b>Annual charges levied</b>	<b>2,155</b>	<b>2,108</b>
Pensioner subsidies received:		
– Water	9	9
– Sewerage	8	8
– Domestic waste management	19	19
<b>Total annual charges</b>	<b>2,191</b>	<b>2,144</b>
<b>Total rates and annual charges</b>	<b>5,210</b>	<b>5,203</b>

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

#### Accounting policy

Rates and annual charges are recognised as revenue 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 that are not subsidised by the NSW Government.

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

## B2-2 User charges and fees

	<i>Timing</i>	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Specific user charges</b>			
(per s.502 - specific 'actual use' charges)			
Water supply services	1	1,144	1,197
Sewerage services	1	149	149
<b>Total specific user charges</b>		<b>1,293</b>	<b>1,346</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>			
Inspection services	2	4	–
Planning and building regulation	2	44	47
Private works – section 67	2	235	173
Regulatory/ statutory fees	2	12	6
Regulatory fees	2	2	2
Section 10.7 certificates (EP&A Act)	2	11	13
Section 603 certificates	2	7	9
<b>Total fees and charges – statutory/regulatory</b>		<b>315</b>	<b>250</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s.608))</b>			
Cemeteries	2	30	20
Child care	2	274	257
Library and art gallery	2	3	2
Medical centre	2	659	691
Museum	2	6	4
Waste disposal tipping fees	2	53	26
Park rents	2	–	3
Reimbursements	2	84	204
Transport for NSW works (state roads not controlled by Council)	2	6,762	6,330
Sundry sales	2	1	6
Water connection fees	2	9	5
<b>Total fees and charges – other</b>		<b>7,881</b>	<b>7,548</b>
<b>Total other user charges and fees</b>		<b>8,196</b>	<b>7,798</b>
<b>Total user charges and fees</b>		<b>9,489</b>	<b>9,144</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised over time (1)		1,293	1,346
User charges and fees recognised at a point in time (2)		8,196	7,798
<b>Total user charges and fees</b>		<b>9,489</b>	<b>9,144</b>

### Accounting policy

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, 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>	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
Legal fees recovery – rates and charges (extra charges)	2	<b>6</b>	1
Carbon Bank Energy Rebate	2	<b>3</b>	50
Diesel rebate	2	<b>103</b>	141
Insurance claims recoveries	2	<b>2</b>	20
Sales – general	2	<b>6</b>	17
Insurance policy rebate	2	<b>25</b>	27
Other (Private Works)	2	<b>23</b>	–
Other (Procurement rebate)	2	<b>3</b>	–
Sales – scrap metal	2	<b>38</b>	21
Other	2	<b>36</b>	22
<b>Total other revenue</b>		<b>245</b>	<b>299</b>
<b>Timing of revenue recognition for other revenue</b>			
Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		<b>245</b>	299
<b>Total other revenue</b>		<b>245</b>	<b>299</b>

### Accounting policy 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

		<b>Operating 2022 Actual \$ '000</b>	<b>Operating 2021 Actual \$ '000</b>	<b>Capital 2022 Actual \$ '000</b>	<b>Capital 2021 Actual \$ '000</b>
	<i>Timing</i>				
<b>General purpose grants and non-developer contributions (untied)</b>					
<b>Current year allocation</b>					
Financial assistance – general component	2	1,648	1,444	–	–
Financial assistance – local roads component	2	802	721	–	–
<b>Payment in advance - future year allocation</b>					
Financial assistance – general component	2	2,530	1,545	–	–
Financial assistance – local roads component	2	1,237	774	–	–
<b>Amount recognised as income during current year</b>		<b>6,217</b>	<b>4,484</b>	<b>–</b>	<b>–</b>
<b>Special purpose grants and non-developer contributions (tied)</b>					
<b>Cash contributions</b>					
Bushfire and emergency services	2	144	152	–	–
Water supplies	1	141	7	2,864	555
Child care	2	827	805	9	–
Community centres	1	–	–	14	–
Economic development	1	–	–	235	351
Heritage and cultural	2	–	2	–	–
Library	2	68	68	–	–
Noxious weeds	2	42	43	–	–
Recreation and culture	1	20	51	1,650	1,331
Street lighting	2	16	16	–	–
Storm/flood damage	1	2,664	1,375	–	–
Transport (other roads and bridges funding)	1	39	–	1,036	1,867
Medical centre	1	172	60	333	111
Youth services	1	3	100	600	164
Wage subsidy apprentices	2	50	57	–	–
Other (Affordable Seniors Living)	1	–	–	–	363
Other (GP Housing)	1	–	–	367	36
Other (Bogan Shire Youth & Community Centre)	1	–	–	627	8
Transport (roads to recovery)	2	1,140	1,367	–	–
Other specific grants	2	224	50	12	–
<b>Previously contributions:</b>					
Transport for NSW contributions (regional roads, block grant)	2	970	970	–	–
<b>Total special purpose grants and non-developer contributions (tied)</b>		<b>6,520</b>	<b>5,123</b>	<b>7,747</b>	<b>4,786</b>
<b>Total grants and non-developer contributions</b>		<b>12,737</b>	<b>9,607</b>	<b>7,747</b>	<b>4,786</b>
<b>Comprising:</b>					
– Commonwealth funding		2,138	2,213	1,657	1,395
– State funding		10,549	7,316	6,090	3,391
– Other funding		50	78	–	–
		<b>12,737</b>	<b>9,607</b>	<b>7,747</b>	<b>4,786</b>

## B2-4 Grants and contributions (continued)

## Developer contributions

	Notes	Timing	<b>Operating 2022 Actual \$ '000</b>	<i>Operating 2021 Actual \$ '000</i>	<b>Capital 2022 Actual \$ '000</b>	<i>Capital 2021 Actual \$ '000</i>
<b>Developer contributions: (s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>		G4				
<b>Cash contributions</b>						
S 7.4 – contributions using planning agreements		2	<b>125</b>	121	–	–
<b>Total developer contributions</b>			<b>125</b>	121	–	–
<b>Total contributions</b>			<b>125</b>	121	–	–
<b>Total grants and contributions</b>			<b>12,862</b>	9,728	<b>7,747</b>	4,786
<b>Timing of revenue recognition for grants and contributions</b>						
Grants and contributions recognised over time (1)			<b>3,039</b>	1,568	<b>7,738</b>	4,786
Grants and contributions recognised at a point in time (2)			<b>9,823</b>	8,160	<b>9</b>	–
<b>Total grants and contributions</b>			<b>12,862</b>	9,728	<b>7,747</b>	4,786

## 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:

	<b>Operating 2022 Actual \$ '000</b>	<i>Operating 2021 Actual \$ '000</i>	<b>Capital 2022 Actual \$ '000</b>	<i>Capital 2021 Actual \$ '000</i>
<b>Unspent grants and contributions</b>				
Unspent funds at 1 July	1,019	499	-	-
<b>Add:</b> Funds received and not recognised as revenue in the current year	2,518	1,019	-	-
<b>Less:</b> Funds recognised as revenue in previous years that have been spent during the reporting year	(2,513)	(499)	-	-
<b>Unspent funds at 30 June</b>	<b>1,024</b>	<b>1,019</b>	<b>-</b>	<b>-</b>

Roads to Recovery \$434K Rural Fire Service \$172K Youth & Community Worker \$97K Planning Portal \$80K Crown Land Management Plans \$68 OLG ESL Grant \$57K Bogan River Bush Care Group \$91K Street Tree Planting \$25K

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



## B2-4 Grants and contributions (continued)

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### Accounting policy

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

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

The performance obligations vary according to the agreement but include 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

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges (incl. special purpose rates)	39	25
– Overdue user fees and charges	15	5
– Cash and investments	67	113
– Other	8	9
<b>Total interest and investment income (losses)</b>	<b>129</b>	<b>152</b>
<b>Interest and investment income is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
Overdue rates and annual charges (general fund)	18	20
General Council cash and investments	56	77
<b>Restricted investments/funds – external:</b>		
Water fund operations	26	17
Sewerage fund operations	20	27
Domestic waste management operations	9	11
<b>Total interest and investment income</b>	<b>129</b>	<b>152</b>

### Accounting policy

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

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

## B2-6 Other income

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Rental income</b>		
<b>Other lease income</b>		
Room/Facility Hire	41	36
Leaseback fees - council vehicles	11	10
Other	152	126
<b>Total other lease income</b>	<b>204</b>	<b>172</b>
<b>Total rental income</b>	<b>204</b>	<b>172</b>
<b>Net share of interests in joint ventures and associates using the equity method</b>		
Joint ventures	5	9
<b>Total net share of interests in joint ventures and associates using the equity method</b>	<b>5</b>	<b>9</b>
<b>Total other income</b>	<b>209</b>	<b>181</b>

## B3 Costs of providing services

### B3-1 Employee benefits and on-costs

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
Salaries and wages	<b>6,349</b>	6,305
Employee leave entitlements (ELE)	<b>1,157</b>	1,245
ELE on-costs	<b>15</b>	16
Superannuation	<b>724</b>	724
Workers' compensation insurance	<b>297</b>	227
Fringe benefit tax (FBT)	<b>49</b>	31
<b>Total employee costs</b>	<b>8,591</b>	<b>8,548</b>
Less: capitalised costs	<b>(688)</b>	(558)
<b>Total employee costs expended</b>	<b>7,903</b>	<b>7,990</b>
Number of 'full-time equivalent' employees (FTE) at year end	<b>93</b>	93

#### **Accounting policy**

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

#### *Retirement benefit obligations*

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

#### *Superannuation plans*

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

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

## B3-2 Materials and services

	Notes	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
Raw materials and consumables		<b>7,735</b>	8,274
Contractor and consultancy costs		<b>14,332</b>	9,812
Audit Fees	F2-1	<b>63</b>	46
<b>Previously other expenses:</b>			
Councillor and Mayoral fees and associated expenses	F1-2	<b>153</b>	162
Advertising		<b>19</b>	15
Bank charges		<b>13</b>	11
Cleaning		<b>14</b>	11
Computer software charges		<b>286</b>	169
Election expenses		<b>35</b>	–
Electricity and heating		<b>231</b>	202
Fire control expenses		<b>66</b>	81
Insurance		<b>535</b>	490
Office expenses (including computer expenses)		<b>37</b>	28
Postage		<b>13</b>	13
Printing and stationery		<b>34</b>	33
Street lighting		<b>100</b>	96
Subscriptions and publications		<b>47</b>	53
Telephone and communications		<b>77</b>	76
Tourism expenses (excluding employee costs)		<b>6</b>	7
Valuation fees		<b>47</b>	16
Travel expenses		<b>21</b>	19
Training costs (other than salaries and wages)		<b>118</b>	94
Other expenses		<b>12</b>	12
<b>Legal expenses:</b>			
– Legal expenses: planning and development		<b>4</b>	1
– Legal expenses: debt recovery		<b>6</b>	1
– Legal expenses: other		<b>7</b>	10
Expenses from short-term leases		<b>16</b>	16
Expenses from leases of low value assets		<b>11</b>	12
Expenses from Peppercorn leases		<b>9</b>	9
<b>Total materials and services</b>		<b>24,047</b>	<b>19,769</b>
Less: capitalised costs		<b>(10,747)</b>	<b>(8,381)</b>
<b>Total materials and services</b>		<b>13,300</b>	<b>11,388</b>

### Accounting policy

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

### B3-3 Borrowing costs

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Interest bearing liability costs</b>		
Interest on loans	<b>73</b>	78
<b>Total interest bearing liability costs</b>	<b>73</b>	<b>78</b>
<b>Total borrowing costs expensed</b>	<b>73</b>	<b>78</b>

#### **Accounting policy**

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

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

	Notes	2022 \$ '000	2021 \$ '000
<b>Depreciation and amortisation</b>			
Plant and equipment		812	739
Office equipment		89	85
Furniture and fittings		20	17
<b>Infrastructure:</b>	C1-6		
– Buildings – non-specialised		272	267
– Buildings – specialised		485	403
– Other structures		94	74
– Roads		1,730	1,635
– Bridges		154	109
– Footpaths		60	91
– Stormwater drainage		7	13
– Water supply network		534	502
– Sewerage network		222	210
<b>Total depreciation and amortisation costs</b>		<b>4,479</b>	<b>4,145</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>4,479</b>	<b>4,145</b>

### Accounting policy

#### Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 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	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Impairment of receivables</b>			
Rates and annual charges		<b>70</b>	154
<b>Total impairment of receivables</b>	C1-4	<b>70</b>	<b>154</b>
<b>Other</b>			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		<b>161</b>	214
Donations, contributions and assistance to other organisations (Section 356)		<b>32</b>	60
<b>Total other expenses</b>		<b>263</b>	<b>428</b>

### Accounting policy

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

Impairment expenses are recognised when identified.

## B4 Gains or losses

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

	Notes	2022 <i>Actual</i> \$ '000	2021 <i>Actual</i> \$ '000
<b>Gain (or loss) on disposal of plant and equipment</b>	C1-6		
Proceeds from disposal – plant and equipment		253	458
Less: carrying amount of plant and equipment assets sold/written off		<u>(206)</u>	<u>(378)</u>
<b>Gain (or loss) on disposal</b>		<u>47</u>	<u>80</u>
<b>Gain (or loss) on disposal of term deposits</b>	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		2,800	7,800
Less: carrying amount of term deposits sold/redeemed/matured		<u>(2,800)</u>	<u>(7,800)</u>
<b>Gain (or loss) on disposal</b>		<u>–</u>	<u>–</u>
<b>Other (Operational Land)</b>			
Proceeds from disposal – Other (Operational Land)		61	104
Less: carrying amount of Other (Operational Land) assets sold/written off		<u>(43)</u>	<u>(78)</u>
<b>Gain (or loss) on disposal</b>		<u>18</u>	<u>26</u>
<b>Net gain (or loss) from disposal of assets</b>		<u>65</u>	<u>106</u>

#### Accounting policy

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

## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 24/06/2021 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	2022 Budget	2022 Actual	2022 ----- Variance -----	
<b>Revenues</b>				
<b>Rates and annual charges</b>	5,302	5,210	(92)	(2)% <b>U</b>
Council had a write off of a Mining rate due to an objection to the rating category. The proposed mine was given a lease by the government but they have not commenced mining operations.				
<b>User charges and fees</b>	3,913	9,489	5,576	142% <b>F</b>
Council received additional funding from TfNSW contract and ordered works to what was originally budgeted.				
<b>Other revenues</b>	159	245	86	54% <b>F</b>
Council received additional Waste Collection Income and Compliance income to what was originally budgeted.				
<b>Operating grants and contributions</b>	7,883	12,862	4,979	63% <b>F</b>
Council received Local Roads and Community Infrastructure Grant, Fixing Local Roads and Emergency Works Flood Damage funding that wasn't originally budgeted.				
<b>Capital grants and contributions</b>	150	7,747	7,597	5,065% <b>F</b>
Council received additional Operating and Capital grants that weren't originally budgeted for due to the State and Federal Governments allocating funding to Council throughout the year through the Fixing Local Roads Program, Resources for Regions, Stronger Country Communities and Local Roads and Community infrastructure Programs.				
<b>Interest and investment revenue</b>	108	129	21	19% <b>F</b>
Interest rates increased throughout the year which meant an increase to Council's investment income.				
<b>Net gains from disposal of assets</b>	286	65	(221)	(77)% <b>U</b>
The amount of income budgeted did not take into account the cost of disposal of the Capital Items and therefore a variation to the budget.				
<b>Other income</b>	211	209	(2)	(1)% <b>U</b>
Council received additional income to what was originally budgeted.				

## B5-1 Material budget variations (continued)

\$ '000	2022 Budget	2022 Actual	2022 ----- Variance -----	
<b>Expenses</b>				
<b>Employee benefits and on-costs</b>	7,373	7,903	(530)	(7)% U
Employee costs increased due to additional costs for TfNSW Ordered Works and contract works as well as other Grants received allowing Council to employ additional staff to complete the work.				
<b>Materials and services</b>	10,438	13,300	(2,862)	(27)% U
Materials and services costs increased due to additional expenditure required on TfNSW Ordered works and Grant projects that weren't originally budgeted.				
<b>Borrowing costs</b>	75	73	2	3% F
<b>Depreciation, amortisation and impairment of non-financial assets</b>	4,109	4,479	(370)	(9)% U
Revaluations were done on Roads, Buildings and other structures leading to an increase in depreciation.				
<b>Other expenses</b>	449	263	186	41% F
Expenses were allocated to areas of materials and services instead of other expenses.				
<b>Statement of cash flows</b>				
<b>Cash flows from operating activities</b>	3,251	10,892	7,641	235% F
Additional operating cash flows due to extra income from TfNSW Contract and Ordered Works as well as additional grant funding provided throughout the year.				
<b>Cash flows from investing activities</b>	(3,137)	(13,814)	(10,677)	340% U
Additional cash flows are due to additional funding received allowing investment in infrastructure for Council.				
<b>Cash flows from financing activities</b>	(119)	(119)	-	0% F

## C Financial position

### C1 Assets we manage

#### C1-1 Cash and cash equivalents

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Cash assets</b>		
Cash on hand and at bank	102	104
Cash equivalent assets		
– Deposits at call	10,541	13,580
<b>Total cash and cash equivalents</b>	<b>10,643</b>	<b>13,684</b>

#### Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	10,643	13,684
<b>Balance as per the Statement of Cash Flows</b>	<b>10,643</b>	<b>13,684</b>

#### Accounting policy

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

## C1-2 Financial investments

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
<b>Debt securities at amortised cost</b>				
Long term deposits	6,800	–	2,800	–
<b>Total</b>	<b>6,800</b>	<b>–</b>	<b>2,800</b>	<b>–</b>
<b>Total financial investments</b>	<b>6,800</b>	<b>–</b>	<b>2,800</b>	<b>–</b>
<b>Total cash assets, cash equivalents and investments</b>	<b>17,443</b>	<b>–</b>	<b>16,484</b>	<b>–</b>

### Accounting policy

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

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

### Financial assets

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

### Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

### Amortised cost

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

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

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



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

	<b>2022</b>	2021
	<b>Actual</b>	Actual
	<b>\$ '000</b>	\$ '000
(a) Externally restricted cash, cash equivalents and investments		
<b>Total cash, cash equivalents and investments</b>	<b>17,443</b>	16,484
Less: Externally restricted cash, cash equivalents and investments	<u>(3,924)</u>	<u>(4,357)</u>
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>13,519</b>	12,127
<b>External restrictions</b>		
<b>External restrictions – included in liabilities</b>		
External restrictions included in cash, cash equivalents and investments above comprise:		
<b>External restrictions – other</b>		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	216	90
Specific purpose unexpended grants (recognised as revenue) – general fund	1,024	1,019
Water fund	513	998
Sewer fund	<u>2,171</u>	<u>2,250</u>
<b>External restrictions – other</b>	<b>3,924</b>	<b>4,357</b>
<b>Total external restrictions</b>	<b>3,924</b>	<b>4,357</b>

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)

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>(b) Internal allocations</b>		
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>13,519</b>	12,127
Less: Internally restricted cash, cash equivalents and investments	<b>(12,174)</b>	(8,313)
<b>Unrestricted and unallocated cash, cash equivalents and investments</b>	<b>1,345</b>	3,814

**Internal allocations**

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

Plant and vehicle replacement	<b>2,191</b>	1,069
Employees leave entitlement	<b>463</b>	501
Carry over works	<b>3,022</b>	1,350
FAG grant in advance	<b>3,767</b>	2,319
Museum	<b>21</b>	27
Other (capital building projects)	<b>84</b>	1,232
Roads and ancillary services	<b>2,359</b>	1,483
Village amenities	<b>94</b>	114
Waste facility	<b>170</b>	166
Showground Upgrades	<b>3</b>	52
<b>Total internal allocations</b>	<b>12,174</b>	8,313

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

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>(c) Unrestricted and unallocated</b>		
<b>Unrestricted and unallocated cash, cash equivalents and investments</b>	<b>1,345</b>	3,814

## C1-4 Receivables

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
Rates and annual charges	343	342	423	422
Interest and extra charges	–	207	–	196
User charges and fees	3,204	151	2,412	–
Private works	412	–	7	–
Contributions to works	–	–	529	–
Accrued revenues				
– Interest on investments	17	–	4	–
Government grants and subsidies	6,238	501	1,934	–
Net ATO receivable	139	–	142	–
Other debtors	1	143	10	90
<b>Total</b>	<b>10,354</b>	<b>1,344</b>	<b>5,461</b>	<b>708</b>
<b>Less: provision for impairment</b>				
Rates and annual charges	(7)	–	(141)	–
Interest and extra charges	–	(37)	–	(37)
<b>Total provision for impairment – receivables</b>	<b>(7)</b>	<b>(37)</b>	<b>(141)</b>	<b>(37)</b>
<b>Total net receivables</b>	<b>10,347</b>	<b>1,307</b>	<b>5,320</b>	<b>671</b>
<b>Externally restricted receivables</b>				
<b>Water supply</b>				
– Specific purpose grants	911	500	508	27
– Rates and availability charges	97	65	95	62
– Other	269	108	250	89
<b>Sewerage services</b>				
– Rates and availability charges	64	39	35	25
– Other	–	–	26	13
<b>Total external restrictions</b>	<b>1,341</b>	<b>712</b>	<b>914</b>	<b>216</b>
<b>Unrestricted receivables</b>	<b>9,006</b>	<b>595</b>	<b>4,406</b>	<b>455</b>
<b>Total net receivables</b>	<b>10,347</b>	<b>1,307</b>	<b>5,320</b>	<b>671</b>

## C1-4 Receivables (continued)

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year (calculated in accordance with AASB 139)	178	24
+ new provisions recognised during the year	–	154
– amounts already provided for and written off this year	<b>(134)</b>	–
<b>Balance at the end of the year</b>	<b>44</b>	<b>178</b>

### Accounting policy

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

	<b>2022</b>	<b>2022</b>	2021	2021
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
<b>Inventories at cost</b>				
Stores and materials	655	-	659	-
<b>Total inventories at cost</b>	<b>655</b>	<b>-</b>	<b>659</b>	<b>-</b>
<b>Total inventories</b>	<b>655</b>	<b>-</b>	<b>659</b>	<b>-</b>

### Externally restricted assets

There are no restrictions applicable to the above assets.

### Accounting policy

#### 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

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period							At 30 June 2022		
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals <sup>1</sup> \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Revaluation decrements to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	3,950	–	3,950	420	3,365	–	–	(2,059)	–	–	5,676	–	5,676
Plant and equipment	9,785	(3,623)	6,162	676	223	(203)	(812)	–	–	–	10,231	(4,185)	6,046
Office equipment	844	(567)	277	72	48	(3)	(89)	–	–	–	891	(586)	305
Furniture and fittings	257	(136)	121	8	30	–	(20)	–	–	–	295	(156)	139
<b>Land:</b>													
– Operational land	323	–	323	–	13	(43)	–	–	–	17	310	–	310
– Community land	1,787	–	1,787	–	–	–	–	–	–	–	1,787	–	1,787
– Crown land	1,022	–	1,022	–	–	–	–	–	–	–	1,022	–	1,022
<b>Infrastructure:</b>													
– Other structures	4,500	(1,470)	3,030	52	275	–	(94)	257	–	25	5,561	(2,016)	3,545
– Buildings – specialised	19,088	(10,846)	8,242	21	90	–	(485)	15	–	2,848	24,401	(13,670)	10,731
– Buildings – non-specialised	14,884	(5,712)	9,172	–	2,258	–	(272)	211	(255)	–	15,505	(4,391)	11,114
– Roads	104,287	(25,077)	79,210	2,568	518	–	(1,730)	1,576	(14,452)	–	102,868	(35,178)	67,690
– Bridges	14,100	(2,363)	11,737	–	–	–	(154)	–	(647)	–	19,138	(8,202)	10,936
– Footpaths	3,995	(2,205)	1,790	–	6	–	(60)	–	–	311	4,603	(2,556)	2,047
– Bulk earthworks (non-depreciable)	63,710	–	63,710	–	–	–	–	–	–	21,206	84,916	–	84,916
– Stormwater drainage	8,264	(154)	8,110	41	–	–	(7)	–	–	767	9,098	(187)	8,911
– Water supply network	43,983	(12,531)	31,452	107	–	–	(534)	–	–	1,824	46,600	(13,751)	32,849
– Sewerage network	18,001	(8,513)	9,488	–	–	–	(222)	–	–	467	18,956	(9,223)	9,733
<b>Other assets:</b>													
– Other	154	(154)	–	–	–	–	–	–	–	–	154	(154)	–
<b>Total infrastructure, property, plant and equipment</b>	<b>312,934</b>	<b>(73,351)</b>	<b>239,583</b>	<b>3,965</b>	<b>6,826</b>	<b>(249)</b>	<b>(4,479)</b>	<b>–</b>	<b>(15,354)</b>	<b>27,465</b>	<b>352,012</b>	<b>(94,255)</b>	<b>257,757</b>

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

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

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period							At 30 June 2021		
	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000	Additions renewals <sup>1</sup> \$ '000	Additions new assets \$ '000	Carrying value of disposals \$ '000	Depreciation expense \$ '000	WIP transfers \$ '000	Revaluation decrements to equity (ARR) \$ '000	Revaluation increments to equity (ARR) \$ '000	Gross carrying amount \$ '000	Accumulated depreciation and impairment \$ '000	Net carrying amount \$ '000
Capital work in progress	2,591	–	2,591	2,041	718	–	–	(1,400)	–	–	3,950	–	3,950
Plant and equipment	8,854	(3,296)	5,558	1,611	110	(378)	(739)	–	–	–	9,785	(3,623)	6,162
Office equipment	754	(508)	246	18	98	–	(85)	–	–	–	844	(567)	277
Furniture and fittings	206	(119)	87	–	51	–	(17)	–	–	–	257	(136)	121
<b>Land:</b>													
– Operational land	401	–	401	–	–	(78)	–	–	–	–	323	–	323
– Community land	1,779	–	1,779	–	8	–	–	–	–	–	1,787	–	1,787
– Crown land	1,022	–	1,022	–	–	–	–	–	–	–	1,022	–	1,022
<b>Infrastructure:</b>													
– Buildings – non-specialised	13,423	(5,445)	7,978	76	361	–	(267)	1,024	–	–	14,884	(5,712)	9,172
– Buildings – specialised	18,702	(10,443)	8,259	45	341	–	(403)	–	–	–	19,088	(10,846)	8,242
– Other structures	3,693	(1,396)	2,297	85	488	–	(74)	234	–	–	4,500	(1,470)	3,030
– Roads	102,485	(23,441)	79,044	1,390	342	–	(1,635)	69	–	–	104,287	(25,077)	79,210
– Bridges	14,100	(2,254)	11,846	–	–	–	(109)	–	–	–	14,100	(2,363)	11,737
– Footpaths	3,942	(2,114)	1,828	13	40	–	(91)	–	–	–	3,995	(2,205)	1,790
– Bulk earthworks (non-depreciable)	63,710	–	63,710	–	–	–	–	–	–	–	63,710	–	63,710
– Stormwater drainage	8,264	(141)	8,123	–	–	–	(13)	–	–	–	8,264	(154)	8,110
– Water supply network	46,243	(14,044)	32,199	179	–	–	(502)	–	(424)	–	43,983	(12,531)	31,452
– Sewerage network	14,525	(5,276)	9,249	–	–	–	(210)	73	–	376	18,001	(8,513)	9,488
<b>Other assets:</b>													
– Other	154	(154)	–	–	–	–	–	–	–	–	154	(154)	–
<b>Total infrastructure, property, plant and equipment</b>	<b>304,848</b>	<b>(68,631)</b>	<b>236,217</b>	<b>5,458</b>	<b>2,557</b>	<b>(456)</b>	<b>(4,145)</b>	<b>–</b>	<b>(424)</b>	<b>376</b>	<b>312,934</b>	<b>(73,351)</b>	<b>239,583</b>

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



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

### Accounting policy

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

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

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

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.

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.

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

<b>Plant and equipment</b>	Years	<b>Other equipment</b>	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	<b>Buildings</b>	
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
<b>Water and sewer assets</b>		<b>Stormwater assets</b>	
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		
<b>Transportation assets</b>		<b>Other infrastructure assets</b>	
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.

## 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 30/06/22			as at 30/06/21		
	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
<b>Water supply</b>						
WIP	4,753	–	4,753	1,853	–	1,853
Infrastructure	46,600	13,751	32,849	43,983	12,531	31,452
<b>Total water supply</b>	<b>51,353</b>	<b>13,751</b>	<b>37,602</b>	<b>45,836</b>	<b>12,531</b>	<b>33,305</b>
<b>Sewerage services</b>						
WIP	25	–	25	–	–	–
Infrastructure	18,956	9,223	9,733	18,001	8,513	9,488
<b>Total sewerage services</b>	<b>18,981</b>	<b>9,223</b>	<b>9,758</b>	<b>18,001</b>	<b>8,513</b>	<b>9,488</b>
<b>Domestic waste management</b>						
Plant and equipment	739	224	515	739	160	579
<b>Total domestic waste management</b>	<b>739</b>	<b>224</b>	<b>515</b>	<b>739</b>	<b>160</b>	<b>579</b>
<b>Total restricted infrastructure, property, plant and equipment</b>	<b>71,073</b>	<b>23,198</b>	<b>47,875</b>	<b>64,576</b>	<b>21,204</b>	<b>43,372</b>

## 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:

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
Expenses relating to short-term leases	<b>16</b>	16
Expenses relating to low-value leases	<b>11</b>	12
Expenses relating to Peppercorn leases	<b>9</b>	9
	<b>36</b>	<b>37</b>

#### (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)

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### Accounting policy

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

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.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

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.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

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

### Exceptions to lease accounting

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

### Leases at significantly below market value / Concessionary leases

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

## C2-2 Council as a lessor

### Operating leases

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

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

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>

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)	<b>204</b>	172
<b>Total income relating to operating leases for Council assets</b>	<b>204</b>	<b>172</b>

#### (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	<b>88</b>	70
1–2 years	<b>63</b>	77
2–3 years	<b>15</b>	35
3–4 years	<b>2</b>	15
<b>Total undiscounted lease payments to be received</b>	<b>168</b>	<b>197</b>

### Accounting policy

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

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

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

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

## C3 Liabilities of Council

### C3-1 Payables

	<b>2022</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2022</b> <b>Non-current</b> <b>\$ '000</b>	<b>2021</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Non-current</b> <b>\$ '000</b>
Goods and services – operating expenditure	1,687	–	1,078	–
Goods and services – capital expenditure	985	–	322	–
Accrued expenses:				
– Borrowings	26	–	28	–
– Salaries and wages	196	–	133	–
– Other expenditure accruals	–	–	14	–
Security bonds, deposits and retentions	17	–	18	–
Prepaid rates	271	–	259	–
<b>Total payables</b>	<b>3,182</b>	<b>–</b>	<b>1,852</b>	<b>–</b>

#### Payables relating to restricted assets

	<b>2022</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2022</b> <b>Non-current</b> <b>\$ '000</b>	<b>2021</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Non-current</b> <b>\$ '000</b>
<b>Externally restricted assets</b>				
Water	40	–	51	–
Sewer	3	–	2	–
Payables relating to externally restricted assets	43	–	53	–
<b>Total payables relating to restricted assets</b>	<b>43</b>	<b>–</b>	<b>53</b>	<b>–</b>
<b>Total payables relating to unrestricted assets</b>	<b>3,139</b>	<b>–</b>	<b>1,799</b>	<b>–</b>
<b>Total payables</b>	<b>3,182</b>	<b>–</b>	<b>1,852</b>	<b>–</b>

#### Accounting policy

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

The financial liabilities of the Council comprise trade payables, bank and other loans.

#### 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

	Notes	<b>2022 Current Actual \$ '000</b>	<b>2022 Non-current Actual \$ '000</b>	<b>2021 Current Actual \$ '000</b>	<b>2021 Non-current Actual \$ '000</b>
<b>Grants and contributions received in advance:</b>					
Unexpended capital grants (to construct Council controlled assets)	(i)	4,693	-	2,922	-
<b>Total grants received in advance</b>		<b>4,693</b>	<b>-</b>	<b>2,922</b>	<b>-</b>
<b>User fees and charges received in advance:</b>					
Other		274	-	405	-
<b>Total user fees and charges received in advance</b>		<b>274</b>	<b>-</b>	<b>405</b>	<b>-</b>
<b>Total contract liabilities</b>		<b>4,967</b>	<b>-</b>	<b>3,327</b>	<b>-</b>

### Notes

(i) Council has received funding to construct assets including a Youth and Community Centre, and Showground Facilities 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

	<b>2022</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2022</b> <b>Non-current</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Non-current</b> <b>Actual</b> <b>\$ '000</b>
<b>Internally restricted assets</b>				
Other (Capital Grants Received in Advance)	4,693	-	2,922	-
<b>Contract liabilities relating to internally restricted assets</b>	<b>4,693</b>	<b>-</b>	<b>2,922</b>	<b>-</b>
<b>Total contract liabilities relating to restricted assets</b>	<b>4,693</b>	<b>-</b>	<b>2,922</b>	<b>-</b>
<b>Total contract liabilities relating to unrestricted assets</b>	<b>274</b>	<b>-</b>	<b>405</b>	<b>-</b>
<b>Total contract liabilities</b>	<b>4,967</b>	<b>-</b>	<b>3,327</b>	<b>-</b>

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

	<b>2022</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Actual</b> <b>\$ '000</b>
<b>Grants and contributions received in advance:</b>		
Capital grants (to construct Council controlled assets)	1,806	334
<b>User fees and charges received in advance:</b>		
Transport for NSW works	405	43
<b>Total revenue recognised that was included in the contract liability balance at the beginning of the period</b>	<b>2,211</b>	<b>377</b>

### Significant changes in contract liabilities

Council has received significant increases in Grant Funding in advance for Capital Projects that have been recognised as Contract Liabilities in 2020/2021.

### Accounting policy

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

### C3-3 Borrowings

	<b>2022</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2022</b> <b>Non-current</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Current</b> <b>Actual</b> <b>\$ '000</b>	<b>2021</b> <b>Non-current</b> <b>Actual</b> <b>\$ '000</b>
Loans – secured <sup>1</sup>	123	2,062	119	2,185
<b>Total borrowings</b>	<b>123</b>	<b>2,062</b>	<b>119</b>	<b>2,185</b>

(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**

	<b>2022 Current Actual \$ '000</b>	<b>2022 Non-current Actual \$ '000</b>	<b>2021 Current Actual \$ '000</b>	<b>2021 Non-current Actual \$ '000</b>
<b>Total borrowings relating to unrestricted assets</b>	<b>123</b>	<b>2,062</b>	<b>119</b>	<b>2,185</b>
<b>Total borrowings</b>	<b>123</b>	<b>2,062</b>	<b>119</b>	<b>2,185</b>

**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**

	2021		Non-cash movements			2022
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Closing balance \$ '000
Loans – secured	2,304	(119)	–	–	–	2,185
<b>Total liabilities from financing activities</b>	<b>2,304</b>	<b>(119)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,185</b>

	2020		Non-cash movements			2021
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Closing balance \$ '000
Loans – secured	2,420	(116)	–	–	–	2,304
<b>Total liabilities from financing activities</b>	<b>2,420</b>	<b>(116)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,304</b>

### C3-3 Borrowings (continued)

#### (b) Financing arrangements

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Total facilities</b>		
Credit cards/purchase cards	45	20
<b>Total financing arrangements</b>	<b>45</b>	<b>20</b>
<b>Drawn facilities</b>		
– Credit cards/purchase cards	18	4
<b>Total drawn financing arrangements</b>	<b>18</b>	<b>4</b>
<b>Undrawn facilities</b>		
– Credit cards/purchase cards	27	16
<b>Total undrawn financing arrangements</b>	<b>27</b>	<b>16</b>

#### Breaches and defaults

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

#### Accounting policy

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

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

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

## C3-4 Employee benefit provisions

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
Annual leave	967	–	949	–
Long service leave	899	–	1,025	–
Other leave	63	–	31	–
<b>Total employee benefit provisions</b>	<b>1,929</b>	<b>–</b>	<b>2,005</b>	<b>–</b>

### 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

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	982	1,363
	<b>982</b>	<b>1,363</b>

### Accounting policy

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

### Short-term obligations

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

### Other long-term employee benefit obligations

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

### On-costs

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

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

## C4 Reserves

### C4-1 Nature and purpose of reserves

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#### **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

	<b>General 2022 \$ '000</b>	<b>Water 2022 \$ '000</b>	<b>Sewer 2022 \$ '000</b>
<b>Income from continuing operations</b>			
Rates and annual charges	3,990	863	357
User charges and fees	8,197	1,144	148
Interest and investment revenue	83	26	20
Other revenues	228	9	8
Grants and contributions provided for operating purposes	12,704	150	8
Grants and contributions provided for capital purposes	4,883	2,864	–
Net gains from disposal of assets	65	–	–
Other income	209	–	–
<b>Total income from continuing operations</b>	<b>30,359</b>	<b>5,056</b>	<b>541</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	7,489	294	120
Materials and services	11,551	1,245	504
Borrowing costs	73	–	–
Depreciation, amortisation and impairment of non-financial assets	3,723	534	222
Other expenses	197	66	–
<b>Total expenses from continuing operations</b>	<b>23,033</b>	<b>2,139</b>	<b>846</b>
<b>Operating result from continuing operations</b>	<b>7,326</b>	<b>2,917</b>	<b>(305)</b>
<b>Net operating result for the year</b>	<b>7,326</b>	<b>2,917</b>	<b>(305)</b>
<b>Net operating result attributable to each council fund</b>	<b>7,326</b>	<b>2,917</b>	<b>(305)</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>2,443</b>	<b>53</b>	<b>(305)</b>



## D1-2 Statement of Financial Position by fund

	<b>General 2022 \$ '000</b>	<b>Water 2022 \$ '000</b>	<b>Sewer 2022 \$ '000</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7,959	513	2,171
Investments	6,800	–	–
Receivables	9,006	1,277	64
Inventories	655	–	–
Other	130	–	–
<b>Total current assets</b>	<b>24,550</b>	<b>1,790</b>	<b>2,235</b>
<b>Non-current assets</b>			
Receivables	363	673	271
Infrastructure, property, plant and equipment	210,397	37,602	9,758
Investments accounted for using the equity method	75	–	–
<b>Total non-current assets</b>	<b>210,835</b>	<b>38,275</b>	<b>10,029</b>
<b>Total assets</b>	<b>235,385</b>	<b>40,065</b>	<b>12,264</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	3,139	40	3
Contract liabilities	4,967	–	–
Borrowings	123	–	–
Employee benefit provision	1,929	–	–
<b>Total current liabilities</b>	<b>10,158</b>	<b>40</b>	<b>3</b>
<b>Non-current liabilities</b>			
Borrowings	2,062	–	–
<b>Total non-current liabilities</b>	<b>2,062</b>	<b>–</b>	<b>–</b>
<b>Total liabilities</b>	<b>12,220</b>	<b>40</b>	<b>3</b>
<b>Net assets</b>	<b>223,165</b>	<b>40,025</b>	<b>12,261</b>
<b>EQUITY</b>			
Accumulated surplus	151,921	19,735	6,516
Revaluation reserves	71,244	20,290	5,745
<b>Council equity interest</b>	<b>223,165</b>	<b>40,025</b>	<b>12,261</b>
<b>Total equity</b>	<b>223,165</b>	<b>40,025</b>	<b>12,261</b>

## D1-3 Details of internal loans

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

<b>Details of individual internal loans</b>	<b>Council ID / Ref</b>
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)	\$39,607
<b>Principal outstanding at end of year</b>	<b>\$232,326</b>

## D2 Interests in other entities

	<i>Council's share of net assets</i>	
	<i>2022</i> <i>\$ '000</i>	<i>2021</i> <i>\$ '000</i>
<b>Council's share of net assets</b>		
<b>Net share of interests in joint ventures and associates using the equity method – assets</b>		
Joint ventures	<b>75</b>	70
<b>Total net share of interests in joint ventures and associates using the equity method – assets</b>	<b>75</b>	70
Total Council's share of net assets	<b>75</b>	70

### 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>2022</i> <i>\$ '000</i>	<i>2021</i> <i>\$ '000</i>
			<i>2022</i>	<i>2021</i>		
North Western Library Co-operative	Warren	Joint venture	<b>25.0%</b>	25.0%	<b>75</b>	70
<b>Total carrying amounts – material joint ventures</b>					<b>75</b>	70

#### 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>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
North Western Library Co-operative	<b>25.0%</b>	25.0%	<b>25.0%</b>	25.0%

## D2-1 Interests in joint arrangements (continued)

### Summarised financial information for joint ventures

	<b>North Western Library Co-operative</b>	
	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Statement of financial position</b>		
<b>Current assets</b>		
Cash and cash equivalents	44	17
<b>Non-current assets</b>		
	257	265
<b>Net assets</b>	<b>301</b>	<b>282</b>
<b>Statement of comprehensive income</b>		
Income	255	250
Other expenses	(236)	(214)
<b>Profit/(loss) from continuing operations</b>	<b>19</b>	<b>36</b>
<b>Profit/(loss) for the period</b>	<b>19</b>	<b>36</b>
<b>Total comprehensive income</b>	<b>19</b>	<b>36</b>
<b>Share of income – Council (%)</b>	<b>25.0%</b>	25.0%
<b>Profit/(loss) – Council (\$)</b>	<b>5</b>	9
<b>Total comprehensive income – Council (\$)</b>	<b>5</b>	9
<b>Reconciliation of the carrying amount</b>		
Opening net assets (1 July)	281	245
Profit/(loss) for the period	19	36
<b>Closing net assets</b>	<b>300</b>	<b>281</b>
<b>Council's share of net assets (%)</b>	<b>25.0%</b>	25.0%
<b>Council's share of net assets (\$)</b>	<b>75</b>	70

### Accounting policy

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

	2022 \$ '000	2021 \$ '000
--	-----------------	-----------------

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	174	165
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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>&lt; 5 years</i> \$ '000	<i>≥ 5 years</i> \$ '000	
<b>2022</b>				
Gross carrying amount	–	620	65	685
<b>2021</b>				
Gross carrying amount	–	800	45	845

#### 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>&gt; 91 days</i> \$ '000	
<b>2022</b>						
Gross carrying amount	7,369	1,851	565	24	1,204	11,013
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ECL provision</b>	–	–	–	–	–	–
<b>2021</b>						
Gross carrying amount	855	–	2,319	4	2,146	5,324
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ECL provision</b>	–	–	–	–	–	–

## 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>&gt; 5 Years \$ '000</i>		
<b>2022</b>							
Payables	0.00%	17	1,574	–	–	1,591	3,182
Borrowings	2.94%	–	186	744	1,255	2,185	2,185
<b>Total financial liabilities</b>		<b>17</b>	<b>1,760</b>	<b>744</b>	<b>1,255</b>	<b>3,776</b>	<b>5,367</b>
<b>2021</b>							
Payables	0.00%	18	1,575	–	–	1,593	1,852
Borrowings	2.94%	–	186	744	1,374	2,304	2,304
<b>Total financial liabilities</b>		<b>18</b>	<b>1,761</b>	<b>744</b>	<b>1,374</b>	<b>3,897</b>	<b>4,156</b>

### 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	
		2022	2021	2022	2021	2022	2021	2022	2021
<b>Recurring fair value measurements</b>									
<b>Infrastructure, property, plant and equipment</b> C1-6									
		30/06/22	30/06/2021	–	–	6,046	–	6,046	6,162
		30/06/22	30/06/2021	–	–	305	–	305	277
		30/06/22	30/06/2021	–	–	139	–	139	121
		30/06/20	30/06/2020	–	–	310	–	310	323
		30/06/20	30/06/2020	–	–	2,809	–	2,809	2,809
		30/06/22	30/06/2019	3,270	1,256	7,844	–	11,114	9,172
		30/06/22	30/06/2019	40	–	10,691	–	10,731	8,242
		30/06/22	30/06/2019	–	–	3,545	–	3,545	3,030
		30/06/22	30/06/2018	–	–	67,690	–	67,690	79,210
		30/06/22	30/06/2018	–	–	84,916	–	84,916	63,710
		30/06/22	30/06/2018	–	–	8,911	–	8,911	8,110
		30/06/21	30/06/2021	–	–	32,849	–	32,849	31,452
		30/06/21	30/06/2021	–	–	9,733	–	9,733	9,488
		30/06/22	30/06/2018	–	–	10,936	–	10,936	11,737
		30/06/22	30/06/2018	–	–	2,047	–	2,047	1,790
				<b>3,310</b>	<b>1,256</b>	<b>248,771</b>	<b>–</b>	<b>252,081</b>	<b>235,633</b>

### 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)

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- 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 (30/6/22) 2022 \$ '000</i>	<i>Valuation technique/s</i>	<i>Unobservable inputs</i>
<b>Infrastructure, property, plant and equipment</b>			
Plant and equipment	6,046	Valued at cost disclosed at fair value in the notes	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Office equipment	305	Valued at cost disclosed at fair value in the notes	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Furniture and fittings	139	Valued at cost disclosed at fair value in the notes	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Operational land	310	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"> <li>• Land value based on price per square metre</li> </ul>
Community land and Crown land	2,809	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"> <li>• Land value based on price per square metre</li> </ul>
Buildings – non - specialised	11,114	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Buildings – specialised	10,731	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Other structures	3,545	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Roads	67,690	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Asstetic	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Bulk earthworks	84,916	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Asstetic	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Storm water drainage	8,911	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Asstetic	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>

## E2-1 Fair value measurement (continued)

	<b>Fair value (30/6/22) 2022 \$ '000</b>	<b>Valuation technique/s</b>	<b>Unobservable inputs</b>
Water supply network	32,849	Cost Approach using Level 3 inputs due to no market based evidence	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Sewer network	9,733	Cost Approach using Level 3 inputs due to no market based evidence	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Bridges	10,936	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>
Footpaths	2,047	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic	<ul style="list-style-type: none"> <li>• Gross replacement cost</li> <li>• Asset condition</li> <li>• Remaining useful life</li> <li>• Residual value</li> </ul>

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

	<b>Plant and equipment</b>		<b>Office equipment</b>		<b>Furniture and fittings</b>		<b>Operational Land</b>	
	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>
<b>Opening balance</b>	<b>6,162</b>	5,558	<b>277</b>	246	<b>121</b>	87	<b>323</b>	401
<b>Total gains or losses for the period</b>								
<b>Other movements</b>								
Purchases (GBV)	<b>899</b>	1,720	<b>120</b>	116	<b>38</b>	51	<b>13</b>	–
Disposals (WDV)	<b>(203)</b>	(377)	<b>(3)</b>	–	<b>–</b>	–	<b>(43)</b>	(78)
Depreciation and impairment	<b>(812)</b>	(739)	<b>(89)</b>	(85)	<b>(20)</b>	(17)	<b>–</b>	–
Other movement (Reval Increment)	<b>–</b>	–	<b>–</b>	–	<b>–</b>	–	<b>17</b>	–
<b>Closing balance</b>	<b>6,046</b>	6,162	<b>305</b>	277	<b>139</b>	121	<b>310</b>	323

	<b>Community/ crown land</b>		<b>Buildings non-specialised</b>		<b>Building specialised</b>		<b>Other structures</b>	
	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>	<b>2022 Actual \$ '000</b>	<b>2021 Actual \$ '000</b>
<b>Opening balance</b>	<b>2,809</b>	2,801	<b>9,172</b>	7,978	<b>8,242</b>	8,259	<b>3,030</b>	2,297
<b>Total gains or losses for the period</b>								
<b>Other movements</b>								
Purchases (GBV)	<b>–</b>	8	<b>2,258</b>	1,461	<b>111</b>	386	<b>327</b>	807
Depreciation and impairment	<b>–</b>	–	<b>(272)</b>	(267)	<b>(485)</b>	(403)	<b>(94)</b>	(74)
Other movement (Reval Increment)	<b>–</b>	–	<b>–</b>	–	<b>2,848</b>	–	<b>25</b>	–
Other movement (Reval Decrements)	<b>–</b>	–	<b>(255)</b>	–	<b>–</b>	–	<b>–</b>	–
Other movement (WIP)	<b>–</b>	–	<b>211</b>	–	<b>15</b>	–	<b>257</b>	–
<b>Closing balance</b>	<b>2,809</b>	2,809	<b>11,114</b>	9,172	<b>10,731</b>	8,242	<b>3,545</b>	3,030

## E2-1 Fair value measurement (continued)

	<b>Roads</b>		<b>Bulk earthworks</b>		<b>Stormwater drainage</b>		<b>Water network</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
<b>Opening balance</b>	<b>79,210</b>	79,044	<b>63,710</b>	63,710	<b>8,110</b>	8,123	<b>31,452</b>	32,199
<b>Total gains or losses for the period</b>								
<b>Other movements</b>								
Purchases (GBV)	<b>3,086</b>	–	–	–	<b>41</b>	–	<b>107</b>	179
Disposals (WDV)	–	1,801	–	–	–	–	–	–
Depreciation and impairment	<b>(1,730)</b>	–	–	–	<b>(7)</b>	(13)	<b>(534)</b>	(502)
Other movement (Reval Increment)	–	(1,635)	<b>21,206</b>	–	<b>767</b>	–	<b>1,824</b>	(424)
Other movement (Reval Decrements)	<b>(14,452)</b>	–	–	–	–	–	–	–
Other movement (WIP)	<b>1,576</b>	–	–	–	–	–	–	–
<b>Closing balance</b>	<b>67,690</b>	79,210	<b>84,916</b>	63,710	<b>8,911</b>	8,110	<b>32,849</b>	31,452

	<b>Bridges</b>		<b>Footpaths</b>		<b>Sewerage</b>		<b>Total</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
<b>Opening balance</b>	<b>11,737</b>	11,846	<b>1,790</b>	1,828	<b>9,488</b>	9,249	<b>235,633</b>	<b>233,626</b>
Purchases (GBV)	–	–	<b>6</b>	53	–	73	<b>7,006</b>	<b>4,854</b>
Disposals (WDV)	–	–	–	–	–	–	<b>(249)</b>	<b>1,346</b>
Depreciation and impairment	<b>(154)</b>	(109)	<b>(60)</b>	(91)	<b>(222)</b>	(210)	<b>(4,479)</b>	<b>(2,510)</b>
Other movement (Reval Increment)	–	–	<b>311</b>	–	<b>467</b>	376	<b>27,465</b>	<b>(1,683)</b>
Other movement (Reval Decrements)	<b>(647)</b>	–	–	–	–	–	<b>(15,354)</b>	–
Other movement (WIP)	–	–	–	–	–	–	<b>2,059</b>	–
<b>Closing balance</b>	<b>10,936</b>	11,737	<b>2,047</b>	1,790	<b>9,733</b>	9,488	<b>252,081</b>	<b>235,633</b>

Information relating to the transfers into and out of the level 3 fair valuation hierarchy includes:

**Buildings - non-specialised**

\$496K was transferred into Buildings for Medical Centre extensions and \$1,952K for Youth & Community Centre

## E2-1 Fair value measurement (continued)

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### **Buildings - specialised**

\$40k was spent on Nyngan & Hermidale showground new and renewals, \$31K was spent on Hermidale Park Public Toilet, \$59K at Coolabah for toilets and Solar Panels.

### **Other Structures**

Nyngan Showground Fencing \$50K, Bogan River Foreshore \$36K, Hermidale Park Fencing & play equipment \$30K, Davidson Park \$14K, Nyngan Swimming Pool \$213K, Frank Smith Oval shelter, seating & lighting \$79K, Fencing between pool and Youth Centre \$12K Airport Fuel Tank \$123K, Airport Fencing \$22K

### **Roads**

An amount of \$1,116k was transferred into roads for R2R Program resheeting, resealing and construction. \$1,824 was for various resealing and resheeting from Fixing Local Roads program, \$802K was spent on Tottenham Rd in the Block Repair Grant, \$298K was spent on bitumen sealing 2km Pangee Rd from the LRCI program and \$172K was for Construction Cockies Rd.

### **Footpath Assets**

An amount of \$6K was transferred in to footpaths at Jack Hargreaves Park and \$28K was spent on Recycle street bins for Pangee St.

### **Stormwater Assets**

An amount of \$41K was transferred to Levee Bank for access walkways.

## 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.*

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 7% of salaries for the year ending 30 June 2022 (increasing to 7.5% 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 \$40.0 million for 1 July 2021 to 30 June 2022, apportioned according to each employer's share of the accrued liabilities as at 30 June 2021. 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 2022 was \$61,900.09. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2021.

The amount of additional contributions included in the total employer contribution advised above is \$30,865.80. Council's expected contribution to the plan for the next annual reporting period is \$42,263.04.

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

Employer reserves only *	\$millions	Asset Coverage
Assets	2,376.6	
Past Service Liabilities	2,380.7	99.8%
Vested Benefits	2,391.7	99.4%

\* 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 0.15%.

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	5.5% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

\*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 fianl end of year review, which will be a triennial actuarial investigation will be completed by December 2022.

### (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 30/6 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)

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### (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:

	<i>2022</i>	<i>2021</i>
	<i>\$ '000</i>	<i>\$ '000</i>
<b>Compensation:</b>		
Short-term benefits	1,238	1,202
Post-employment benefits	114	104
Other long-term benefits	31	39
Termination benefits	22	19
<b>Total</b>	<b>1,405</b>	<b>1,364</b>

## 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
<b>2022</b>						
Supply of goods and service	1	199	-	30 days	-	-
Supply of service	2	2,169	-	14 days	-	-
Supply of goods	3	9	-	14 days	-	-
Supply of goods	1	4	-	14 days	-	-
Supply of goods and service	3	-	-	-	-	-
Supply of goods and service	3	78	-	14 days	-	-
Supply of Goods or Service	3	9	-	14 days	-	-
<b>2021</b>						
Supply of goods and service	1	88	-	30 days	-	-
Supply of service	2	1,445	-	14 days	-	-
Supply of goods	3	11	-	14 days	-	-
Supply of goods	1	4	-	14 days	-	-
Supply of goods and service	3	13	-	-	-	-
Supply of goods and service	3	88	-	14 days	-	-
Supply of Goods or Service	3	-	-	-	-	-

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

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	<b>19</b>	20
Councillors' fees	<b>78</b>	83
Other Councillors' expenses (including Mayor)	<b>56</b>	59
<b>Total</b>	<b>153</b>	<b>162</b>

### F1-3 Other related parties

	Ref	<b>Transactions during the year \$ '000</b>	<b>Outstanding balances including commitments \$ '000</b>	<b>Terms and conditions</b>	<b>Impairment provision on outstanding balances \$ '000</b>	<b>Impairment expense \$ '000</b>
2021						
Other contributions	4	12	–		–	–
4	Member Council Contribution to Orana Joint Organisation as disclosed in D2-1 Joint arrangements not recognised					

## F2 Other relationships

### F2-1 Audit fees

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>

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

#### **Auditors of the Council - NSW Auditor-General:**

##### **(i) Audit and other assurance services**

Audit and review of financial statements	<b>57</b>	46
Other audit and assurance services (Internal Auditor)	<b>6</b>	–
<b>Remuneration for audit and other assurance services</b>	<b>63</b>	<b>46</b>
<b>Total Auditor-General remuneration</b>	<b>63</b>	<b>46</b>
<b>Total audit fees</b>	<b>63</b>	<b>46</b>



## G Other matters

### G1-1 Statement of Cash Flows information

#### Reconciliation of net operating result to cash provided from operating activities

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Net operating result from Income Statement</b>	<b>9,938</b>	5,570
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	4,479	4,145
(Gain) / loss on disposal of assets	(65)	(106)
Share of net (profits)/losses of associates/joint ventures using the equity method	(5)	(9)
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	(5,529)	(2,611)
Increase / (decrease) in provision for impairment of receivables	(134)	154
(Increase) / decrease of inventories	4	(225)
(Increase) / decrease of other current assets	(27)	(27)
Increase / (decrease) in payables	609	570
Increase / (decrease) in accrued interest payable	(2)	(1)
Increase / (decrease) in other accrued expenses payable	49	(16)
Increase / (decrease) in other liabilities	11	158
Increase / (decrease) in contract liabilities	1,640	2,809
Increase / (decrease) in employee benefit provision	(76)	79
<b>Net cash flows from operating activities</b>	<b>10,892</b>	<b>10,490</b>

## G2-1 Commitments

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### **Details of capital commitments**

Council has no Capital commitments as at 30 June 2022.

## G3-1 Events occurring after the reporting date

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

## G4 Statement of developer contributions as at 30 June 2022

### G4-1 Summary of developer contributions

	Opening balance at 1 July 2021 \$ '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 2022 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash \$ '000					
S7.4 planning agreements	90	126	–	–	–	–	216	–
<b>Total contributions</b>	<b>90</b>	<b>126</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>216</b>	<b>–</b>

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 .

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

## G5 Statement of performance measures

### G5-1 Statement of performance measures – consolidated results

\$ '000	<b>Amounts 2022</b>	<b>Indicator 2022</b>	<b>Indicator 2021</b>	<b>Benchmark</b>
<b>1. Operating performance ratio</b>				
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>2,121</b>	<b>7.54%</b>	2.71%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>28,139</b>			
<b>2. Own source operating revenue ratio</b>				
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	<b>15,277</b>	<b>42.57%</b>	50.77%	> 60.00%
Total continuing operating revenue <sup>1</sup>	<b>35,886</b>			
<b>3. Unrestricted current ratio</b>				
Current assets less all external restrictions	<b>23,310</b>	<b>2.54x</b>	2.94x	> 1.50x
Current liabilities less specific purpose liabilities	<b>9,176</b>			
<b>4. Debt service cover ratio</b>				
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>6,673</b>	<b>34.76x</b>	25.22x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>192</b>			
<b>5. Rates and annual charges outstanding percentage</b>				
Rates and annual charges outstanding	<b>848</b>	<b>13.86%</b>	14.16%	< 10.00%
Rates and annual charges collectable	<b>6,118</b>			
<b>6. Cash expense cover ratio</b>				
Current year's cash and cash equivalents plus all term deposits	<b>17,443</b>	<b>8.99 months</b>	9.32 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	<b>1,940</b>			

(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 <sup>3</sup>		Water Indicators		Sewer Indicators		Benchmark
	2022	2021	2022	2021	2022	2021	
<b>1. Operating performance ratio</b>							
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>9.34%</b>	3.96%	<b>2.42%</b>	8.19%	<b>(56.38)%</b>	(40.73)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>							
<b>2. Own source operating revenue ratio</b>							
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>41.94%</b>	47.01%	<b>40.39%</b>	78.40%	<b>98.52%</b>	98.53%	> 60.00%
Total continuing operating revenue <sup>1</sup>							
<b>3. Unrestricted current ratio</b>							
Current assets less all external restrictions	<b>2.54x</b>	2.94x	<b>44.75x</b>	36.29x	<b>745.00x</b>	1,171.50x	> 1.50x
Current liabilities less specific purpose liabilities							
<b>4. Debt service cover ratio</b>							
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>32.13x</b>	22.60x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
<b>5. Rates and annual charges outstanding percentage</b>							
Rates and annual charges outstanding	<b>12.80%</b>	0.10%	<b>18.77%</b>	58.98%	<b>16.53%</b>	101.69%	< 10.00%
Rates and annual charges collectable							
<b>6. Cash expense cover ratio</b>							
Current year's cash and cash equivalents plus all term deposits	<b>8.41 months</b>	8.25 months	<b>3.84 months</b>	8.46 months	<b>41.75 months</b>	48.39 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note 26a above.

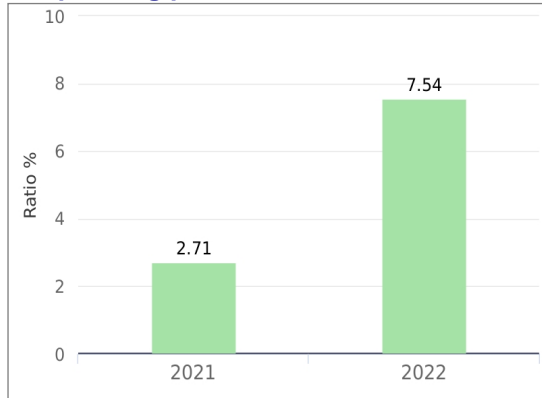
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

**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 2021/22 result

2021/22 ratio 7.54%

Council has been able to maintain operating expenditure within operating income in 2021/2022 due to the additional grants and contributions income Council has received.

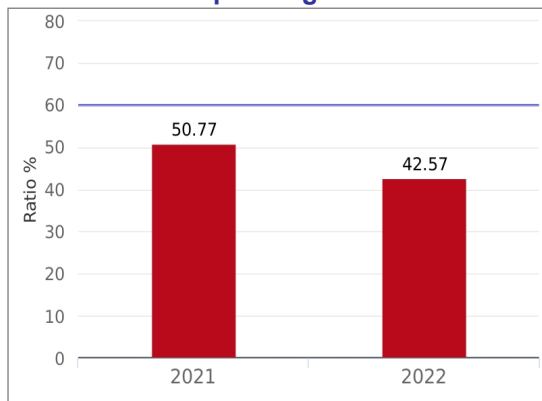
Benchmark: — > 0.00%

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 2021/22 result

2021/22 ratio 42.57%

Council relies on the current Financial Assistance Grant to assist fund both the Bogan Shire Early Learning Centre and the Bogan Shire Medical Centre as well as other services of Council. Council has very limited opportunities to raise more revenue through rates to fund its operations and with increases to operational costs Council would not be able to meet these costs without this assistance.

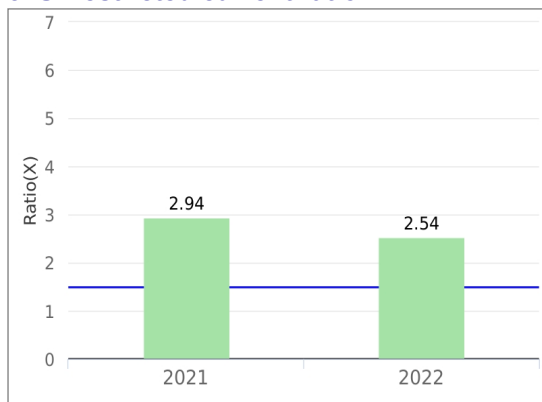
Benchmark: — > 60.00%

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 2021/22 result

2021/22 ratio 2.54x

Council continues to meet the benchmark for this ratio.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

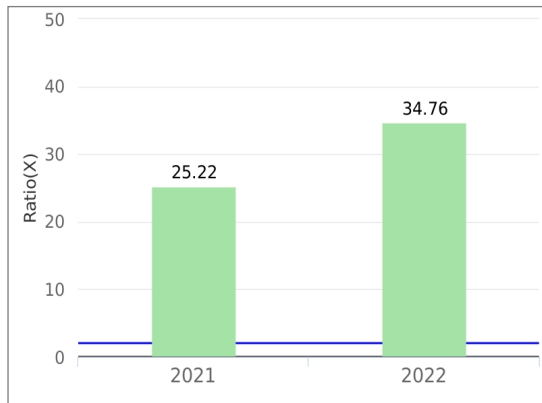
Ratio achieves benchmark

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 2021/22 result**

2021/22 ratio 34.76x

Council continues to meet the benchmark for this ratio.

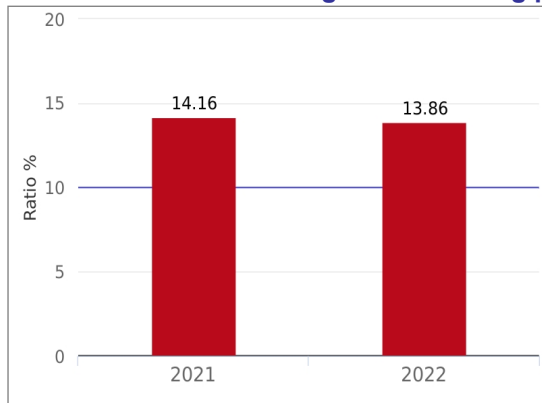
Benchmark: — > 2.00x

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

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 2021/22 result**

2021/22 ratio 13.86%

Council ratepayers are on the majority meeting their outstanding commitments however there are a few long term outstanding rate debts that are keeping this ratio at this level.

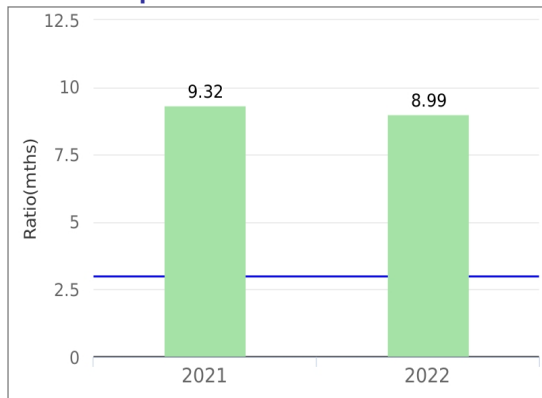
Benchmark: — < 10.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

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 2021/22 result**

2021/22 ratio 8.99 months

Councils liquidity ratio remains above the benchmark in 2021/2022.

Benchmark: — > 3.00months

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

## H1-2 Council information and contact details

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**Principal place of business:**

81 Cobar Street  
Nyngan NSW 2825

**Contact details**

**Mailing Address:**

PO Box 221  
Nyngan NSW 2825

**Opening hours:**

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

**Telephone:** 02 6835 9000

**Facsimile:** 02 6835 9011

**Internet:** [www.bogan.nsw.gov.au](http://www.bogan.nsw.gov.au)

**Email:** [admin@bogan.nsw.gov.au](mailto: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 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies 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 2022, 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).

I have fulfilled my other ethical responsibilities in accordance with 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 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 2022 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](http://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.



Manuel Moncada  
Delegate of the Auditor-General for New South Wales

14 October 2022  
SYDNEY



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

Contact: Manuel Moncada  
 Phone no: 02 9275 7333  
 Our ref: D2220651/1697

17 October 2022

Dear Mayor

**Report on the Conduct of the Audit  
 for the year ended 30 June 2022  
 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 2022 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 2022 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**

	2022 \$m	2021 \$m	Variance %
Rates and annual charges revenue	5.21	5.20	↑ 0.2
Grants and contributions revenue	20.61	14.51	↑ 42.0
Operating result from continuing operations	9.94	5.57	↑ 78.5
Net operating result before capital grants and contributions	2.20	0.78	↑ 182.1

Rates and annual charges revenue (\$5.21 million) increased by \$0.1 million (0.2 per cent) in 2021–2022.

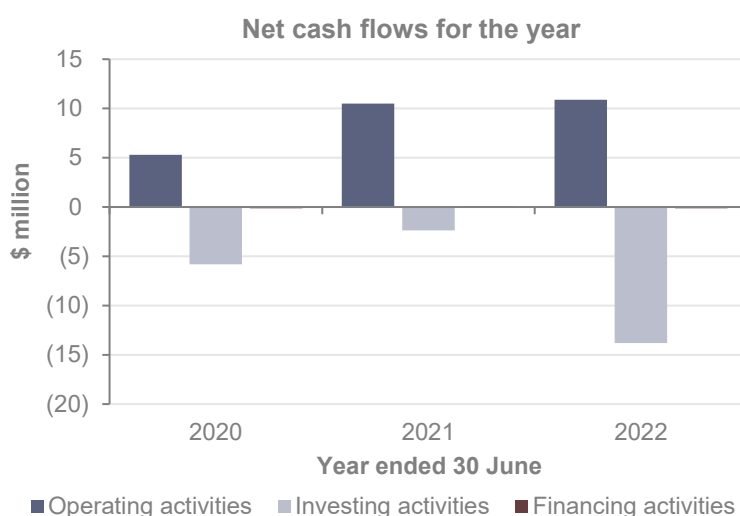
Grants and contributions revenue (\$20.61 million) increased by \$6.1 million (42 per cent) in 2021–2022 due to increased funding for capital projects and the receipt of additional advance payments of financial assistance grants.

Council’s operating result (\$9.94 million including the effect of depreciation and amortisation expense of \$4.48 million) was \$4.37 million higher than the 2020–21 result. This was primarily due to increased grants and contributions.

The net operating result before capital grants and contributions (\$2.20 million) was \$1.42 million higher than the 2020–21 result. This was mainly due to the receipt of increased operating grants.

## 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 decreased by \$3 million to \$10.6 million at the close of the year.
- The decrease is due to holding more funds in longer term deposits.



## FINANCIAL POSITION

### Cash and investments

Cash and investments	2022	2021	Commentary
	\$m	\$m	
<b>Total cash, cash equivalents and investments</b>	<b>17.4</b>	<b>16.5</b>	<ul style="list-style-type: none"> <li>• External restrictions include unspent specific purpose grants and water and sewerage funds.</li> <li>• Balances are internally restricted due to Council policy or decisions for forward plans including works program.</li> </ul>
Restricted cash and investments:			
<ul style="list-style-type: none"> <li>• External restrictions</li> <li>• Internal restrictions</li> </ul>	3.9 12.2	4.4 8.3	

### Debt

After repaying principal and interest of \$192,000 total debt as at 30 June 2022 was \$2.2 million (2021: \$2.3 million).

# PERFORMANCE

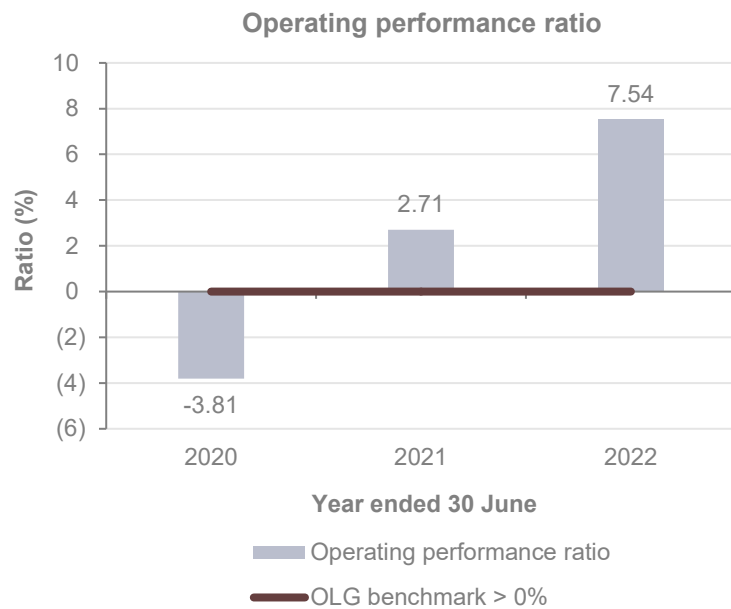
## Performance measures

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 and Environment.

### 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.

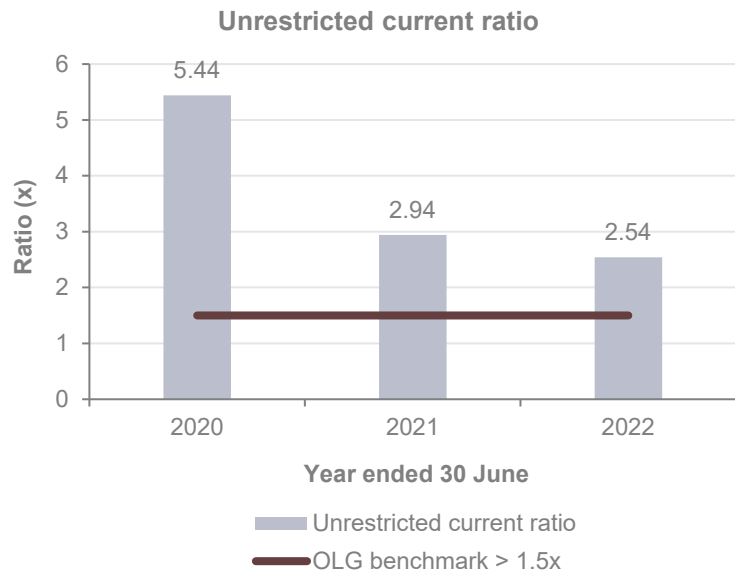




### Unrestricted current ratio

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

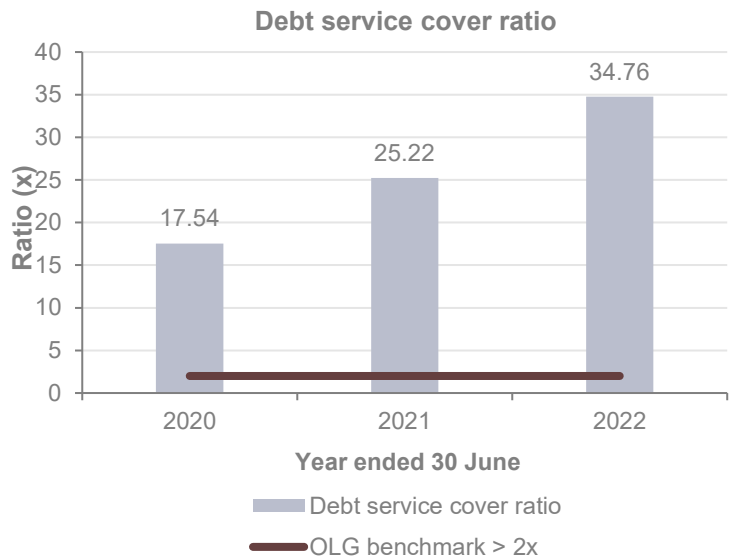
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



### Debt service cover ratio

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

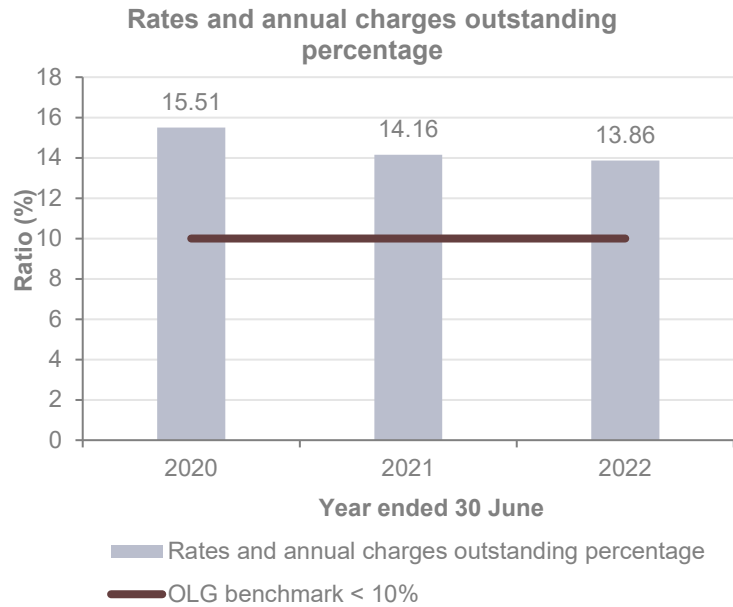
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



## Rates and annual charges outstanding percentage

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

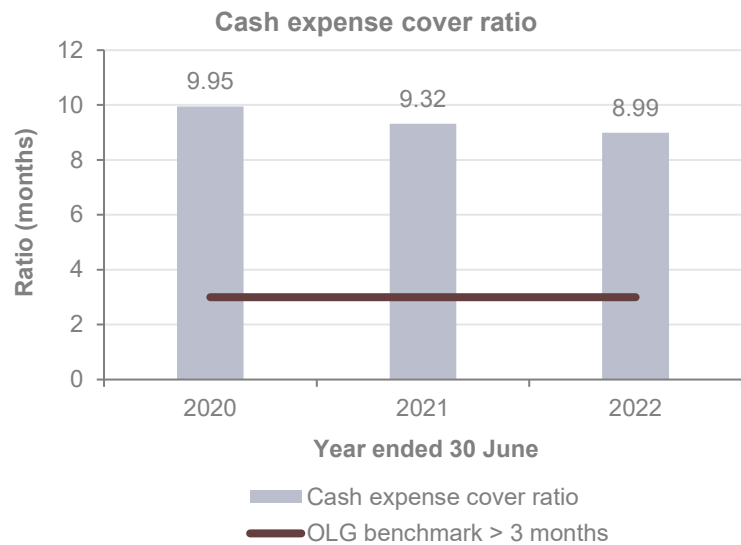
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent regional and rural councils.



## 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 \$4 million compared to \$5.5 million for the prior year.
- Renewals primarily consisted of plant, roads, and other infrastructure.
- The level of asset renewals during the year represented 89 percent of the total depreciation expense (\$4.5 million) for the year.

## Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements 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.

A handwritten signature in black ink, appearing to read 'Manuel Moncada', with a stylized flourish extending from the end.

Manuel Moncada  
Delegate of the Auditor-General for New South Wales

# Bogan Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2022

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# Bogan Shire Council

## Special Purpose Financial Statements

for the year ended 30 June 2022

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<b>Special Purpose Financial Statements:</b>	
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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
<b>Note – Significant Accounting Policies</b>	<b>8</b>
<b>Auditor's Report on Special Purpose Financial Statements</b>	<b>10</b>

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### Background

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

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

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

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

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

# Bogan Shire Council

## Special Purpose Financial Statements

for the year ended 30 June 2022

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

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

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

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

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

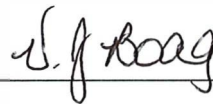
Signed in accordance with a resolution of Council made on 25 August 2022.



G R J Neill

**Mayor**

25 August 2022



V J Boag

**Councillor**


25 August 2022



D A Francis

**General Manager**

25 August 2022



S A Waterhouse

**Responsible Accounting Officer**

25 August 2022

## Bogan Shire Council

### Income Statement of water supply business activity

for the year ended 30 June 2022

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Income from continuing operations</b>		
Access charges	863	841
User charges	1,144	1,197
Interest and investment income	26	17
Grants and contributions provided for operating purposes	150	16
Other income	9	17
<b>Total income from continuing operations</b>	<b>2,192</b>	<b>2,088</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	294	268
Materials and services	1,245	1,076
Depreciation, amortisation and impairment	534	502
Water purchase charges	66	71
<b>Total expenses from continuing operations</b>	<b>2,139</b>	<b>1,917</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>53</b>	<b>171</b>
Grants and contributions provided for capital purposes	2,864	555
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>2,917</b>	<b>726</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>2,917</b>	<b>726</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(13)	(44)
<b>Surplus (deficit) after tax</b>	<b>2,904</b>	<b>682</b>
<b>Plus accumulated surplus</b>	<b>16,818</b>	<b>16,093</b>
– Corporate taxation equivalent	13	44
<b>Closing accumulated surplus</b>	<b>19,735</b>	<b>16,819</b>
<b>Return on capital %</b>	<b>0.1%</b>	<b>0.5%</b>
<b>Subsidy from Council</b>	<b>1,323</b>	<b>325</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	2,904	682
Less: capital grants and contributions (excluding developer contributions)	(2,864)	(555)
<b>Surplus for dividend calculation purposes</b>	<b>40</b>	<b>127</b>
<b>Potential dividend calculated from surplus</b>	<b>20</b>	<b>64</b>

## Bogan Shire Council

### Income Statement of sewerage business activity

for the year ended 30 June 2022

	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$ '000</b>	<b>\$ '000</b>
<b>Income from continuing operations</b>		
Access charges	357	356
User charges	148	149
Interest and investment income	20	27
Grants and contributions provided for operating purposes	8	8
Other income	8	5
<b>Total income from continuing operations</b>	<b>541</b>	<b>545</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	120	118
Materials and services	504	439
Depreciation, amortisation and impairment	222	210
<b>Total expenses from continuing operations</b>	<b>846</b>	<b>767</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(305)</b>	<b>(222)</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(305)</b>	<b>(222)</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>(305)</b>	<b>(222)</b>
<b>Surplus (deficit) after tax</b>	<b>(305)</b>	<b>(222)</b>
<b>Plus accumulated surplus</b>	<b>6,821</b>	<b>7,044</b>
<b>Closing accumulated surplus</b>	<b>6,516</b>	<b>6,822</b>
<b>Return on capital %</b>	<b>(3.1)%</b>	<b>(2.3)%</b>
<b>Subsidy from Council</b>	<b>662</b>	<b>363</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	<b>(305)</b>	<b>(222)</b>



## Bogan Shire Council

### Statement of Financial Position of water supply business activity

as at 30 June 2022

	<b>2022</b> <i>Actual</i> \$ '000	<b>2021</b> <i>Actual</i> \$ '000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	513	998
Receivables	1,277	853
<b>Total current assets</b>	<b>1,790</b>	<b>1,851</b>
<b>Non-current assets</b>		
Receivables	673	178
Infrastructure, property, plant and equipment	37,602	33,305
<b>Total non-current assets</b>	<b>38,275</b>	<b>33,483</b>
<b>Total assets</b>	<b>40,065</b>	<b>35,334</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	40	51
<b>Total current liabilities</b>	<b>40</b>	<b>51</b>
<b>Total liabilities</b>	<b>40</b>	<b>51</b>
<b>Net assets</b>	<b>40,025</b>	<b>35,283</b>
<b>EQUITY</b>		
Accumulated surplus	19,735	16,819
Revaluation reserves	20,290	18,464
<b>Total equity</b>	<b>40,025</b>	<b>35,283</b>

## Bogan Shire Council

### Statement of Financial Position of sewerage business activity

as at 30 June 2022

	<b>2022</b> <i>Actual</i> \$ '000	<b>2021</b> <i>Actual</i> \$ '000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,171	2,250
Receivables	64	93
<b>Total current assets</b>	<b>2,235</b>	<b>2,343</b>
<b>Non-current assets</b>		
Receivables	271	270
Infrastructure, property, plant and equipment	9,758	9,488
<b>Total non-current assets</b>	<b>10,029</b>	<b>9,758</b>
<b>Total assets</b>	<b>12,264</b>	<b>12,101</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	3	2
<b>Total current liabilities</b>	<b>3</b>	<b>2</b>
<b>Total liabilities</b>	<b>3</b>	<b>2</b>
<b>Net assets</b>	<b>12,261</b>	<b>12,099</b>
<b>EQUITY</b>		
Accumulated surplus	6,516	6,822
Revaluation reserves	5,745	5,277
<b>Total equity</b>	<b>12,261</b>	<b>12,099</b>

## Note – Significant Accounting Policies

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

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

The figures presented in these 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 2005 (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%** (20/21 26%)

Land tax – the first \$822,000 of combined land values attracts **0%**. For the combined land values in excess of \$822,000 up to \$5,026,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$5,026,000 a premium marginal rate of **2.0%** applies.

## Note – Significant Accounting Policies (continued)

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

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

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

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

### Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25% (20/21 26%).

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 3.66% at 30/6/22.

#### (iii) Dividends

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



**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 2022, the Statement of Financial Position of each Declared Business Activity as at 30 June 2022 and the Significant accounting policies 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 2022, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2021–22 (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).

I have fulfilled my other ethical responsibilities in accordance with 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 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 Significant accounting policies 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 2022 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 Significant accounting policies 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](http://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.

A handwritten signature in black ink, appearing to read 'Manuel Moncada', with a stylized flourish at the end.

Manuel Moncada  
Delegate of the Auditor-General for New South Wales

17 October 2022  
SYDNEY

# Bogan Shire Council

SPECIAL SCHEDULES  
for the year ended 30 June 2022

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Bogan Shire Council

Special Schedules

for the year ended 30 June 2022

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## Bogan Shire Council

## Permissible income for general rates

	Notes	Calculation 2021/22 \$ '000	Calculation 2022/23 \$ '000
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	3,069	3,124
Plus or minus adjustments <sup>2</sup>	b	(4)	(86)
<b>Notional general income</b>	c = a + b	<b>3,065</b>	<b>3,038</b>
<b>Permissible income calculation</b>			
Or rate peg percentage	e	2.00%	2.00%
Or plus rate peg amount	i = e x (c + g)	61	61
<b>Sub-total</b>	k = (c + g + h + i + j)	<b>3,126</b>	<b>3,099</b>
Plus (or minus) last year's carry forward total	l	91	93
<b>Sub-total</b>	n = (l + m)	<b>91</b>	<b>93</b>
<b>Total permissible income</b>	o = k + n	<b>3,217</b>	<b>3,192</b>
Less notional general income yield	p	3,124	3,096
<b>Catch-up or (excess) result</b>	q = o - p	<b>93</b>	<b>96</b>
Less unused catch-up <sup>3</sup>	s	—	(93)
<b>Carry forward to next year <sup>4</sup></b>	t = q + r + s	<b>93</b>	<b>3</b>

**Notes**

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) Unused Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (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 Local Government Act 1993. 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 2023.

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 2021–22 (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).

I have fulfilled my other ethical responsibilities in accordance with 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 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 2022 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 2022'.

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](http://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.

A handwritten signature in black ink, appearing to read 'Manuel Moncada', written in a cursive style.

Manuel Moncada  
Delegate of the Auditor-General for New South Wales

17 October 2022  
SYDNEY

## Bogan Shire Council

## Report on infrastructure assets as at 30 June 2022

Asset Class	Asset Category	Estimated cost				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	2021/22 Required maintenance <sup>a</sup>	2021/22 Actual maintenance			1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
<b>Buildings</b>	Administration & Governance	80	50	80	–	791	2,226	0.0%	0.0%	100.0%	0.0%	0.0%
	Public Order & Safety	30	30	30	22	811	1,001	0.0%	52.0%	48.0%	0.0%	0.0%
	Health	30	25	30	14	2,557	3,485	0.0%	78.0%	22.0%	0.0%	0.0%
	Solid Waste Management	–	–	–	12	148	184	0.0%	100.0%	0.0%	0.0%	0.0%
	Welfare & Community Services	–	–	–	40	1,818	2,379	41.0%	59.0%	0.0%	0.0%	0.0%
	Housing & Community Amenities	215	150	215	243	2,575	3,335	1.0%	19.0%	80.0%	0.0%	0.0%
	Cemeteries	25	20	25	66	19	22	0.0%	0.0%	100.0%	0.0%	0.0%
	Libraries	40	20	40	–	823	1,368	0.0%	0.0%	100.0%	0.0%	0.0%
	Museums & Cultural Heritage	30	20	30	–	68	293	0.0%	0.0%	100.0%	0.0%	0.0%
	Community Centres & Halls	200	100	200	18	4,291	9,922	20.0%	0.0%	69.0%	11.0%	0.0%
	Sporting Grounds and Venues	100	100	100	150	4,536	8,165	6.0%	11.0%	79.0%	4.0%	0.0%
	Parks & Gardens	–	–	–	13	350	753	6.0%	94.0%	0.0%	0.0%	0.0%
	Swimming Pool	50	50	50	38	1,505	3,221	0.0%	1.0%	99.0%	0.0%	0.0%
	Transport	50	50	50	50	1,546	3,511	0.0%	1.0%	96.0%	3.0%	0.0%
Other Economic Affairs	–	–	–	–	7	41	0.0%	0.0%	24.0%	76.0%	0.0%	
	<b>Sub-total</b>	<b>850</b>	<b>615</b>	<b>850</b>	<b>666</b>	<b>21,845</b>	<b>39,906</b>	<b>8.8%</b>	<b>17.9%</b>	<b>69.4%</b>	<b>3.9%</b>	<b>0.0%</b>
<b>Other structures</b>	Administration & Governance	–	–	–	–	11	22	100.0%	0.0%	0.0%	0.0%	0.0%
	Public Order & Safety	–	–	–	–	7	8	0.0%	100.0%	0.0%	0.0%	0.0%
	Health	–	–	–	–	12	14	0.0%	100.0%	0.0%	0.0%	0.0%
	Solid Waste Management	–	–	–	–	98	115	0.0%	91.0%	9.0%	0.0%	0.0%
	Welfare & Community Services	–	–	–	–	15	17	0.0%	100.0%	0.0%	0.0%	0.0%
	Cemeteries	–	–	–	–	55	67	77.0%	8.0%	15.0%	0.0%	0.0%
	Libraries	–	–	–	–	19	25	0.0%	100.0%	0.0%	0.0%	0.0%
	Community Centres & Halls	–	–	–	–	55	190	0.0%	0.0%	100.0%	0.0%	0.0%
	Sporting Grounds & Venues	200	200	200	228	1,533	2,401	8.0%	33.0%	57.0%	2.0%	0.0%
	Parks & Gardens	50	50	50	–	913	1,360	8.0%	5.0%	86.0%	1.0%	0.0%
	Swimming Pool	50	50	50	–	498	582	51.0%	44.0%	5.0%	0.0%	0.0%
	Transport	12	12	12	10	168	226	54.0%	33.0%	13.0%	0.0%	0.0%
Other Economic Affairs	–	–	–	–	161	533	0.0%	0.0%	100.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>312</b>	<b>312</b>	<b>312</b>	<b>238</b>	<b>3,545</b>	<b>5,560</b>	<b>14.3%</b>	<b>24.6%</b>	<b>60.1%</b>	<b>1.1%</b>	<b>0.0%</b>

## Bogan Shire Council

## Report on infrastructure assets as at 30 June 2022 (continued)

Asset Class	Asset Category	Estimated cost		2021/22 Required maintenance <sup>a</sup>	2021/22 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					\$ '000	\$ '000	1	2	3
<b>Roads</b>	Bridges	80	80	80	–	10,935	19,137	0.0%	71.0%	29.0%	0.0%	0.0%
	Footpaths	100	100	100	–	2,047	4,603	0.0%	17.0%	60.0%	23.0%	0.0%
	Kerb & Gutter	100	100	100	–	2,949	5,245	0.0%	40.0%	53.0%	6.0%	1.0%
	Traffic Island	20	20	20	38	47	85	0.0%	23.0%	77.0%	0.0%	0.0%
	Floodways	10	10	10	–	701	1,169	0.0%	8.0%	89.0%	3.0%	0.0%
	Signs	–	–	–	–	493	932	10.0%	3.0%	82.0%	5.0%	0.0%
	Bus Shelters	10	10	10	–	10	26	0.0%	0.0%	100.0%	0.0%	0.0%
	Airport Runway	10	10	10	–	1,220	1,995	0.0%	31.0%	69.0%	0.0%	0.0%
	Carparks	10	10	10	–	544	822	0.0%	70.0%	30.0%	0.0%	0.0%
	Culverts	75	75	75	–	8,699	14,974	0.0%	2.0%	96.0%	2.0%	0.0%
	Regional Road Sealed - Pavement	100	100	100	–	4,653	6,259	0.0%	100.0%	0.0%	0.0%	0.0%
	Regional Road Sealed - Surface	450	450	450	586	1,299	2,096	0.0%	66.0%	34.0%	0.0%	0.0%
	Regional Road - Unsealed Pavement	150	150	150	153	2,051	3,160	0.0%	25.0%	75.0%	0.0%	0.0%
	Rural Road Sealed - Pavement	150	150	150	557	22,402	30,401	0.0%	96.0%	4.0%	0.0%	0.0%
	Rural Road Sealed - Surface	340	340	340	370	7,039	11,649	0.0%	1.0%	98.0%	1.0%	0.0%
	Rural Road Sealed - Shoulder	–	–	–	–	284	498	0.0%	0.0%	100.0%	0.0%	0.0%
Rural Road - Unsealed Pavement	500	500	500	3,293	15,300	23,557	0.0%	26.0%	72.0%	2.0%	0.0%	
<b>Sub-total</b>		<b>2,105</b>	<b>2,105</b>	<b>2,105</b>	<b>4,997</b>	<b>165,589</b>	<b>211,524</b>	<b>40.2%</b>	<b>29.3%</b>	<b>29.4%</b>	<b>1.1%</b>	<b>0.0%</b>
<b>Water supply network</b>	Mains	120	120	120	59	10,409	16,956	10.0%	43.0%	26.0%	21.0%	0.0%
	Potable Water Storage	20	20	20	–	1,538	3,215	2.0%	96.0%	1.0%	0.0%	1.0%
	Pumping Station/s	140	140	140	51	399	765	16.0%	58.0%	3.0%	22.0%	1.0%
	Raw Water Storage	20	20	20	26	11,377	12,652	100.0%	0.0%	0.0%	0.0%	0.0%
	Water Canal	130	130	130	117	7,107	7,112	100.0%	0.0%	0.0%	0.0%	0.0%
	Treatment	400	400	400	144	2,019	5,900	1.0%	42.0%	30.0%	27.0%	0.0%
	<b>Sub-total</b>		<b>830</b>	<b>830</b>	<b>830</b>	<b>397</b>	<b>32,849</b>	<b>46,600</b>	<b>46.6%</b>	<b>28.5%</b>	<b>13.4%</b>	<b>11.4%</b>
<b>Sewerage network</b>	Pumping Station/s	20	20	20	26	1,220	2,218	1.0%	93.0%	5.0%	1.0%	0.0%
	Treatment	50	50	50	92	2,414	2,846	1.0%	92.0%	6.0%	1.0%	0.0%
	Reticulation	90	90	90	106	6,099	13,892	1.0%	77.0%	22.0%	0.0%	0.0%
	<b>Sub-total</b>		<b>160</b>	<b>160</b>	<b>160</b>	<b>224</b>	<b>9,733</b>	<b>18,956</b>	<b>1.0%</b>	<b>81.1%</b>	<b>17.6%</b>	<b>0.3%</b>

## Bogan Shire Council

## Report on infrastructure assets as at 30 June 2022 (continued)

Asset Class	Asset Category	Estimated cost				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	2021/22 Required maintenance <sup>a</sup>	2021/22 Actual maintenance			1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
Stormwater drainage	Open Drain	–	–	–	–	1,137	1,137	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Levee	10	10	10	9	7,671	7,671	95.0%	0.0%	5.0%	0.0%	0.0%	
	Sign	–	–	–	–	2	13	0.0%	0.0%	100.0%	0.0%	0.0%	
	Pump Station	–	–	–	–	101	278	0.0%	0.0%	100.0%	0.0%	0.0%	
	<b>Sub-total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>8,911</b>	<b>9,099</b>	<b>92.6%</b>	<b>0.0%</b>	<b>7.4%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Total – all assets</b>		<b>4,267</b>	<b>4,032</b>	<b>4,267</b>	<b>6,531</b>	<b>242,472</b>	<b>331,645</b>	<b>36.1%</b>	<b>29.9%</b>	<b>31.2%</b>	<b>2.8%</b>	<b>0.0%</b>	

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

## Infrastructure asset condition assessment 'key'

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



## Bogan Shire Council

## Report on infrastructure assets as at 30 June 2022

## Infrastructure asset performance indicators (consolidated) \*

\$ '000	<i>Amounts</i> 2022	<i>Indicator</i> 2022	<i>Indicator</i> 2021	<i>Benchmark</i>
<b>Buildings and infrastructure renewals ratio</b>				
Asset renewals <sup>1</sup>	<b>5,267</b>	<b>148.03%</b>	115.89%	>= 100.00%
Depreciation, amortisation and impairment	<b>3,558</b>			
<b>Infrastructure backlog ratio</b>				
Estimated cost to bring assets to a satisfactory standard	<b>4,267</b>	<b>1.72%</b>	1.86%	< 2.00%
Net carrying amount of infrastructure assets	<b>248,148</b>			
<b>Asset maintenance ratio</b>				
Actual asset maintenance	<b>6,531</b>	<b>153.06%</b>	83.94%	> 100.00%
Required asset maintenance	<b>4,267</b>			
<b>Cost to bring assets to agreed service level</b>				
Estimated cost to bring assets to an agreed service level set by Council	<b>4,032</b>	<b>1.22%</b>	1.47%	
Gross replacement cost	<b>331,645</b>			

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

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

## Bogan Shire Council

### Report on infrastructure assets as at 30 June 2022

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

\$ '000	<i>General fund</i>		<i>Water fund</i>		<i>Sewer fund</i>		<i>Benchmark</i>
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	
<b>Buildings and infrastructure renewals ratio</b>							
Asset renewals <sup>1</sup>	<b>187.97%</b>	140.82%	<b>0.00%</b>	35.66%	<b>0.00%</b>	0.00%	>= 100.00%
Depreciation, amortisation and impairment							
<b>Infrastructure backlog ratio</b>							
Estimated cost to bring assets to a satisfactory standard	<b>1.59%</b>	1.73%	<b>2.53%</b>	2.64%	<b>1.64%</b>	1.69%	< 2.00%
Net carrying amount of infrastructure assets							
<b>Asset maintenance ratio</b>							
Actual asset maintenance	<b>180.35%</b>	90.17%	<b>47.83%</b>	63.88%	<b>140.00%</b>	57.60%	> 100.00%
Required asset maintenance							
<b>Cost to bring assets to agreed service level</b>							
Estimated cost to bring assets to an agreed service level set by Council	<b>1.14%</b>	1.36%	<b>1.78%</b>	2.30%	<b>0.84%</b>	0.89%	
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.

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# Annexure Two Objectives and Performance



<b>Strategy 1.1.1</b>			
<b>Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Provide community events, activities and venues to celebrate Australia Day	PNI		Director People and Community Services
ii Seek sponsorship and organise the Christmas Lights and Rural Mailbox Competitions	NS	Scheduled for November / December	Director People and Community Services
iii Provide facilities for community events at the Nyngan Showgrounds and racecourse including the Nyngan Show, Ag Expo, Nyngan Easter Challenge and Duck Creek	PNI		Director Engineering Services
iv Support a range of local community organisations and events	PNI		Director People and Community Services
v Support and encourage the Arts, including through the Bogan Shire Council Arts Fund	PNI		Director People and Community Services
<b>Strategy 1.1.2</b>			
<b>Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history, and continue to promote the attractions that contribute to the cultural and economic development of the Shire.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Continue to support the Nyngan Museum and Mid-State Shearing Shed Museum in the identification, preservation and display of European and Aboriginal heritage items	PNI		Director People and Community Services
ii Conduct citizenship ceremonies			General Manager
iii Promote annual events calendar via website and council column (e.g. WSPA End of Year Concert, ANZAC Day Events etc.)	PWI	Community Events on hold or severely restricted under COVID-19 Public Health Order and Lockdown	Director People and Community Services
iv Continue to promote the Nyngan Museum and Mid-State Shearing Shed Museum	PWI	Museum and Mid-State Shearing Shed have been closed to the public under COVID-19 Public Health Order.	Director People and Community Services
<b>Strategy 1.1.3</b>			
<b>Identify, respect and preserve sites and items of historical significance.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Maintain and preserve Council owned historic buildings in line with Council's Resolutions	PNI		Director Development & Environmental Services
ii Investigate opportunities for grant funding for studies and preservation of our historic buildings	PNI		Director Development & Environmental Services
iii Undertake a review of the Community Heritage Study	NP	Subject to funding	Director Development & Environmental Services
<b>Strategy 1.1.4</b>			
<b>Develop and support volunteer groups to carry out functions and projects for the benefit of the community and volunteers.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Work with volunteer groups to support their activities. (e.g. administrative support and assistance with grant applications)	PNI		Director People and Community Services
ii Support National Tree Day	C		Director Development & Environmental Services
iii Produce and update the Community Directory - both the hard copy and on Council's website	PNI		Director People and Community Services
iv Administer and support Section 355 Committees of Council	PNI		General Manager
<b>Strategy 1.2.1</b>			
<b>Provide and maintain Nyngan Pool facilities to cater for a variety of users.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Undertake a review of the public pool facilities and maintain best practice standards	PWI	Policy, Procedure, Operational Guide and Management Agreement all reviewed nearing finalisation	Director Development & Environmental Services
ii Review potential for wider usage of pool facilities outside existing user groups.	PNI		Director Development & Environmental Services

<b>Strategy 1.2.2</b>			
<b>Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Investigate the establishment of a Community Street Tree Planting Program	NS	Subject to funding	Director Development & Environmental Services
ii Consult with Nyngan Garden Club regularly to gather suggestions for garden improvements	NP	Subject to COVID-19 restrictions	Director Development & Environmental Services
iii Continue to maintain and upgrade parks and reserves as funding permits	PNI		Director Development & Environmental Services
iv Management and maintenance of the cemetery in accordance with the Plan of Management	PNI		Director Development & Environmental Services
<b>Strategy 1.2.3</b>			
<b>Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Investigate and apply for appropriate grant funding to improve and develop existing recreational buildings	PNI		Director Development & Environmental Services
ii Investigate and apply for appropriate grant funding to improve and develop existing grounds and facilities	PNI		Director Engineering Services
iii Maintain sporting grounds to a high standard	PNI		Director Engineering Services
iv Consult with user groups to ensure that facilities are maintained and improved to suit their requirements	PNI		Director Engineering Services
<b>Strategy 1.2.4</b>			
<b>Provide well maintained community halls and other similar facilities for community use.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Develop progressive M&R program for all Shire halls and community facilities capital works	NP	Subject to resources and funding	Director Development & Environmental Services
ii Investigate and apply for appropriate grant funding to improve all Shire halls and community facilities	PNI		Director Development & Environmental Services
iii Undertake a review of community halls and develop a plan of management with the view to support community activities	NP	Subject to resources and funding	Director Development & Environmental Services
<b>Strategy 1.2.5</b>			
<b>Provide well maintained Shire showground and equestrian facilities for community use.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Consult with Showground user groups on facility requirements and programming of events	PNI		General Manager
ii Investigate opportunities for grant funding to improve existing ground facilities for all user groups	PNI		Director Engineering Services
iii Maintain showground and equestrian landscape areas and buildings to acceptable standard	PNI		Director Engineering Services
iv Extend irrigation system to provide coverage of all operational areas at the showground	PNI		Director Engineering Services
<b>Strategy 1.2.6</b>			
<b>Support development of a youth centre that is maintained for recreational, educational and cultural activities.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Work with schools and community organisations to identify needs, opportunities and funding options for a dedicated youth centre	C	Community Consultation took place in August 2019, Stronger Country Communities Funding Round 3 grant application successful. Addition grant funding from Resources for Regions also successful.	Director People and Community Services
<b>Strategy 1.2.7</b>			
<b>Provide and promote quality Library services.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Provide and promote well maintained facilities and access to printed and online information and other resources.	PWI	Library activities impacted by COVID-19 Public Health Order - Library has been closed to the public.	Director People and Community Services
ii Investigate ways to encourage greater numbers of both traditional and non-traditional library users	PNI		Director People and Community Services
iii Maintain North Western Regional Library Service partnership and carry out all obligations under the partnership agreement.	PNI		Director People and Community Services

<b>Strategy 1.3.1</b>				
<b>Provide childcare facilities, preschools, after hours care and playgroups that meet the needs of the whole community.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Operate Bogan Shire Early Learning Centre	PWI	Covid-19 affected attendance and revenue - Federal Government Business Continuity Plan enacted for 4 weeks covering August/September.	Director People and Community Services
ii	Continue to provide the Bush Mobile playgroup service.	PWI	COVID-19 Public Health Order - LGA Lockdowns across the region - affected attendance and revenue - Federal Government Business Continuity Plan enacted for 4 weeks covering August/September.	Director People and Community Services
<b>Strategy 1.3.2</b>				
<b>Provide opportunities for young people to be actively engaged in the development, design and planning of educational and other programs, services and infrastructure in which they are a stakeholder or user group.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Work with the community and Government agencies to understand issues and lobby Government to address them			General Manager
ii	Incorporate consultation with young people into planning for Council programs, developments and events wherever possible			General Manager
iii	Work with local schools and community groups to support youth events and activities as well as community education and awareness programs			General Manager
iv	Source funding for Youth Week activities and/or events including StormCo	NS	Youth Week cancelled due to COVID-19 Public Health Order	Director People and Community Services
<b>Strategy 1.3.3</b>				
<b>Work with the community and Government agencies to understand issues and lobby Government to address them.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Work with the community, Police and Government agencies to understand issues and lobby the appropriate Government to address them			General Manager
<b>Strategy 1.3.4</b>				
<b>Identify and support the social services needs of people with disabilities in the community and provide infrastructure to support assisted and independent living and social interaction.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Monitor and review the DIAP to support the community	PNI		Director People and Community Services
<b>Strategy 1.3.5</b>				
<b>Identify and support a range of recreational, sporting and other opportunities for personal development, interaction and healthy lifestyle for seniors through education, support networks and facilities.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Work with community organisations to develop a program of workshops and/or events in Seniors Week, depending on funding.	C		Director People and Community Services
ii	Sponsor and organise Senior Citizen of the Year Awards, Morning Tea and Concert in Seniors Week	C		Director People and Community Services
<b>Strategy 1.3.6</b>				
<b>Identify and support the social services needs of older people and active seniors in the community and provide infrastructure to support assisted and independent living and social interaction.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Investigate housing options for seniors, including grants for building funding	PNI		Director Development & Environmental Services
ii	Lobby service providers and government on behalf of the community			General Manager
<b>Strategy 1.4.1</b>				
<b>Provide a range of high quality primary and secondary education and vocational training facilities and opportunities.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Work with the schools, TAFE, community and Government agencies to understand issues and lobby Government to address them			General Manager
ii	Provide scholarships to all schools at annual awards nights			General Manager
<b>Strategy 1.4.2</b>				
<b>Provide support and encouragement for local people to obtain work in Bogan Shire after completing tertiary education.</b>				
<b>Activities 2021/22</b>		<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	Work with the community and Government agencies to understand issues and lobby Government to address them			General Manager

Strategy 1.5.1			
Work with the community and the State Government to ensure medical, dental, specialist, mental health and allied health services and facilities meet the needs of residents and visitors.			
Activities 2021/22	Status	Action Comments	Council Lead
i		Work closely with community groups to lobby on behalf of the community	General Manager
ii		Liaise with Western LHD to resolve relevant issues	General Manager
iii		Operate the Bogan Shire Medical Centre and Dental services	General Manager
Strategy 1.6.1			
Protect people and property from fire related incidents.			
Activities 2021/22	Status	Action Comments	Council Lead
i		Support the activities of Fire and Rescue NSW, SES and RFS and lobby in response to community issues and concerns	General Manager
ii	PNI	Implement hazard reduction program for villages and rural properties	Director Engineering Services
Strategy 1.6.2			
Provide an appropriate level of ambulance services for the community.			
Activities 2021/22	Status	Action Comments	Council Lead
i		Monitor availability of a 24 hour Ambulance Service for the Shire	General Manager
Strategy 1.6.3			
Improve community safety and maintain low crime levels.			
Activities 2021/22	Status	Action Comments	Council Lead
i		Participate in Community Safety Precinct meetings to discuss and address any issues	General Manager
ii		Lobby NSW Police for appropriate numbers in response to community concerns	General Manager
iii		Support by agreement with NSW Police the recruitment of Police through provision of housing at market rental	General Manager
Strategy 2.1.1			
Efficient local and regional transport networks that meet community and business needs.			
Activities 2021/22	Status	Action Comments	Council Lead
i	PNI	Adopt and implement the asset management plan for all shire roads	Director Engineering Services
ii	PNI	Maintain Shire Roads in accordance with standards expressed in our asset management plan and our annual maintenance program	Director Engineering Services
iii	PNI	Construct Shire Roads in accordance with community and council priorities	Director Engineering Services
iv	PNI	Maintain supporting infrastructure such as parking, footpaths, kerbs and gutters, and street furniture to current standards.	Director Engineering Services
v	PNI	Design and construct bikeways and footpaths incorporating tree shade cover	Director Engineering Services
vi	PNI	Implementation of identified projects to construct pedestriankerb ramps as identified in Pedestrian Access Mobility Plan subject to continuing RSM grant funding	Director Engineering Services
Strategy 2.1.2			
Maintain state road networks to ensure provision of efficient transport links.			
Activities 2021/22	Status	Action Comments	Council Lead
i	PNI	Maintain State Roads on behalf of RMS	Director Engineering Services
	PNI	Work with the RMS to ensure current standards of road safety are maintained	Director Engineering Services



Strategy 2.2.1			
Encouraged increased use of rail for transporting agricultural and mining products.			
Activities 2021/22	Status	Action Comments	Council Lead
i		Work with and lobby State Government and John Holland Rail to maintain and improve reliable freight transport network	General Manager
ii	NP	Work with John Holland Rail, the RMS and NSW Police to ensure current standards of rail and crossing safety are maintained and promoted within the community The safety of the Hoskins Street level crossing remains a concern. Council has resolved to follow up before the next State election.	General Manager
Strategy 2.3.1			
Provide a financially viable, efficient, permanent potable water supply for Nyngan that meets best practice and has sufficient capacity for current and projected growth requirements.			
Activities 2021/22	Status	Action Comments	Council Lead
i	PNI	Continue implementation of the 2017 Strategic Business Plan for Water and Sewerage	Director Engineering Services
ii	PNI	Maintain water supply to best practice standards	Director Engineering Services
iii	PNI	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of water supply to the area and surrounding villages.	Director Engineering Services
iv	PNI	Maintain water supply infrastructure to relevant Department of Health and Department of Primary Industries (NSW Office of Water) Standards, and in accordance with sustainability	Director Engineering Services
v	PNI	Continue active involvement in Orana Water Utilities Alliance	Director Engineering Services
vi	PNI	Develop regional Water Quality Improvement Plans	Director Engineering Services
Strategy 2.3.2			
Enhance the security of our water supply, ensuring long term drought management plans are developed and water losses are minimised.			
Activities 2021/22	Status	Action Comments	Council Lead
i	PNI	Commence construction of infrastructure to ensure security of Nyngan's water supply, subject to government funding	Director Engineering Services
Strategy 2.4.1			
Provide a financially viable and efficient sewerage system that meets best practice and has sufficient capacity for current and projected growth requirements.			
Activities 2021/22	Status	Action Comments	Council Lead
i	PNI	Continue implementation of the 2017 Strategic Business Plan for Water and Sewerage	Director Engineering Services
ii	NS	Monitor and review the development of a database of all sewerage management systems within the Local Government Area When resources permit	Director Development & Environmental Services
iii	PNI	Ensure our compliance with the EPA license by regularly testing the waste water for treated effluent re-use and disposal.	Director Engineering Services
Strategy 2.4.2			
Ensure effective management of liquid trade waste.			
Activities 2021/22	Status	Action Comments	Council Lead
i	PNI	Continue implementation of Trade Waste Policy, including licencing practices and inspections	Director Engineering Services
Strategy 2.5.1			
Maximise the coverage and availability of telecommunications infrastructure across the Shire.			
Activities 2021/22	Status	Action Comments	Council Lead
i		Lobby service providers and government on behalf of the community	General Manager

<b>Strategy 3.1.1</b>				
<b>Conduct periodic reviews of Council's planning instruments to ensure that land use planning supports the long term sustainability of our local communities and our economy.</b>				
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>	
i	Review of LEP 2011	NS	When resources permit	Director Development & Environmental Services
ii	Define and prioritise plans of management for public land	NS	When resources permit	Director Development & Environmental Services
iii	Endeavour to identify and purchase parcels of Crown Land that may be of value for development	NP	When resources permit	Director Development & Environmental Services
iv	Review DCP 2012, including provisions of heritage controls	NP	When resources permit	Director Development & Environmental Services
v	Establishment of Rural Residential Strategy	NP	When resources permit	Director Development & Environmental Services
vi	Respond effectively to rezoning applications	PNI		Director Development & Environmental Services
<b>Strategy 3.1.2</b>				
<b>Development complies with Planning legislation, Local Government Act, Building Code of Australia and Local Council Policies.</b>				
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>	
i	Ensure all development complies with LEP and DCP	PNI		Director Development & Environmental Services
ii	Effectively manage development applications, construction certificate process, Principal Certifying Authority process, and orders processed for lawful development	PNI		Director Development & Environmental Services
iii	Respond to reforms in planning process and advocate on behalf of Council	PNI		Director Development & Environmental Services
iv	Develop and review local council policy	PNI		Director Development & Environmental Services
<b>Strategy 3.1.3</b>				
<b>Ensure our community's buildings are safe, healthy and maintained.</b>				
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>	
i	All essential services measures to be inspected and the register maintained	PNI		Director Development & Environmental Services
ii	Develop an asset management plan for Council's buildings	PNI		Director Engineering Services
iii	Issue planning and building certificates including effective customer service	PNI		Director Development & Environmental Services
iv	Investigate concerns or complaints in relation to overgrown allotments and buildings in a state of disrepair	PNI		Director Development & Environmental Services
<b>Strategy 3.1.4</b>				
<b>Develop and implement flood management plans for all urban flood plain areas.</b>				
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>	
i	Maintain stormwater management infrastructure	PNI		Director Engineering Services
ii	Review requirements under LEP and DCP for Flood Management	NP	When resources permit	Director Development & Environmental Services
iii	Develop, review and implement Flood Risk Management Plan in accordance with NSW Government Guidelines	PNI		Director Development & Environmental Services
<b>Strategy 3.2.1</b>				
<b>Provide efficient and cost effective kerbside collection of solid and recyclable waste.</b>				
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>	
i	Monitor and review kerbside waste service collections and volumes	PNI		Director Development & Environmental Services
ii	Review and monitor kerbside recycling service in order to reduce contamination rates	PWI	Development of Policy and Procedure in progress	Director Development & Environmental Services

<b>Strategy 3.2.2</b>			
<b>Operate the Bogan Shire waste facilities to comply with standards and regulations, ensuring it is environmentally sound.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Implement and review Waste Facility Operations Management Plan	C	Director Development & Environmental Services
ii	Establish fire breaks to all waste facilities every 6 months	PNI	Director Development & Environmental Services
iii	Monitor all deposited waste for separation procedures within the Nyngan Waste Facility	PNI	Director Development & Environmental Services
<b>Strategy 3.3.1</b>			
<b>Provide safe, high quality, well serviced and maintained parks.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Review and monitor the playground upgrade program	PNI	Director Development & Environmental Services
ii	Seek grant funding for improvement and/or expansion of all parks	PNI	Director Development & Environmental Services
<b>Strategy 3.3.2</b>			
<b>Protect and improve the amenity of the river corridor to enhance and increase utilisation for a range of recreational activities.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Involve and support the local community in the rehabilitation and improvements of the river corridor	PNI	Director People and Community Services
ii	Work with NetWaste to identify locations and programs to reduce waste along the river corridor	NC	Director Development & Environmental Services No current NetWaste program
<b>Strategy 3.3.3</b>			
<b>Provide a clean and pleasant streetscape, ensuring regular street sweeping and cleaning of public spaces.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Monitor Cleaning Program for all public areas	PNI	Director Engineering Services
ii	Review street bin containers and emptying procedures	PNI	Director Development & Environmental Services
iii	Review existing garden beds in Pangee Street and investigate options for improvements	PNI	Director Development & Environmental Services
<b>Strategy 3.3.4</b>			
<b>Implement programs which foster responsible and protective behaviours towards reducing waste and litter pollution.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Engage and seek community feedback on areas of concern of waste and litter control	PNI	Director Development & Environmental Services
ii	Enforce breaches of environmental legislation in order to reduce the incidence of littering	PNI	Director Development & Environmental Services Ongoing
<b>Strategy 3.3.5</b>			
<b>Protect, preserve and enhance Bogan Shire's natural environments, waterways, flora and fauna through responsible development and management.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Review DA Consent Conditions: Environmental Protection - Monitor LEP and DCP provisions for Environmental Protection	NC	Director Development & Environmental Services Residential completed. Commercial in progress.
ii	Enforce all development to comply with conditions of DA Consents	PNI	Director Development & Environmental Services
iii	Engage with and support the Central West Local Land Services and other government bodies	PNI	Director Development & Environmental Services
<b>Strategy 3.3.6</b>			
<b>Meet Council's obligations under the Biodiversity Act 2015 in respect of maintenance of noxious weeds.</b>			
<b>Activities 2021/22</b>			<b>Council Lead</b>
	<b>Status</b>	<b>Action Comments</b>	
i	Council to meet Noxious Weeds Control obligations	PNI	Director Development & Environmental Services
ii	Ensure Council operations are undertaken in accordance with the endorsed Regional Strategic Weed Management Plan.	PNI	Director Development & Environmental Services
iii	Undertake enforcement activities on private property for noxious weeds as required	PNI	Director Development & Environmental Services

<b>Strategy 3.4.1</b>			
<b>Liaise with Local Liquor Accord to ensure compliance strategies are maintained to maximise public health and safety.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Provide information regarding new Liquor License applications, and make submissions on new applications to the State Government as required	PNI		Director Development & Environmental Services
ii Provide advisory services to the Liquor Accord	PNI		Director Development & Environmental Services
<b>Strategy 3.4.2</b>			
<b>Ensure compliance with Safe Foods Standards.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Monitor and review food premises register	PNI		Director Development & Environmental Services
ii Undertake annual food premises Inspections to ensure food handlers compliance with standards	PNI		Director Development & Environmental Services
<b>Strategy 3.4.3</b>			
<b>Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Improve public awareness of companion animal control including lifetime registration.	PNI		Director Development & Environmental Services
ii Carry out enforcement activities relating to dog control measures	PNI		Director Development & Environmental Services
iii Data entry of lifetime registrations and fee reconciliation	PNI		Director Development & Environmental Services
<b>Strategy 4.1.1</b>			
<b>Support and promote our local business and industry, to identify gaps and develop initiatives for sustainable economic growth and local employment opportunities.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Work with local businesses to identify issues	PNI		Director People and Community Services
ii Maintain and develop relationship with Regional Development Australia (RDA) Orana	PNI		Director People and Community Services
iii Industrial lots to be developed as demand presents, connecting to utility services and construction of kerb and gutter	PNI		Director Engineering Services
iv Implement the Economic Development Plan for Bogan Shire	NS	Grant applications continued to be a focal point for Council in Q1, which relate directly to economic development.	Director People and Community Services
v Support and strengthen local business networks to encourage the sharing of information and resources to build the capacity of local business and industry.	PNI		Director People and Community Services
vi Council continues to commit to shopping locally for services and products wherever possible and in the best interests of Council.			General Manager
vii Work with local businesses to ensure sustainable, well designed and visually appealing premises which meet the needs of our community and visitors	PNI		Director Development & Environmental Services
viii Continue the implementation of Council's streetscape master plan.	PNI		Director Development & Environmental Services
<b>Strategy 4.1.2</b>			
<b>Support agricultural businesses so that they have the capacity to be a significant contributor to the local, regional and national economy.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Maintain relationships with local agricultural businesses and lobby on behalf of local issues			General Manager
<b>Strategy 4.1.3</b>			
<b>Work in conjunction with mining companies to obtain mutual benefit from an abundance of natural mining resources which provide our shire with opportunities for local economic growth and employment.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i Maintain relationships with mining companies to explore opportunities for mutual benefit and lobby on behalf of local issues			General Manager

<b>Strategy 4.2.1</b>			
<b>Develop and implement a tourism strategy which includes the identification of potential opportunities for growth and new tourism products through consultation with stakeholders.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			Director People and Community Services
ii	PNI		Director People and Community Services
iii	PWI	VIC has been closed to the public under COVID-19 Public Health Order and lockdown. COVID-19 affecting operations - when permitted, now open Monday to Friday with limited hours - no volunteers, only paid staff to operate	Director People and Community Services
iv	PWI	Statewide COVID-19 Public Health Orders and lockdowns restricting movement and travel have impacted tourism to the region and therefore the need to distribute guides	Director People and Community Services
	PWI	COVID-19 Public Health Order and lockdown negated the need for advertising Nyngan and Bogan Shire during Q1 - this will be reviewed in Qs2-4	Director People and Community Services
<b>Strategy 4.2.2</b>			
<b>Provide a welcoming aesthetic on the approaches to town.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			Director Engineering Services
	PNI		Director Engineering Services
<b>Strategy 4.3.1</b>			
<b>Identify gaps and opportunities and engage with stakeholders, to investigate options for improved public transport.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			General Manager
		Talk to existing operators about issues and potential strategy to address these issues	General Manager
<b>Strategy 4.3.2</b>			
<b>Maintain airport facilities to meet required standards.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			Director Engineering Services
	PNI		Director Engineering Services
ii			Director Engineering Services
	PNI		Director Engineering Services
<b>Strategy 5.1.1</b>			
<b>Facilitate purposeful engagement and consultation with the community and other stakeholders to progress the outcomes of the Community Strategic Plan.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			Director People and Community Services
	PNI		Director People and Community Services
ii			General Manager
		Undertake community engagement regarding major Council plans and projects	General Manager
iii			General Manager
		Hold a Community Strategic Plan forum - engage the community in a process to determine support for a special rate variation to fund asset renewals with a view to making application for a special rate variation in future years.	General Manager
<b>Strategy 5.1.2</b>			
<b>Provide accountability to the community by regularly reporting on Council activities through the publication of statutory reports, business papers, meeting minutes and general information.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			General Manager
		Provide accurate and timely meeting agendas and minutes	General Manager
ii			General Manager
		Proactively release appropriate Council information e.g. Council Business Paper and Minutes through the website and council column	General Manager
iii			Director of Finance and Corporate Services
	PNI		Director of Finance and Corporate Services
iv			Director of Finance and Corporate Services
	C	Accounts signed off by Auditor 24/9/2021	Director of Finance and Corporate Services
v			Director of Finance and Corporate Services
	PNI		Director of Finance and Corporate Services
		Produce Council's quarterly reports, delivery program and budget and operational plans	Director of Finance and Corporate Services
<b>Strategy 5.1.3</b>			
<b>Councillors represent the interests of the community through strong and positive leadership and advocacy.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			General Manager
		Hold regular Council meetings	General Manager
ii			General Manager
		Ensure Councillors make all reasonable efforts to acquire and maintain the skills necessary to perform the role of a councillor	General Manager

<b>Strategy 5.1.4</b>			
<b>Maintain effective partnerships through regional and industry bodies to collaborate on matters of mutual interest and lobby collectively on behalf of the community.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	PWI	It has not been possible to launch new regional council body to replace OROC / Orana JO due to effects of COVID-19 Delta Outbreak.	General Manager
ii	PNI		General Manager
iii	PNI		Director Engineering Services
<b>Strategy 5.1.5</b>			
<b>Councillors take pride in our community, are inclusive and respectful, work together to get things done and contribute positively to our culture.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			General Manager
<b>Strategy 5.2.1</b>			
<b>Undertake sound financial planning, management and reporting to fulfil our stewardship responsibilities and ensure that Bogan Shire Council remains financially viable.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	PNI		Director of Finance and Corporate Services
ii	PNI		Director of Finance and Corporate Services
iii	PNI		Director of Finance and Corporate Services
iv	PNI		Director of Finance and Corporate Services
v	PNI		Director of Finance and Corporate Services
vi	PNI		Director of Finance and Corporate Services
<b>Strategy 5.2.2</b>			
<b>Manage our people effectively to ensure Council meets its goals and can implement its mission and deliver on its vision.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	PNI		Director People and Community Services
ii	PNI		Director People and Community Services
iii	PNI		Director People and Community Services
iv	PNI		Director People and Community Services
v	PNI		Director People and Community Services
vi			General Manager
<b>Strategy 5.2.3</b>			
<b>Implement sound asset management practices to ensure adequate provision is made for the maintenance and long-term replacement of Council's infrastructure assets.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	PNI		Director Engineering Services
ii	PNI		Director Engineering Services
iii	PNI		Director Engineering Services

<b>Strategy 5.2.4</b>			
<b>Manage Council's operations effectively and on business-like principles to maximise service delivery for the community.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i	PNI		Director of Finance and Corporate Services
ii	PNI		Director of Finance and Corporate Services
iii	PNI		Director of Finance and Corporate Services
iv	PNI		Director of Finance and Corporate Services
v	PNI		Director of Finance and Corporate Services
vi			General Manager
vii	PWI	Council is identifying ways to improve ICT with limited resources	Director of Finance and Corporate Services
viii	PNI		Director Engineering Services
ix			General Manager
<b>Strategy 5.2.5</b>			
<b>Implement Council's Fit for the Future Action Plan to ensure that we retain our autonomy as a financially viable independent Council.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			General Manager
ii			General Manager
iii			General Manager
iv			General Manager
v			General Manager
<b>Strategy 5.3.1</b>			
<b>Facilitate the Local Emergency Management Committee to ensure a co-ordinated response by all agencies having responsibilities and functions in emergencies.</b>			
<b>Activities 2021/22</b>	<b>Status</b>	<b>Action Comments</b>	<b>Council Lead</b>
i			General Manager
ii	PNI		Director Engineering Services
iii	PNI		Director Engineering Services

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