

Bogan
SHIRE

Annual
Report
2022/2023



Comfortable Country Living

Adopted 23/11/2023

Completed Projects 2022/2023



Table of Contents

About Bogan Shire	4
Mayor and General Manager's Message	5
Mission Statement	7
Statement of Business Ethics	9
Council Contact Information	12
Statutory Information	14
Local Government (General) Regulation 2005 Part 5	
s428(4)(b) cl 132 Amount of Rates and Charges Written Off During the Year	14
s428(4)(b) cl 217(1)(a) Details of overseas visits by councillors, council staff or other persons representing council	14
s428(4)(b) cl 217(1)(a1) Elected Members Expenses and Provision of Facilities	15
s428(4)(b) cl 217(1)(a2) Major Contracts Awarded	15
s428(4)(b) cl 217(1)(a3) Amounts Incurred by Council in Relation to Legal Proceedings	16
s428(4)(b) cl 217(1)(a4) s67(3) Summary of Resolutions made under Section 67 Concerning Work Carried Out on Private Land	16
s428(4)(b) cl 217(1)(a5) Total Contributed or Otherwise Granted Under Section 356	16
s428(4)(b) cl 217(1)(a6) External Bodies Exercising Council Functions	16
s428(4)(b) cl 217(1)(a7) Controlling Interest in Companies	17
s428(4)(b) cl 217(1)(a8) Partnerships, Cooperatives and Joint Ventures	17
s428(4)(b) cl 217(1)(a9) Activities to Implement EEO Management Plan	17
s428(4)(b) cl 217(1)(b) Statement of Total Remuneration Package of the General Manager	17
Reg cl 217 (1) (d) Statement of total number of persons who performed paid work Wednesday 23 November 2022	17
s428(2)(f) cl 217(1)(f) Activities Relating to Enforcing and Ensuring Compliance with the Companion Animals Act and Regulation	18
s125(1) cl 7 Schedule 2 Information Included on GIPA Activity	20
s93G(5) Compliance with and Effect of Planning Agreements in Force	22
s31 cl 4 Public Interest Disclosures and Public Interest Disclosure Policy	22
s8(2) Carers Recognition Act 2010	22
s13 Disability Inclusion Act 2014	23
Annexure One - Financial Statements s428(4)(a)	
Annexure Two - Objectives and Performance s428(1)	

About Bogan Shire

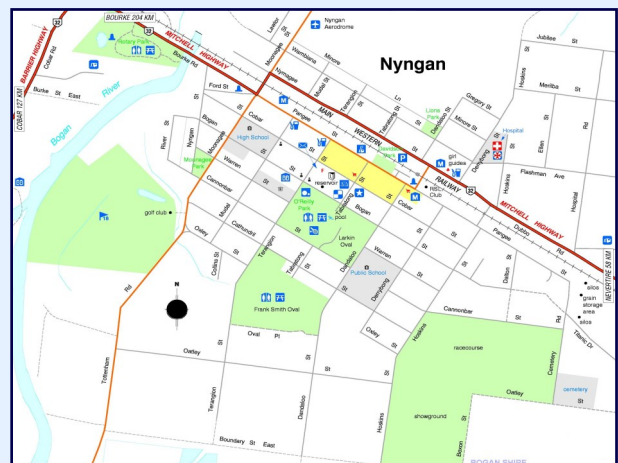
Bogan Shire, situated in Western New South Wales, has an area of 14,610 square kilometres, equivalent to about 1.8% of the State's land surface. The geographical centre of the State lies within the Shire boundaries. The Shire has an estimated population of 3012. Nyngan, the Shire's administrative centre, 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 2022/2023

The 2022/2023 financial year brought another year of challenges with Council dealing with flood events in July and September through to December 2022. Thankfully, flood waters in any of the events did not breach the levee bank and with Council staff continually pumping out of the storm water within the levee back over the banks there was minimal damage to property within Nyngan itself. A lot of the areas Rural properties were isolated for long periods of time however and this also meant that there was a minimal harvest in 2022. The flooding also did a lot of damage to Rural, Regional and State Roads and after 12 months works are still being undertaken to repair these roads. Although Council worked very hard to make them passable within a short time after the waters receded some of the roads still require further repairs. Council had up to 8 gangs working on the roads to ensure they were brought up to scratch as quickly as possible, which is double our normal workforce.

Council also continued improvements to Nyngan, as well as our three villages Coolabah, Girilambone and Hermidale, thanks to Grant funds received from both the State and Federal Governments and have had many favourable comments from residents and visitors alike for the progress and improvements we have been able to make. Council is extremely grateful for these funds as it relieves the burden on our ratepayers and has made improvements to our town that would not have been possible otherwise.

Road construction and maintenance, once again, was the biggest single line item in Council's budget. \$984,000 was spent on gravel re-sheeting approximately 45km of our rural road network. \$626,000 was spent on Tottenham Road rehabilitation, \$314,000 on construction on Cockies Road, \$425,000 on construct and seal of Pangee Road and \$143K on construct and seal almost 1km Mulla Road. In addition to this \$952,000 was also spent on the resurfacing of Pangee Street in Nyngan. Over \$2 million was spent on other maintenance works on rural and regional roads and town streets. Council also spent approximately \$5 million dollars on flood damage works which was funded by Transport for NSW.

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 4, continued with Flood Damage Emergency Works and Repairs, Regional roads Block and Repair Grants and funding for an Active Transport Plan 2022/2023 and to the Federal Government who offered another round of Local roads and Community Infrastructure under which Council will receive \$1,437,311 in funding to spend on roads and other community projects. Council also received funding from the State Government for Pothole Repair Grant and Regional and Local Roads Repair program amounting to almost \$3.5 million to fix roads impacted by rains and flooding.

Council also received \$1,000,000 in Emergency Flood Damage funding from the NSW Office of Local Government to assist with immediate emergency works after the recent flooding and to put some plans in place to ensure Council is able to mitigate the effects of future flooding.

Mayor and General Manager's Message 2022/2023

Stronger Country Communities Funding for Round 5 was approved and includes projects such as the purchase and installation of soft fall at the Youth Centre and O'Reilly Park, new amenities block and canteen improvements at Larkin Oval, safer pedestrian access to the Nyngan Golf Course, brightening up Community Spaces with Art, resurrection of the Old Fire Engine and Station.

Resources for Regions Round 9 was also approved and will allow for a number of programs and projects to be complete. The programs include extension of the Bushcare and Youth programs, employment of an Aboriginal Health Practitioner and diabetes educator at the Medical Centre plus continuation of employment of the Sonographer. Some of the projects include accessible toilets at the Swimming Pool, Tennis Court and Clubhouse improvements in Nyngan, a sealed car park, shade sails over car park and other improvements to the Youth Centre, improvements at each of the villages, new car park and amenities at Nyngan lower weir and upgrading of Okeh and Pangee Roads and Coffils Lane as well as some town streets rehabilitation and further footpath kerb and gutter replacement and relining sewer mains in Nyngan. Some of these projects have already commenced and will continue into 2024.

Council continued to organise and run Youth holiday programs, funded by NSW Holiday Break grants.

Community events continued and Council supported, promoted and provided assistance to community activities including the Shit Box Rally that was raising funds for Cancer research, Mental Health Week—GROW, Big Boar Bonanza raising funds for Can Assist and other worthy causes, St Josephs School Fete, Nyngan Amateur Swimming carnival, Nyngan Show,, Nyngan Ag Expo and Sheep Dog Trials, Breast Screen Van and Storm Co. We continue as always 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, and were able to enjoy Anzac Day and Duck Creek race meetings and an additional race meeting on the October long weekend and finished up 2022 with the Western Studio of Performing Arts Dance concert and Christmas Lights/Rural Mailbox competition.

Council also held its first Big Bogan Festival that was funded by the NSW Government. It was great to be able to provide such an event, free of charge to the community, with some awesome talent on show despite the bad weather.

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 (receiving closing at 4.15pm)

Contact us:

Telephone: (02) 6835 9000

Fax: (02) 6835 9011

Email: admin@bogan.nsw.gov.au

Webpage: 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 5.30pm. 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. 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. 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 01/07/2022 to 30/06/2023.

General Rates	<i>Pensioners</i>	\$14,766
	<i>Postponed</i>	\$3,075
	<i>Other (Ratepayers)</i>	\$46
Water Charges	<i>Pensioners</i>	\$17,259
	<i>Other (Ratepayers)</i>	\$407
Sewerage Charges	<i>Pensioners</i>	\$12,413
	<i>Other (Ratepayers)</i>	\$2
Waste Charges	<i>Pensioners</i>	\$35,418
		\$3
Interest Charges/Legal/ Other Charges	<i>Postponed</i>	\$946
	<i>Other (Rate Payers)</i>	\$4,119
Total Rates and Charges Written Off		\$88,454

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 2022/23 this subsidy amounted to \$45,287

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 2022/2023 financial year.

Statutory Information

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

Elected Member Expenses

The Mayoral Allowance including superannuation for the year was 23,086 with \$4617 (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 \$9,560

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 2022/2023 financial year relating to the provision of councillor facilities and the payment of councillor expenses.

Councillors Fees	\$86,040
Mayoral Fee	\$20,893
Superannuation	\$6,318
Attendance at Conferences	\$5,205
Insurance - Councillors	\$24,949
Travel Costs	\$285
Office Equipment	\$106
Meals & Entertainment	\$3,782
Other Costs	\$7,697
Total Elected Members Cost	\$156,318

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

During the 2022/2023 financial year there were 4 large contracts awarded.

Conex Group Pty Ltd—Pangee St Footpath Concrete—\$444,895

Stanton Building —Extensions to the Early Learning Centre \$549,884

Inland Petroleum —Supply and Delivery of bulk fuel

Countrywide Asphalt—Supply bitumen spray seal— \$1,929,924

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	\$23,975
→ 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 2022/2023 financial year was \$84,180 The details of this amount are as follows:

Donation of Funding /Services to Sporting & Non-Profit bodies	\$73,161
Donations to Non-Profit Organisations	\$9,219
Student Scholarships	\$1,800
TOTAL	\$84,180

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:

Committee	Function
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 2022/2023 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 D2 to the General Purpose Financial Reports.

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

Council has an Anti-Discrimination and Equal Employment Opportunity Policy which is reviewed by Management. Council's EEO Management Plan consists of 18 Strategies and 29 Activities, of which 27 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	\$285,212
Backpay from prior years	\$17,029
Superannuation	\$31,844
Total value non-cash benefits	\$18,200
FBT	\$3,827
Total	\$356,112

Reg cl 217 (1) (d) Statement of total number of persons who performed paid work Wednesday 23 November 2022

-Persons employed by the council on a permanent full-time, permanent part-time or casual basis or under a fixed-term contract Permanent 74 Permanent part-time 20 Casual 7 Fixed Term Contract 17

-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 — 6

-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.

2022/23 Seizure Activity

During the year Council seized 74 companion animals, with 22 companion animals voluntarily surrendered. Of these 26 were released to organisations for rehoming, 4 were rehomed by Council, 36 were returned to the owners, 4 are in the pound facility awaiting to be rehomed and 4 dogs were euthanised at Council's determination.

Lodgement of data relating to dog attacks with the Division

Council received 2 report of a dog attacks which resulted in the owners being issued with a Dangerous Dog Declaration and following non-compliance with the declaration, the dogs were 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.

Amount of funding spent on companion animal management and activities.

Council expended a net \$189,781 on activities relating to the management and control of companion animals during the 2022/2023 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:

Statutory Information

Income	\$
Registration Fees	10,433
Other Fees (Microchipping, impounding)	3,302
Total Income	13,735
Expenditure	
Impounding & Controlling Expenses	192,582
Administration	1,057
Consultants/Training	9,877
Other Expenses	-
Total Expenses	203,516
TOTAL COST OF COMPANION ANIMAL OPERATIONS	\$189,781

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**.

Statutory Information

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 7 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	0	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)	5	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)	6	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)	7
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

Statutory Information

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. Hera has stopped mining at the location therefore Council was unable to receive any income from the VPA. Council spent \$0 from this funding in 2023 however \$156,648 was spent from other Council funding on maintaining this road in 2022/2023..

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 its current 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.

In ensuring that Council met the needs of people with disability, we relied on engagement and feedback which was incorporated into current and future planning.

Engagement and feedback

Feedback received from residents about difficulty in traversing gutter crossings at their residences.

Feedback received following trips and falls involving people with restricted mobility on CBD street footpaths.

Council's community strategic planning process was broadly communicated and incorporated feedback from all sectors.

Engagement with service providers at regular Interagency meeting

Incorporation into current and future planning

Gutter crossings have been adapted on an as-needs basis

Construction of new footpaths and access ramps has incorporated feedback and is compliant

Plans developed to convert main street footpaths from block style pavers to poured concrete to eliminate uneven surfaces and trip hazards

Addressing needs of specific groups

The Act requires Council to consider how to address the needs of the following specific groups; Aboriginal and Torres Strait Islander people, women, children, people from culturally and linguistically diverse backgrounds and LGBTIQ+ people.

In the context of a small rural community of 2,400, senior staff and Councillors have multiple linkages in our community who provide direct feedback on their needs .

Statutory Information

S13(1) Disability Inclusion Act 2014 (Cont.)

Challenges in DIAP actions implementation

Allocating sufficient staff resources against competing demands, including impacts of industry-wide skills and workforce shortages, compounded by delivering multiple grant funded infrastructure projects.

Successes in implementing DIAP actions

The need for availability of disabled access to public toilets has been addressed through acquisition and installation of multiple modular compliant public toilet units.

Other actions

Continued planning for construction of new footpaths throughout the CBD to remove uneven pavers which have been identified as a significant risk for people with a disability.

As an achievement, Council has constructed significant lengths of new footpaths to address feedback that there were uneven pathways that were “littered with grass and stones”, posing a wheelchair tipping risk.

Further achievements included:

Conducted a review and evaluation of the need for further disabled car parking in Nyngan CBD. Recruitment forms and processes are now all online and more easily accessible for all.

Budget approved by Council for complete redesign of Council’s website content incorporating compliance with disability standards.

Council staff and Councillor representative attended Interagency Meetings and ensure disability opportunity remains on agenda.

Commenced planning for remaking Council’s DIAP .

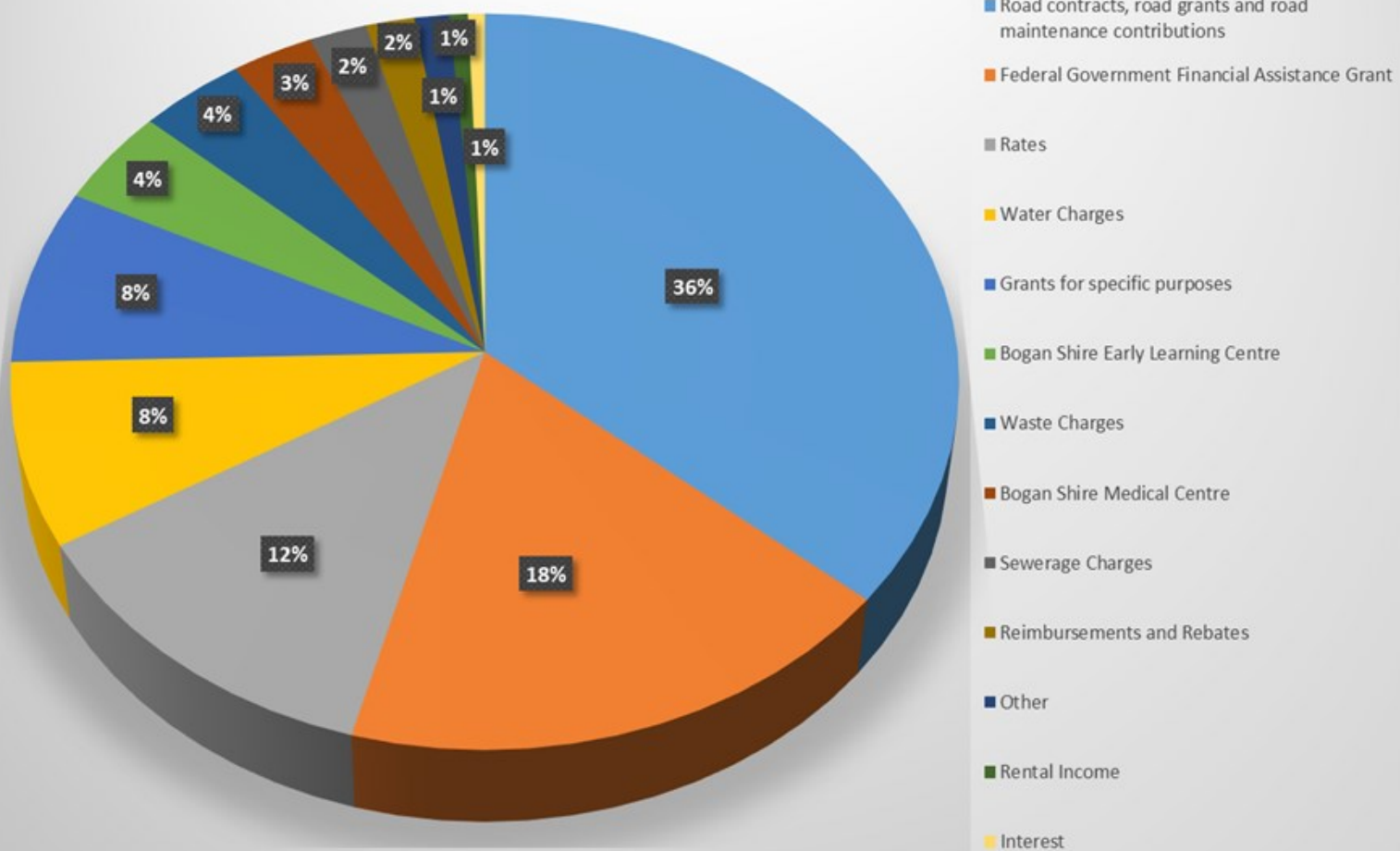
Swimming Pools Act (SP Act) 1992, s 22F(2) Swimming Pools Regulation 2018 (SP Reg) cl 23

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. | 3 |
| • number of inspections that resulted in issuance a certificate of noncompliance under cl 21 of the SP Reg. | 3 |

Annexure One Financial Statements

Operating Revenue



Bogan Shire Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2023



Bogan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023



Bogan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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

Overview

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

81 Cobar Street
Nyngan NSW 2825

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

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

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

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.bogan.nsw.gov.au.

Bogan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2023.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Bogan Shire Council

Consolidated Financial Statements

for the year ended 30 June 2023

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

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

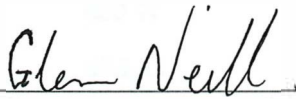
- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

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

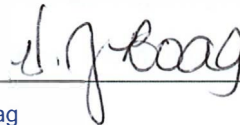
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 24 August 2023.



G R J Neill
Mayor
24 August 2023



V J Boag
Councillor
24 August 2023



D A Francis
General Manager
24 August 2023



S A Waterhouse
Responsible Accounting Officer
24 August 2023

Bogan Shire Council

Income Statement

for the year ended 30 June 2023

<i>Original unaudited budget 2023 \$ '000</i>		Notes	<i>Actual 2023 \$ '000</i>	<i>Actual 2022 \$ '000</i>
	Income from continuing operations			
5,301	Rates and annual charges	B2-1	5,352	5,210
4,667	User charges and fees	B2-2	10,647	9,489
160	Other revenues	B2-3	229	245
8,373	Grants and contributions provided for operating purposes	B2-4	19,782	12,862
1,973	Grants and contributions provided for capital purposes	B2-4	12,183	7,747
129	Interest and investment income	B2-5	698	129
232	Other income	B2-6	266	209
322	Net gain from the disposal of assets	B4-1	–	65
21,157	Total income from continuing operations		49,157	35,956
	Expenses from continuing operations			
7,828	Employee benefits and on-costs	B3-1	8,360	7,903
12,190	Materials and services	B3-2	18,032	13,300
70	Borrowing costs	B3-3	69	73
4,117	Depreciation, amortisation and impairment of non-financial assets	B3-4	4,571	4,479
228	Other expenses	B3-5	269	263
–	Net loss from the disposal of assets	B4-1	67	–
24,433	Total expenses from continuing operations		31,368	26,018
(3,276)	Operating result from continuing operations		17,789	9,938
(3,276)	Net operating result for the year attributable to Council		17,789	9,938
2,148	Net operating result for the year before grants and contributions provided for capital purposes		5,606	2,191

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 2023

	Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
Net operating result for the year – from Income Statement		17,789	9,938
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	16,052	12,111
Total items which will not be reclassified subsequently to the operating result		16,052	12,111
Total other comprehensive income for the year		16,052	12,111
Total comprehensive income for the year attributable to Council		33,841	22,049

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 2023

	Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	10,559	10,643
Investments	C1-2	12,800	6,800
Receivables	C1-4	17,137	10,347
Inventories	C1-5	901	655
Other		100	130
Total current assets		41,497	28,575
Non-current assets			
Receivables	C1-4	838	1,307
Infrastructure, property, plant and equipment (IPPE)	C1-6	283,924	257,757
Investments accounted for using the equity method	D2-1,D2-3	88	75
Total non-current assets		284,850	259,139
Total assets		326,347	287,714
LIABILITIES			
Current liabilities			
Payables	C3-1	4,687	3,182
Contract liabilities	C3-2	8,216	4,967
Borrowings	C3-3	126	123
Employee benefit provisions	C3-4	2,090	1,929
Total current liabilities		15,119	10,201
Non-current liabilities			
Borrowings	C3-3	1,936	2,062
Total non-current liabilities		1,936	2,062
Total liabilities		17,055	12,263
Net assets		309,292	275,451
EQUITY			
Accumulated surplus	C4-1	195,961	178,172
IPPE revaluation reserve	C4-1	113,331	97,279
Council equity interest		309,292	275,451
Total equity		309,292	275,451

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 2023

	Notes	2023			2022		
		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		178,172	97,279	275,451	168,234	85,168	253,402
Net operating result for the year		17,789	–	17,789	9,938	–	9,938
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	16,052	16,052	–	12,111	12,111
Other comprehensive income		–	16,052	16,052	–	12,111	12,111
Total comprehensive income		17,789	16,052	33,841	9,938	12,111	22,049
Closing balance at 30 June		195,961	113,331	309,292	178,172	97,279	275,451

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 2023

Original unaudited budget 2023 \$ '000		Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
Cash flows from operating activities				
Receipts:				
5,222	Rates and annual charges		5,303	5,178
3,607	User charges and fees		8,966	8,538
91	Interest received		497	105
10,472	Grants and contributions		31,930	17,707
–	Bonds, deposits and retentions received		21	28
191	Other		2,361	2,493
Payments:				
(9,208)	Payments to employees		(8,231)	(7,945)
(6,266)	Payments for materials and services		(18,725)	(14,853)
(70)	Borrowing costs		(70)	(75)
–	Bonds, deposits and retentions refunded		(18)	(29)
(1,636)	Other		(445)	(255)
2,403	Net cash flows from operating activities	G1-1	21,589	10,892
Cash flows from investing activities				
Receipts:				
–	Redemption of term deposits		6,800	2,800
286	Proceeds from sale of IPPE		317	314
Payments:				
–	Acquisition of term deposits		(12,800)	(6,800)
(4,758)	Payments for IPPE		(15,867)	(10,128)
(4,472)	Net cash flows from investing activities		(21,550)	(13,814)
Cash flows from financing activities				
Payments:				
(119)	Repayment of borrowings		(123)	(119)
(119)	Net cash flows from financing activities		(123)	(119)
(2,188)	Net change in cash and cash equivalents		(84)	(3,041)
10,643	Cash and cash equivalents at beginning of year		10,643	13,684
8,455	Cash and cash equivalents at end of year	C1-1	10,559	10,643
12,800	plus: Investments on hand at end of year	C1-2	12,800	6,800
21,255	Total cash, cash equivalents and investments		23,359	17,443

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

Bogan Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2023

A About Council and these financial statements	12
A1-1 Basis of preparation	12
B Financial Performance	15
B1 Functions or activities	15
B1-1 Functions or activities – income, expenses and assets	15
B1-2 Components of functions or activities	16
B2 Sources of income	18
B2-1 Rates and annual charges	18
B2-2 User charges and fees	19
B2-3 Other revenues	20
B2-4 Grants and contributions	21
B2-5 Interest and investment income	25
B2-6 Other income	25
B3 Costs of providing services	26
B3-1 Employee benefits and on-costs	26
B3-2 Materials and services	27
B3-3 Borrowing costs	28
B3-4 Depreciation, amortisation and impairment of non-financial assets	29
B3-5 Other expenses	30
B4 Gains or losses	31
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	31
B5 Performance against budget	32
B5-1 Material budget variations	32
C Financial position	34
C1 Assets we manage	34
C1-1 Cash and cash equivalents	34
C1-2 Financial investments	35
C1-3 Restricted and allocated cash, cash equivalents and investments	36
C1-4 Receivables	38
C1-5 Inventories	40
C1-6 Infrastructure, property, plant and equipment	41
C2 Leasing activities	45
C2-1 Council as a lessee	45
C2-2 Council as a lessor	47
C3 Liabilities of Council	48
C3-1 Payables	48
C3-2 Contract Liabilities	49
C3-3 Borrowings	51
C3-4 Employee benefit provisions	54
C4 Reserves	55
C4-1 Nature and purpose of reserves	55

Bogan Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2023

D Council structure	56
D1 Results by fund	56
D1-1 Income Statement by fund	56
D1-2 Statement of Financial Position by fund	57
D1-3 Details of internal loans	58
D2 Interests in other entities	59
D2-1 Interests in joint arrangements	59
E Risks and accounting uncertainties	61
E1-1 Risks relating to financial instruments held	61
E2-1 Fair value measurement	64
E3-1 Contingencies	73
F People and relationships	76
F1 Related party disclosures	76
F1-1 Key management personnel (KMP)	76
F1-2 Councillor and Mayoral fees and associated expenses	78
F1-3 Other related parties	n/a
F2 Other relationships	79
F2-1 Audit fees	79
G Other matters	80
G1-1 Statement of Cash Flows information	80
G2-1 Commitments	81
G3-1 Events occurring after the reporting date	82
G4 Statement of developer contributions as at 30 June 2023	83
G4-1 Summary of developer contributions	83
G5 Statement of performance measures	84
G5-1 Statement of performance measures – consolidated results	84
G5-2 Statement of performance measures by fund	85
H Additional Council disclosures (unaudited)	87
H1-1 Statement of performance measures – consolidated results (graphs)	87
H1-2 Council information and contact details	89

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 24 August 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these 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 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment and investment property.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (ii) employee benefit provisions – refer Note C3-4.

Monies and other assets received by Council

The Consolidated Fund

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

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 2023 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 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

This Standard modifies AASB 13 Fair Value Measurement for application by not-for-profit public sector entities such as Council.

It includes authoritative implementation guidance when fair valuing non-financial assets, not held primarily for their ability to generate cash inflows and also provides guidance and clarification when valuing assets that are restricted (in their use) at Council.

This includes guidance and clarification regarding the determination of an assets highest and best use, the development and use of internal assumptions for unobservable inputs and allows for greater use of internal judgements when applying the cost approach in the measurement and determination of fair values.

Although Council is yet to fully determine the impact of this standard, the changes will be evaluated in the future assessment of all property and infrastructure assets measured at fair value.

The standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

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

This Standard amends a number of standards as follows:

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

The standard may have significant impact on Council as it requires Council to consider the materiality of the accounting policy information to be included in the financial statements.

AASB 101 Presentation of Financial Statements requires the disclosure of material accounting policy information rather than significant accounting policies.

A1-1 Basis of preparation (continued)

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

Accounting policy information is likely to be considered material if that information relates to material transactions, other events or conditions and:

- the entity has changed accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements.
- the entity (or OLG) chose the accounting policy from one or more options permitted by Australian Accounting Standards.
- the accounting policy was developed in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* in the absence of an Australian Accounting Standard that specifically applies.
- the accounting policy relate to an area for which an entity is required to make significant judgements or assumptions in applying an accounting policy, and the entity discloses those judgements or assumptions in the financial statements
- the accounting required for them is complex and users of the entity's financial statements would otherwise not understand those material transactions, other events or conditions.

Further AASB 101 notes that *'Accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed.'*

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

New accounting standards adopted during the year

The following new standards are effective for the first time at 30 June 2023:

- AASB 2022-3 *Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and Other Amendments*

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>	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Functions or activities										
Civic Leadership – Leadership, Advocacy & Governance	–	–	767	721	(767)	(721)	–	–	–	–
Civic Leadership – Managing Our Business	8,622	7,417	1,679	1,524	6,943	5,893	4,799	4,180	37,490	25,904
Economic – Local Industries & Business	362	37	77	96	285	(59)	332	14	319	312
Economic – Public Transport & Air Services	3	45	87	99	(84)	(54)	–	44	300	279
Economic – Tourism	191	246	137	88	54	158	170	235	–	–
Environmental – Built Environment	979	1,755	1,708	1,602	(729)	153	–	1,585	3,899	2,884
Environmental – Health, Safety & Regulation	345	41	559	397	(214)	(356)	293	–	36	23
Environmental – Natural Environment	354	42	226	151	128	(109)	398	42	–	–
Environmental – Waste & Recycling	1,253	1,072	1,065	982	188	90	171	12	282	197
Infrastructure – Sewer	610	541	1,002	845	(392)	(304)	–	–	12,980	12,033
Infrastructure – Transport Networks	21,760	15,110	16,175	12,650	5,585	2,460	13,948	8,003	196,600	182,718
Infrastructure – Water	8,574	5,056	2,459	2,139	6,115	2,917	6,408	3,005	48,737	40,065
Social – Community Centres	2,294	1,778	1,422	1,328	872	450	2,361	1,693	19,894	17,958
Social – Education	–	–	2	2	(2)	(2)	–	–	–	–
Social – Emergency Services	192	144	397	276	(205)	(132)	192	144	834	795
Social – Inclusive Communities	1,867	1,800	1,663	1,417	204	383	1,731	1,461	2,196	1,909
Social – Public Health	1,745	869	1,660	1,595	85	(726)	1,016	171	2,685	2,569
Social – Social & Cultural	6	3	283	106	(277)	(103)	146	20	95	68
Total functions and activities	49,157	35,956	31,368	26,018	17,789	9,938	31,965	20,609	326,347	287,714

B1-2 Components of functions or activities

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

Social - Social & Cultural

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

Social - Community Centres

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

Social - Inclusive Communities

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

Social - Education

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

Social - Public Health

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

Social - Emergency Services

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

Infrastructure - Transport Networks

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

Infrastructure - Water

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

Infrastructure - Sewer

Council has access to a safe and reliable sewerage service.

Environmental - Built Environment

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

Environmental - Waste & Recycling

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

B1-2 Components of functions or activities (continued)

Environmental - Natural Environment

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

Environmental - Health, Safety & Regulation

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

Economic - Local Industries & Business

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

Economic - Tourism

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

Economic - Public Transport & Air Services

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

Civic Leadership - Leadership, Advocacy & Governance

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

Civic Leadership - Managing Our Business

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

Civic Leadership - Disaster Management

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

B2 Sources of income

B2-1 Rates and annual charges

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Ordinary rates		
Residential	355	317
Farmland	1,876	1,839
Mining	649	608
Business	267	261
Less: pensioner rebates (mandatory)	(8)	(8)
Less: pensioner rebates (Council policy)	(7)	(6)
Rates levied to ratepayers	3,132	3,011
Pensioner rate subsidies received	8	8
Total ordinary rates	3,140	3,019
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	831	825
Water supply services	887	880
Sewerage services	379	372
Waste management services (non-domestic)	146	144
Less: pensioner rebates (mandatory)	(37)	(36)
Less: pensioner rebates (Council policy)	(30)	(30)
Annual charges levied	2,176	2,155
Pensioner annual charges subsidies received:		
– Water	9	9
– Sewerage	8	8
– Domestic waste management	19	19
Total annual charges	2,212	2,191
Total rates and annual charges	5,352	5,210

Council has used 2022 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

		2023	2022
	<i>Timing</i>	Actual	Actual
		\$ '000	\$ '000
Specific user charges (per s502 - specific 'actual use' charges)			
Water supply services	1	1,253	1,144
Sewerage services	1	160	149
Total specific user charges		1,413	1,293
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Inspection services	2	4	4
Planning and building regulation	2	54	44
Private works – section 67	2	434	235
Regulatory/ statutory fees	2	13	12
Regulatory fees	2	2	2
Section 10.7 certificates (EP&A Act)	2	10	11
Section 603 certificates	2	8	7
Total fees and charges – statutory/regulatory		525	315
(ii) Fees and charges – other (incl. general user charges (per s608))			
Aerodrome	2	2	–
Cemeteries	2	36	30
Child care	2	267	274
Community centres	2	1	–
Library and art gallery	2	3	3
Medical centre	2	801	659
Museum	2	10	6
Park rents	2	3	–
Waste disposal tipping fees	2	81	53
Reimbursements	2	69	84
Transport for NSW works (state roads not controlled by Council)	2	7,431	6,762
Sundry sales	2	1	1
Water connection fees	2	4	9
Total fees and charges – other		8,709	7,881
Total other user charges and fees		9,234	8,196
Total user charges and fees		10,647	9,489
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		1,412	1,293
User charges and fees recognised at a point in time (2)		9,235	8,196
Total user charges and fees		10,647	9,489

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>	2023 Actual \$ '000	2022 Actual \$ '000
Legal fees recovery – rates and charges (extra charges)	2	24	6
Carbon Bank Energy Rebate	2	–	3
Diesel rebate	2	96	103
Insurance claims recoveries	2	28	2
Sales – general	2	24	6
Insurance policy rebate	2	27	25
Other (Private Works)	2	–	23
Other (Procurement rebate)	2	–	3
Sales – scrap metal	2	19	38
Other	2	11	36
Total other revenue		229	245
Timing of revenue recognition for other revenue			
Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		229	245
Total other revenue		229	245

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

		Operating 2023 Actual \$ '000	Operating 2022 Actual \$ '000	Capital 2023 Actual \$ '000	Capital 2022 Actual \$ '000
	<i>Timing</i>				
General purpose grants and non-developer contributions (untied)					
Current year allocation					
Financial assistance – general component	2	975	1,648	–	–
Financial assistance – local roads component	2	459	802	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	3,749	2,530	–	–
Financial assistance – local roads component	2	1,815	1,237	–	–
Amount recognised as income during current year		6,998	6,217	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Bushfire and emergency services	2	192	144	–	–
Water supplies	1	–	141	6,408	2,864
Child care	2	892	827	148	9
Community centres	1	–	–	333	14
Economic development	1	–	–	164	235
Heritage and cultural	2	25	–	–	–
Environmental programs	2	378	–	–	–
Library	2	69	68	–	–
Noxious weeds	2	43	42	–	–
Street lighting	2	16	16	–	–
Recreation and culture	1	146	20	2,223	1,650
Storm/flood damage	1	4,674	2,664	–	–
Transport (other roads and bridges funding)	2	3,563	39	1,503	1,036
Waste & Resource Management Facility		–	–	171	–
Medical centre	1	863	172	–	333
Youth services	1	273	3	320	600
Wage subsidy apprentices	2	126	50	–	–
Other (Flood Emergency AGRN1025)	1	–	–	293	–
Other (GP Housing)	1	–	–	153	367
Other (Bogan Shire Youth & Community Centre)	1	–	–	61	627
Transport (roads to recovery)	2	345	1,140	–	–
Other specific grants	2	160	224	–	12
Previously contributions:					
Medical centre	2	1	–	–	–
Tourism	2	–	–	6	–
Other contributions	2	30	–	–	–
Transport for NSW contributions (regional roads, block grant)	2	988	970	400	–
Total special purpose grants and non-developer contributions (tied)		12,784	6,520	12,183	7,747
Total grants and non-developer contributions		19,782	12,737	12,183	7,747
Comprising:					
– Commonwealth funding		1,317	2,138	1,168	1,657
– State funding		18,309	10,549	10,857	6,090
– Other funding		156	50	158	–
		19,782	12,737	12,183	7,747

B2-4 Grants and contributions (continued)

Developer contributions

	Notes	Timing	Operating 2023 Actual \$ '000	Operating 2022 Actual \$ '000	Capital 2023 Actual \$ '000	Capital 2022 Actual \$ '000
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G4					
Cash contributions						
S 7.4 – contributions using planning agreements		2	–	125	–	–
Total developer contributions			–	125	–	–
Total contributions			–	125	–	–
Total grants and contributions			19,782	12,862	12,183	7,747
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			6,026	3,039	9,974	7,738
Grants and contributions recognised at a point in time (2)			13,756	9,823	2,209	9
Total grants and contributions			19,782	12,862	12,183	7,747

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

	Operating 2023 Actual \$ '000	<i>Operating 2022 Actual \$ '000</i>	Capital 2023 Actual \$ '000	<i>Capital 2022 Actual \$ '000</i>
Unspent grants and contributions				
Unspent funds at 1 July	1,024	1,019	-	-
Add: Funds received and not recognised as revenue in the current year	4,741	2,518	-	-
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(883)	(2,513)	-	-
Unspent funds at 30 June	4,882	1,024	-	-

Rural Fire Service \$81K Youth & Community Worker \$41K Planning Portal \$72K Crown Land Management Plans \$35 Ladies Toilets at Nyngan Golf Club \$51K, Resources for Regions 9 Programs \$1.289M, Pothole Repair Grant \$242K, Regional & Local Roads Repair Program \$2.942M, Strong Start Cadetship \$23K, Strengthening Medicare \$25K, Netwaste Illegal Dumping \$18K, Winter Holiday Break \$7K

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

B2-4 Grants and contributions (continued)

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement but include 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

	2023 Actual \$ '000	2022 Actual \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	38	39
– Overdue user fees and charges	–	15
– Cash and investments	653	67
– Other	7	8
Total interest and investment income (losses)	698	129
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	17	18
General Council cash and investments	568	56
Restricted investments/funds – external:		
Water fund operations	22	26
Sewerage fund operations	70	20
Domestic waste management operations	21	9
Total interest and investment income	698	129

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

	2023 Actual \$ '000	2022 Actual \$ '000
	Notes	
Rental income		
Other lease income		
Room/Facility Hire	60	41
Leaseback fees - council vehicles	12	11
Other	181	152
Total other lease income	253	204
Total rental income	253	204
Net share of interests in joint ventures and associates using the equity method		
Joint ventures	13	5
Total net share of interests in joint ventures and associates using the equity method	13	5
Total other income	266	209

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Salaries and wages	6,338	6,349
Employee leave entitlements (ELE)	1,517	1,157
ELE on-costs	(5)	15
Superannuation	761	724
Workers' compensation insurance	259	297
Fringe benefit tax (FBT)	56	49
Total employee costs	8,926	8,591
Less: capitalised costs	(566)	(688)
Total employee costs expended	8,360	7,903
Number of 'full-time equivalent' employees (FTE) at year end	93	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

		2023	2022
		Actual	Actual
	Notes	\$ '000	\$ '000
Raw materials and consumables		10,256	7,735
Contractor costs		21,219	14,332
Audit Fees	F2-1	73	63
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	157	153
Advertising		29	19
Bank charges		13	13
Cleaning		9	14
Computer software charges		272	286
Election expenses		–	35
Electricity and heating		214	231
Fire control expenses		183	66
Insurance		632	535
Office expenses (including computer expenses)		28	37
Postage		16	13
Printing and stationery		29	34
Street lighting		83	100
Subscriptions and publications		66	47
Telephone and communications		83	77
Tourism expenses (excluding employee costs)		24	6
Valuation fees		49	47
Travel expenses		31	21
Training costs (other than salaries and wages)		105	118
Other expenses		12	12
Legal expenses:			
– Legal expenses: planning and development		–	4
– Legal expenses: debt recovery		23	6
– Legal expenses: other		19	7
Expenses from short-term leases		15	16
Expenses from leases of low value assets		4	11
Expenses from Peppercorn leases		11	9
Total materials and services		33,655	24,047
Less: capitalised costs		(15,623)	(10,747)
Total materials and services		18,032	13,300

Accounting policy

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

B3-3 Borrowing costs

	2023 Actual \$ '000	2022 Actual \$ '000
Interest bearing liability costs		
Interest on loans	69	73
Total interest bearing liability costs	69	73
Total borrowing costs expensed	69	73

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	2023 \$ '000	2022 \$ '000
Depreciation and amortisation			
Plant and equipment		858	812
Office equipment		79	89
Furniture and fittings		24	20
Infrastructure:	C1-6		
– Buildings – non-specialised		272	272
– Buildings – specialised		485	485
– Other structures		94	94
– Roads		1,730	1,730
– Bridges		154	154
– Footpaths		60	60
– Stormwater drainage		7	7
– Water supply network		569	534
– Sewerage network		239	222
Total depreciation and amortisation costs		4,571	4,479
Total depreciation, amortisation and impairment for non-financial assets		4,571	4,479

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	2023 Actual \$ '000	2022 Actual \$ '000
Impairment of receivables			
Rates and annual charges		20	70
Total impairment of receivables	C1-4	20	70
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		212	161
Donations, contributions and assistance to other organisations (Section 356)		37	32
Total other expenses		269	263

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	2023 Actual \$ '000	2022 <i>Actual</i> \$ '000
Gain (or loss) on disposal of property (excl. investment property)			
Less: carrying amount of property assets sold/written off		(11)	–
Gain (or loss) on disposal		(11)	–
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		274	253
Less: carrying amount of plant and equipment assets sold/written off		(192)	(206)
Gain (or loss) on disposal		82	47
Gain (or loss) on disposal of infrastructure	C1-6		
Less: carrying amount of infrastructure assets sold/written off		(146)	–
Gain (or loss) on disposal		(146)	–
Gain (or loss) on disposal of term deposits	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		6,800	2,800
Less: carrying amount of term deposits sold/redeemed/matured		(6,800)	(2,800)
Gain (or loss) on disposal		–	–
Other (Operational Land)			
Proceeds from disposal – Other (Operational Land)		43	61
Less: carrying amount of Other (Operational Land) assets sold/written off		(35)	(43)
Gain (or loss) on disposal		8	18
Net gain (or loss) from disposal of assets		(67)	65

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

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

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

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

\$ '000	2023 <i>Budget</i>	2023 <i>Actual</i>	2023 ----- <i>Variance</i> -----	
Revenues				
Rates and annual charges	5,301	5,352	51	1% F
User charges and fees	4,667	10,647	5,980	128% F
Council received additional funding from TfNSW contract and ordered works to what was originally budgeted.				
Other revenues	160	229	69	43% F
Council received additional income to what was budgeted.				
Operating grants and contributions	8,373	19,782	11,409	136% F
Council received Resources for Regions Grant, Pothole Repair Grant, Regional & Rural Road Repair Grant, and Emergency Works Flood Damage Funding that wasn't originally budgeted.				
Capital grants and contributions	1,973	12,183	10,210	517% F
Council received additional Operating and Capital grants that weren't originally budgeted due to the State Government allocating funding after the budget was completed. These grants were Stronger Country Communities Round 5, Resources for Regions Round 9, Library Infrastructure Grant and Fixing Local Roads and Repair Grant from TfNSW.				
Interest and investment revenue	129	698	569	441% F
Interest rates rose throughout the year due to a better economic climate in Australia which was hard to predict when Council prepared their initial budget.				
Net gains from disposal of assets	322	-	(322)	(100)% U
The amount of income budgeted did not take into account the cost of disposal of the Capital Items and therefore there is a variation to the budget.				
Other income	232	266	34	15% F
Council received additional income to what was originally budgeted.				

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Expenses				
Employee benefits and on-costs	7,828	8,360	(532)	(7)% U
Employee costs increased due to additional costs for TfNSW ordered works and contract works that allowed Council to do more hours completing the projects.				
Materials and services	12,190	18,032	(5,842)	(48)% U
Materials and services costs increased due to additional costs for the extra TfNSW ordered works and contract works as well as Grant projects that weren't originally budgeted required materials to do the works..				
Borrowing costs	70	69	1	1% F
Depreciation, amortisation and impairment of non-financial assets	4,117	4,571	(454)	(11)% U
Council was required to use indexation to revalue Infrastructure including, Roads, Buildings, Water and Sewer which increased the depreciation of these assets.				
Other expenses	228	269	(41)	(18)% U
Increases to the Emergency Services Levy has caused this variance.				
Net losses from disposal of assets	-	67	(67)	∞ U
Not originally budgeted.				
Statement of cash flows				
Cash flows from operating activities	2,403	21,589	19,186	798% 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.				
Cash flows from investing activities	(4,472)	(21,550)	(17,078)	382% U
Additional cash flows are due to additional funding received allowing Council to invest the funds and provide further infrastructure for the Community.				
Cash flows from financing activities	(119)	(123)	(4)	3% U

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Cash assets		
Cash on hand and at bank	101	102
Cash equivalent assets		
– Deposits at call	10,458	10,541
Total cash and cash equivalents	10,559	10,643

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	10,559	10,643
Balance as per the Statement of Cash Flows	10,559	10,643

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

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Debt securities at amortised cost				
Long term deposits	12,800	–	6,800	–
Total	12,800	–	6,800	–
Total financial investments	12,800	–	6,800	–
Total cash assets, cash equivalents and investments	23,359	–	17,443	–

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

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	23,359	17,443
Less: Externally restricted cash, cash equivalents and investments	(7,693)	(3,924)
Cash, cash equivalents and investments not subject to external restrictions	15,666	13,519
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	216	216
Specific purpose unexpended grants (recognised as revenue) – general fund	4,882	1,024
Water fund	–	513
Sewer fund	2,595	2,171
External restrictions – other	7,693	3,924
Total external restrictions	7,693	3,924

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)

	2023 Actual \$ '000	2022 Actual \$ '000
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	15,666	13,519
Less: Internally restricted cash, cash equivalents and investments	(15,274)	(12,174)
Unrestricted and unallocated cash, cash equivalents and investments	392	1,345

Internal allocations

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

Plant and vehicle replacement	978	2,191
Employees leave entitlement	522	463
Carry over works	2,928	3,022
Demolition fund	72	–
Lawlor Street	153	–
FAG grant in advance	5,564	3,767
Museum	18	21
Other (capital building projects)	55	84
Roads and ancillary services	4,711	2,359
Village amenities	107	94
Waste facility	166	170
Showground Upgrades	–	3
Total internal allocations	15,274	12,174

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

	2023 Actual \$ '000	2022 Actual \$ '000
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	392	1,345

C1-4 Receivables

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Rates and annual charges	302	448	343	342
Interest and extra charges	–	217	–	207
User charges and fees	5,541	102	3,616	151
Private works	5	–	–	–
Contributions to works	284	–	–	–
Accrued revenues				
– Interest on investments	208	–	17	–
Government grants and subsidies	10,420	–	6,238	501
Net ATO receivable	389	–	139	–
Other debtors	15	108	1	143
Total	17,164	875	10,354	1,344
Less: provision for impairment				
Rates and annual charges	(27)	–	(7)	–
Interest and extra charges	–	(37)	–	(37)
Total provision for impairment – receivables	(27)	(37)	(7)	(37)
Total net receivables	17,137	838	10,347	1,307
Externally restricted receivables				
Water supply				
– Specific purpose grants	3,805	507	911	500
– Rates and availability charges	96	67	97	65
– Other	226	79	269	108
Sewerage services				
– Rates and availability charges	68	42	64	39
– Other	5	–	–	–
Total external restrictions	4,200	695	1,341	712
Internally restricted receivables				
– Internal restricted receivables - Specific Purpose Grants	5,149	–	–	–
– Internal restricted receivables - Plant Fund	2,000	–	–	–
Internally restricted receivables	7,149	–	–	–
Unrestricted receivables	5,788	143	9,006	595
Total net receivables	17,137	838	10,347	1,307

C1-4 Receivables (continued)

	2023 Actual \$ '000	2022 Actual \$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	44	178
+ new provisions recognised during the year	20	–
– amounts already provided for and written off this year	–	(134)
Balance at the end of the year	64	44

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

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Inventories at cost				
Stores and materials	901	-	655	-
Total inventories at cost	901	-	655	-
Total inventories	901	-	655	-

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

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

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

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

	At 1 July 2021			Asset movements during the reporting period							At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
By aggregated asset class	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	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
Land:													
– 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
Infrastructure:													
– Buildings – non-specialised	14,884	(5,712)	9,172	–	2,258	–	(272)	211	(255)	–	15,505	(4,391)	11,114
– Buildings – specialised	19,088	(10,846)	8,242	21	90	–	(485)	15	–	2,848	24,401	(13,670)	10,731
– Other structures	4,500	(1,470)	3,030	52	275	–	(94)	257	–	25	5,561	(2,016)	3,545
– 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
Other assets:													
– Other	154	(154)	–	–	–	–	–	–	–	–	154	(154)	–
Total infrastructure, property, plant and equipment	312,934	(73,351)	239,583	3,965	6,826	(249)	(4,479)	–	(15,354)	27,465	352,012	(94,255)	257,757

(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:

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

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

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 30/06/23			as at 30/06/22		
	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000
Water supply						
WIP	8,732	–	8,732	4,753	–	4,753
Infrastructure	52,808	15,401	37,407	46,600	13,751	32,849
Total water supply	61,540	15,401	46,139	51,353	13,751	37,602
Sewerage services						
WIP	25	–	25	25	–	25
Infrastructure	20,417	10,173	10,244	18,956	9,223	9,733
Total sewerage services	20,442	10,173	10,269	18,981	9,223	9,758
Domestic waste management						
Plant and equipment	745	287	458	739	224	515
Total domestic waste management	745	287	458	739	224	515
Total restricted infrastructure, property, plant and equipment	82,727	25,861	56,866	71,073	23,198	47,875

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:

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Expenses relating to short-term leases	15	16
Expenses relating to low-value leases	4	11
Expenses relating to Peppercorn leases	11	9
	30	36

(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)

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).

	2023	2022
	Actual	Actual
	\$ '000	\$ '000

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

(i) Assets held as property, plant and equipment

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

Lease income (excluding variable lease payments not dependent on an index or rate)	253	204
Total income relating to operating leases for Council assets	253	204

(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	107	88
1–2 years	59	63
2–3 years	37	15
3–4 years	30	2
Total undiscounted lease payments to be received	233	168

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

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	\$ '000	\$ '000	\$ '000	\$ '000
Goods and services – operating expenditure	3,976	–	1,687	–
Goods and services – capital expenditure	188	–	985	–
Accrued expenses:				
– Borrowings	25	–	26	–
– Salaries and wages	191	–	196	–
Security bonds, deposits and retentions	20	–	17	–
Prepaid rates	287	–	271	–
Total payables	4,687	–	3,182	–

Payables relating to restricted assets

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	\$ '000	\$ '000	\$ '000	\$ '000
Externally restricted assets				
Water	2,225	–	40	–
Sewer	–	–	3	–
Payables relating to externally restricted assets	2,225	–	43	–
Total payables relating to restricted assets	2,225	–	43	–
Total payables relating to unrestricted assets	2,462	–	3,139	–
Total payables	4,687	–	3,182	–

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

		2023	2023	2022	2022
		Current	Non-current	Current	Non-current
		Actual	Actual	Actual	Actual
	Notes	\$ '000	\$ '000	\$ '000	\$ '000
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	8,216	-	4,693	-
Total grants received in advance		8,216	-	4,693	-
User fees and charges received in advance:					
Other		-	-	274	-
Total user fees and charges received in advance		-	-	274	-
Total contract liabilities		8,216	-	4,967	-

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

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
Externally restricted assets				
Water	52	-	-	-
Sewer	560	-	-	-
Contract liabilities relating to externally restricted assets	612	-	-	-
Internally restricted assets				
Other (Capital Grants Received in Advance)	7,604	-	4,693	-
Contract liabilities relating to internally restricted assets	7,604	-	4,693	-
Total contract liabilities relating to restricted assets	8,216	-	4,693	-
Total contract liabilities relating to unrestricted assets	-	-	274	-
Total contract liabilities	8,216	-	4,967	-

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

	2023 Actual \$ '000	2022 Actual \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	2,878	1,806
User fees and charges received in advance:		
Transport for NSW works	274	405
Total revenue recognised that was included in the contract liability balance at the beginning of the period	3,152	2,211

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 2022/2023.

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

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
Loans – secured ¹	126	1,936	123	2,062
Total borrowings	126	1,936	123	2,062

(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

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
Total borrowings relating to unrestricted assets	126	1,936	123	2,062
Total borrowings	126	1,936	123	2,062

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

	2022		Non-cash movements			2023
	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	2,185	(123)	–	–	–	2,062
Total liabilities from financing activities	2,185	(123)	–	–	–	2,062

	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
Total liabilities from financing activities	2,304	(119)	–	–	–	2,185

C3-3 Borrowings (continued)

(b) Financing arrangements

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Total facilities		
Credit cards/purchase cards	45	45
Total financing arrangements	45	45
Drawn facilities		
– Credit cards/purchase cards	13	18
Total drawn financing arrangements	13	18
Undrawn facilities		
– Credit cards/purchase cards	32	27
Total undrawn financing arrangements	32	27

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

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Annual leave	1,073	-	967	-
Long service leave	980	-	899	-
Other leave	37	-	63	-
Total employee benefit provisions	2,090	-	1,929	-

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

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	1,286	982
	1,286	982

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

IPPE Revaluation reserve

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

D Council structure

D1 Results by fund

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

D1-1 Income Statement by fund

	General 2023 \$ '000	Water 2023 \$ '000	Sewer 2023 \$ '000
Income from continuing operations			
Rates and annual charges	4,120	869	363
User charges and fees	9,235	1,253	159
Interest and investment revenue	607	20	71
Other revenues	206	15	8
Grants and contributions provided for operating purposes	19,765	9	8
Grants and contributions provided for capital purposes	5,775	6,408	–
Other income	266	–	–
Total income from continuing operations	39,974	8,574	609
Expenses from continuing operations			
Employee benefits and on-costs	7,910	331	119
Materials and services	15,833	1,558	641
Borrowing costs	69	–	–
Depreciation, amortisation and impairment of non-financial assets	3,763	569	239
Other expenses	265	1	3
Net losses from the disposal of assets	67	–	–
Total expenses from continuing operations	27,907	2,459	1,002
Operating result from continuing operations	12,067	6,115	(393)
Net operating result for the year	12,067	6,115	(393)
Net operating result attributable to each council fund	12,067	6,115	(393)
Net operating result for the year before grants and contributions provided for capital purposes	6,292	(293)	(393)

D1-2 Statement of Financial Position by fund

	General 2023 \$ '000	Water 2023 \$ '000	Sewer 2023 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	7,964	–	2,595
Investments	12,800	–	–
Receivables	12,903	4,127	107
Inventories	901	–	–
Other	100	–	–
Total current assets	34,668	4,127	2,702
Non-current assets			
Receivables	(21)	653	206
Infrastructure, property, plant and equipment	227,516	46,139	10,269
Investments accounted for using the equity method	88	–	–
Total non-current assets	227,583	46,792	10,475
Total assets	262,251	50,919	13,177
LIABILITIES			
Current liabilities			
Payables	2,462	2,225	–
Contract liabilities	7,604	52	560
Borrowings	126	–	–
Employee benefit provision	2,090	–	–
Total current liabilities	12,282	2,277	560
Non-current liabilities			
Borrowings	1,936	–	–
Total non-current liabilities	1,936	–	–
Total liabilities	14,218	2,277	560
Net assets	248,033	48,642	12,617
EQUITY			
Accumulated surplus	163,988	25,850	6,123
Revaluation reserves	84,045	22,792	6,494
Council equity interest	248,033	48,642	12,617
Total equity	248,033	48,642	12,617

D1-3 Details of internal loans

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

Details of individual internal loans	Council ID / Ref
Borrower (by purpose)	General Fund
Lender (by purpose)	Sewer Fund
Date of Minister's approval	21/06/2018
Date raised	1/01/2019
Term years	10 years
Dates of maturity	1/07/2028
Rate of interest (%)	3%
Amount originally raised	\$340,000
Total repaid during year (principal and interest) (\$'000)	\$39,607
Principal outstanding at end of year (\$'000)	\$199,444

D2 Interests in other entities

	<i>Council's share of net assets</i>	
	<i>2023</i> <i>\$ '000</i>	<i>2022</i> <i>\$ '000</i>
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint ventures	88	75
Total net share of interests in joint ventures and associates using the equity method – assets	88	75
Total Council's share of net assets	88	75

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>2023</i> <i>\$ '000</i>	<i>2022</i> <i>\$ '000</i>
			<i>2023</i>	<i>2022</i>		
North Western Library Co-operative	Warren	Joint venture	25.0%	25.0%	88	75
Total carrying amounts – material joint ventures					88	75

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>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
North Western Library Co-operative	25.0%	25.0%	25.0%	25.0%

D2-1 Interests in joint arrangements (continued)

Summarised financial information for joint ventures

	North Western Library Co-operative	
	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Statement of financial position		
Current assets		
Cash and cash equivalents	100	44
Non-current assets		
	253	257
Net assets	353	301
Statement of comprehensive income		
Income	258	255
Other expenses	(205)	(236)
Profit/(loss) from continuing operations	53	19
Profit/(loss) for the period	53	19
Total comprehensive income	53	19
Share of income – Council (%)	25.0%	25.0%
Profit/(loss) – Council (\$)	13	5
Total comprehensive income – Council (\$)	13	5
Reconciliation of the carrying amount		
Opening net assets (1 July)	300	281
Profit/(loss) for the period	53	19
Closing net assets	353	300
Council's share of net assets (%)	25.0%	25.0%
Council's share of net assets (\$)	88	75

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

	2023 \$ '000	2022 \$ '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	233	174
-----------------------------	-----	-----

Impact of a 10% movement in price of investments

– Equity / Income Statement	–	–
-----------------------------	---	---

(b) Credit risk

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

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

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

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

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

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

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

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

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

Credit risk profile

Receivables – rates and annual charges

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

	<i>Not yet overdue rates and annual charges</i>			<i>Total</i> \$ '000
	<i>Not yet overdue</i> \$ '000	<i>< 5 years</i> \$ '000	<i>≥ 5 years</i> \$ '000	
2023				
Gross carrying amount	–	632	118	750
2022				
Gross carrying amount	–	620	65	685

Receivables - non-rates and annual charges and contract assets

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

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

	<i>Not yet overdue</i> \$ '000	<i>Overdue debts</i>				<i>Total</i> \$ '000
		<i>0 - 30 days</i> \$ '000	<i>31 - 60 days</i> \$ '000	<i>61 - 90 days</i> \$ '000	<i>> 91 days</i> \$ '000	
2023						
Gross carrying amount	15,958	287	104	–	940	17,289
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2022						
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%
ECL provision	–	–	–	–	–	–

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

(c) Liquidity risk

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

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

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

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

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

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

	<i>Weighted average interest rate %</i>	<i>Subject to no maturity \$ '000</i>	<i>payable in:</i>			<i>Total cash outflows \$ '000</i>	<i>Actual carrying values \$ '000</i>
			<i>≤ 1 Year \$ '000</i>	<i>1 - 5 Years \$ '000</i>	<i>> 5 Years \$ '000</i>		
2023							
Payables	0.00%	20	4,667	–	–	4,687	4,687
Borrowings	2.94%	–	186	744	1,132	2,062	2,062
Total financial liabilities		20	4,853	744	1,132	6,749	6,749
2022							
Payables	0.00%	17	1,574	–	–	1,591	3,182
Borrowings	2.94%	–	186	744	1,255	2,185	2,185
Total financial liabilities		17	1,760	744	1,255	3,776	5,367

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	
		2023	2022	2023	2022	2023	2022	2023	2022
Recurring fair value measurements									
Infrastructure, property, plant and equipment C1-6									
		30/06/23	30/06/22	–	–	6,644	6,046	6,644	6,046
		30/06/23	30/06/22	–	–	253	305	253	305
		30/06/23	30/06/22	–	–	115	139	115	139
		30/06/23	30/06/20	–	–	295	310	295	310
		30/06/23	30/06/20	–	–	3,438	2,809	3,438	2,809
		30/06/22	30/06/22	4,174	3,270	8,264	7,844	12,438	11,114
		30/06/22	30/06/22	39	40	11,614	10,691	11,653	10,731
		30/06/22	30/06/22	–	–	4,598	3,545	4,598	3,545
		30/06/22	30/06/22	–	–	73,072	67,690	73,072	67,690
		30/06/22	30/06/22	–	–	89,938	84,916	89,938	84,916
		30/06/22	30/06/22	–	–	9,669	8,911	9,669	8,911
		30/06/21	30/06/21	–	–	37,407	32,849	37,407	32,849
		30/06/21	30/06/21	–	–	10,244	9,733	10,244	9,733
		30/06/22	30/06/22	–	–	11,419	10,936	11,419	10,936
		30/06/22	30/06/22	–	–	2,233	2,047	2,233	2,047
				4,213	3,310	269,203	248,771	273,416	252,081

Non-recurring fair value measurements

Transfers between level 1 and level 2 fair value hierarchies

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

Valuation techniques

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

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

E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment and Furniture & Fittings

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

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

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

Operational & Community Land

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

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

Buildings – Non-Specialised & Specialised

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

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

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

Cost Approach

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

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

Market Approach

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

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

Other Structures

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

A cost approach was used to value other structures.

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

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

Roads, Bridges and Footpaths

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

E2-1 Fair value measurement (continued)

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

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

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

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

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

Storm Water Drainage

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

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

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

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

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

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

Water Supply Network

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

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

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

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

E2-1 Fair value measurement (continued)

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

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

Sewerage Network

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

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

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

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

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

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

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

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

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

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

	<i>Fair value (30/6/23) 2023 \$ '000</i>	<i>Valuation technique/s</i>	<i>Unobservable inputs</i>
Infrastructure, property, plant and equipment			
Plant and equipment	6,644	Valued at cost disclosed at fair value in the notes	<ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value
Office equipment	253	Valued at cost disclosed at fair value in the notes	<ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value
Furniture and fittings	115	Valued at cost disclosed at fair value in the notes	<ul style="list-style-type: none"> • Gross replacement cost • Remaining useful life • Residual value
Operational land	295	Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value, having regard to the highest and best use for the land	<ul style="list-style-type: none"> • Land value based on price per square metre
Community land and Crown land	3,438	Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value, having regard to the highest and best use for the land	<ul style="list-style-type: none"> • Land value based on price per square metre
Buildings – non - specialised	12,438	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan as at 30/6/22. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour & materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Buildings – specialised	11,653	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan as at 30/6/22. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour & materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Other structures	4,598	Cost & Market approach used by external Valuers, Aspect Property Consultants, Nyngan as at 30/6/22. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Roads	73,072	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value

E2-1 Fair value measurement (continued)

	Fair value (30/6/23) 2023 \$ '000	Valuation technique/s	Unobservable inputs
Bulk earthworks	89,938	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Storm water drainage	9,669	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Water supply network	37,407	Cost Approach using Level 3 inputs due to no market based evidence. Indexation used in 2023.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Sewer network	10,244	Cost Approach using Level 3 inputs due to no market based evidence. Indexation used in 2023.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Bridges	11,419	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value
Footpaths	2,233	Cost Approach using Level 3 inputs due to no market based evidence used by External Valuers - Assetic as at 30/6/21. Indexation used in 2023 to keep replacement costs in line with increases to costs of labour and materials.	<ul style="list-style-type: none"> • Gross replacement cost • Asset condition • Remaining useful life • Residual value

E2-1 Fair value measurement (continued)

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

	<i>Plant and equipment</i>		<i>Office equipment</i>		<i>Furniture and fittings</i>		<i>Operational Land</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Opening balance	6,046	6,162	305	277	139	121	310	323
Total gains or losses for the period								
Other movements								
Purchases (GBV)	1,648	899	27	120	–	38	–	13
Disposals (WDV)	(192)	(203)	–	(3)	–	–	(35)	(43)
Depreciation and impairment	(858)	(812)	(79)	(89)	(24)	(20)	–	–
Other movement (Reval Increment)	–	–	–	–	–	–	20	17
Closing balance	6,644	6,046	253	305	115	139	295	310

	<i>Community/ crown land</i>		<i>Buildings non-specialised</i>		<i>Building specialised</i>		<i>Other structures</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Opening balance	2,809	2,809	11,114	9,172	10,731	8,242	3,545	3,030
Total gains or losses for the period								
Other movements								
Purchases (GBV)	138	–	342	2,258	549	111	881	327
Disposals (WDV)	–	–	–	–	–	–	(11)	–
Depreciation and impairment	–	–	(272)	(272)	(485)	(485)	(94)	(94)
Other movement (Reval Increment)	491	–	850	–	804	2,848	270	25
Other movement (Reval Decrements)	–	–	–	(255)	–	–	–	–
Other movement (WIP)	–	–	404	211	54	15	7	257
Closing balance	3,438	2,809	12,438	11,114	11,653	10,731	4,598	3,545

E2-1 Fair value measurement (continued)

	Roads		Bulk earthworks		Stormwater drainage		Water network	
	2023	2022	2023	2022	2023	2022	2023	2022
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	67,690	79,210	84,916	63,710	8,911	8,110	32,849	31,452
Total gains or losses for the period								
Other movements								
Purchases (GBV)	3,133	3,086	–	–	78	41	1,367	107
Disposals (WDV)	(146)	–	–	–	–	–	–	–
Depreciation and impairment	(1,730)	(1,730)	–	–	(7)	(7)	(569)	(534)
Other movement (Reval Increment)	3,899	–	5,022	21,206	687	767	2,504	1,824
Other movement (Reval Decrements)	–	(14,452)	–	–	–	–	–	–
Other movement (WIP)	226	1,576	–	–	–	–	1,256	–
Closing balance	73,072	67,690	89,938	84,916	9,669	8,911	37,407	32,849

	Bridges		Footpaths		Sewerage		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	10,936	11,737	2,047	1,790	9,733	9,488	252,081	235,633
Purchases (GBV)	–	–	128	6	–	–	8,291	7,006
Disposals (WDV)	–	–	–	–	–	–	(384)	(249)
Depreciation and impairment	(154)	(154)	(60)	(60)	(239)	(222)	(4,571)	(4,479)
Other movement (Reval Increment)	637	–	118	311	750	467	16,052	27,465
Other movement (Reval Decrements)	–	(647)	–	–	–	–	–	(15,354)
Other movement (WIP)	–	–	–	–	–	–	1,947	2,059
Closing balance	11,419	10,936	2,233	2,047	10,244	9,733	273,416	252,081

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

Buildings - non-specialised

\$745K was transferred into Buildings for GP Accommodation from Work-in-Progress in 2021/2022 and current year acquisitions.

E2-1 Fair value measurement (continued)

Buildings - specialised

\$100k was spent on toilet block at Shearing Shed Museum, \$120K on a new Toilet Block at Larkin Oval and \$18K on a range hood for Larkin Oval Canteen Facility, \$33K at the ELC for a new shed, \$89K for a Amenities Block at Collierreina Hall, \$50K on Coolabah Hall upgrades, \$51K resurfacing Hermidale Tennis Courts, \$18K at the Nyngan pool for a new pump, \$6K for extensions to the Pound, \$106K for sheds at the Bush Care and \$11K for upgrades to the Wye Pavillion.

Other Structures

New play equipment and sofffall at O'Reilly Park \$417K, new play equipment at the BSYCC \$171K, solar lights and steel cut-outs along walking path \$34K, Girilambone Park upgrades \$21K, Equipment Shed & Privacy Screen at Youth Centre \$21K, Additional security cameras \$11K, new flood lights at Nyngan Tennis Courts \$35K, Fencing at waste Facility \$18K, Extend Fencing at Pound \$5K, new fencing at Coolabah Village \$11K, Big Bogan Dog \$8K, Cairn Site Upgrade \$15K, Rodney Robb Arena irrigation \$24K, Walking Path drinking fountains \$11K, Septic Tank at Junior League Oval \$8K, shade structure on water slide \$6K and new seating and lighting around town \$74K

Roads

An amount of \$684k was transferred into roads for R2R Program resheeting, resealing and construction. \$86K was for resealing and resheeting from Fixing Local Roads program, \$314K was spent on Cockies Rd in the Block Repair Grant, \$140K was spent on bitumen sealing .95km Mulla Rd, \$92K was spent on the carpark at the Youth Centre, \$320K was spent on bitumen sealing 2km Pangee Rd, \$300K on local road re-sheeting and \$203K on kerb & gutter replacement all from the LRCI program and \$952K was for Pangee Street resurfacing.

Stormwater Assets

An amount of \$78K was transferred to Levee Bank for retaining wall.

Highest and best use

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

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

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

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

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

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

* For 180 Point Members, Employers are required to contribute 8% of salaries for the year ending 30 June 2023 (increasing to 8.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

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 2023 was \$44,287.03. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2022.

The amount of additional contributions included in the total employer contribution advised above is \$26,381.88. Council's expected contribution to the plan for the next annual reporting period is \$38,015.40.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is:

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

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

The share of any funding surplus or deficit that can be attributed to Council is 0.13%.

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

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

Investment return	6% per annum
Salary inflation *	3.5% per annum
Increase in CPI	6% for YY 22/23 2.5% per annum thereafter

*Plus promotional increases

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

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

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

E3-1 Contingencies (continued)

(iv) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

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

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

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

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

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

	2023	2022
	\$ '000	\$ '000
Compensation:		
Short-term benefits	1,730	1,238
Post-employment benefits	177	114
Other long-term benefits	37	31
Termination benefits	23	22
Total	1,967	1,405

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		<i>Transactions during the year</i> \$ '000 Ref	<i>Outstanding balances including commitments</i> \$ '000	<i>Terms and conditions</i>	<i>Impairment provision on outstanding balances</i> \$ '000	<i>Impairment expense</i> \$ '000
2023						
Supply of goods and service	1	49	–	30 days	–	–
Supply of service	2	5,316	–	14 days	–	–
Supply of goods	3	12	–	14 days	–	–
Supply of goods	1	3	–	14 days	–	–
Supply of goods and service	3	20	–	14 days	–	–
Supply of Goods or Service	3	9	–	14 days	–	–
2022						
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	78	–	14 days	–	–
Supply of Goods or Service	3	9	–	14 days	–	–

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

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

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

F1-2 Councillor and Mayoral fees and associated expenses

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	29	19
Councillors' fees	86	78
Other Councillors' expenses (including Mayor)	42	56
Total	157	153

F2 Other relationships

F2-1 Audit fees

	2023	2022
	Actual	Actual
	\$ '000	\$ '000

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	60	57
Other audit and assurance services (Internal Auditor)	13	6
Remuneration for audit and other assurance services	73	63
Total Auditor-General remuneration	73	63
Total audit fees	73	63

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Net operating result from Income Statement	17,789	9,938
Add / (less) non-cash items:		
Depreciation and amortisation	4,571	4,479
(Gain) / loss on disposal of assets	67	(65)
Share of net (profits)/losses of associates/joint ventures using the equity method	(13)	(5)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(6,341)	(5,529)
Increase / (decrease) in provision for impairment of receivables	20	(134)
(Increase) / decrease of inventories	(246)	4
(Increase) / decrease of other current assets	30	(27)
Increase / (decrease) in payables	2,289	609
Increase / (decrease) in accrued interest payable	(1)	(2)
Increase / (decrease) in other accrued expenses payable	(5)	49
Increase / (decrease) in other liabilities	19	11
Increase / (decrease) in contract liabilities	3,249	1,640
Increase / (decrease) in employee benefit provision	161	(76)
Net cash flows from operating activities	21,589	10,892

G2-1 Commitments

Details of capital commitments

Council has no Capital commitments as at 30 June 2023.

G3-1 Events occurring after the reporting date

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

G4 Statement of developer contributions as at 30 June 2023

G4-1 Summary of developer contributions

	Opening balance at 1 July 2022 \$ '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 2023 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash Land \$ '000	Non-cash Other \$ '000					
S7.4 planning agreements	216	-	-	-	-	-	-	216	-
Total contributions	216	-	-	-	-	-	-	216	-

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	Amounts 2023	Indicator 2023	Indicator 2022	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	5,660	15.31%	7.54%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	36,961			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	17,179	34.96%	42.57%	> 60.00%
Total continuing operating revenue ¹	49,144			
3. Unrestricted current ratio				
Current assets less all external restrictions	29,604	2.69x	2.54x	> 1.50x
Current liabilities less specific purpose liabilities	10,996			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	10,300	53.65x	34.76x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	192			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	903	14.42%	13.86%	< 10.00%
Rates and annual charges collectable	6,262			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	23,359	10.15 months	8.99 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	2,301			

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

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

G5-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2023	2022	2023	2022	2023	2022	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	18.62%	9.34%	(13.53)%	2.42%	(64.53)%	(56.38)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	36.09%	41.94%	25.16%	40.39%	98.69%	98.52%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	2.69x	2.54x	1.81x	44.75x	4.83x	745.00x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	53.11x	32.13x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	13.52%	12.80%	18.76%	18.77%	16.53%	16.53%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	9.98 months	8.41 months	0.00	3.84 months	40.81 months	41.75 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

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

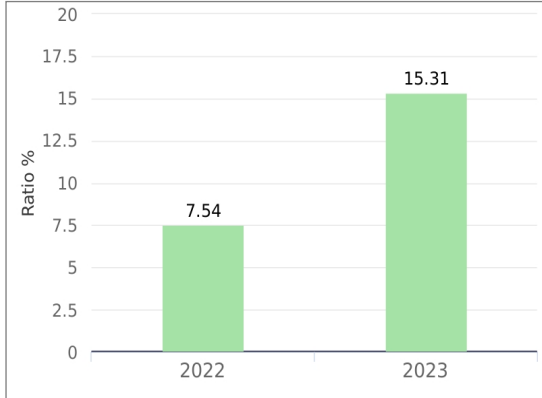
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

H Additional Council disclosures (unaudited)

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

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2022/23 result

2022/23 ratio 15.31%

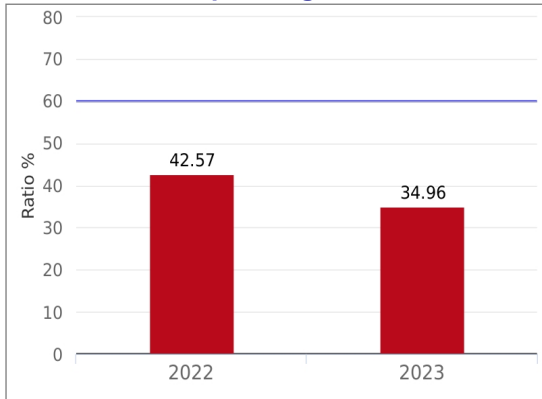
Council has been able maintain operating expenditure within operating income in 2022/2023 due to the significant additional grant income that Council has received.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark
Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

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

Commentary on 2022/23 result

2022/23 ratio 34.96%

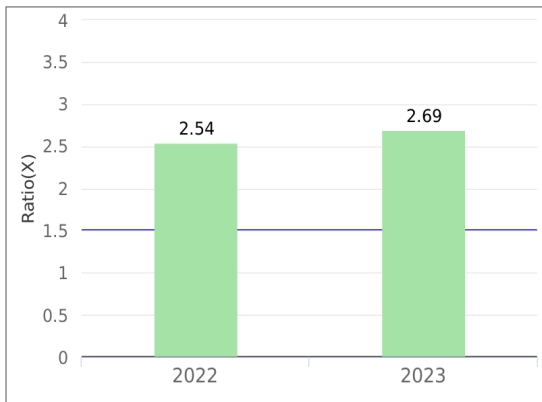
Council relies heavily on the current Financial Assistance Grant to assist fund both the Early Learning Centre and the Medical Centre as well as other services for Council. Council has limited opportunities to raise revenue through rates to fund its operations and with continual increases to operational costs Council would be unable to meet these 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 2022/23 result

2022/23 ratio 2.69x

Council continues to meet the benchmark for this ratio.

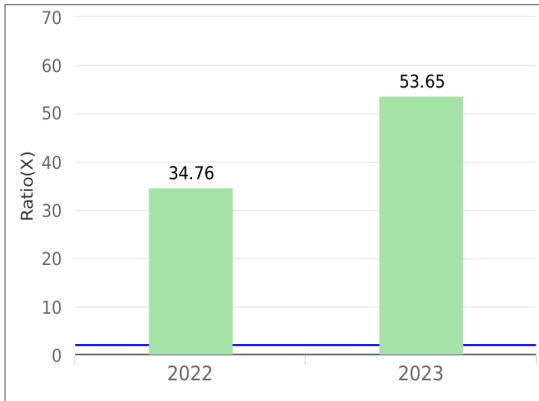
Benchmark: — > 1.50x

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 2022/23 result

2022/23 ratio 53.65x

Council continues to meet the benchmark for this ratio.

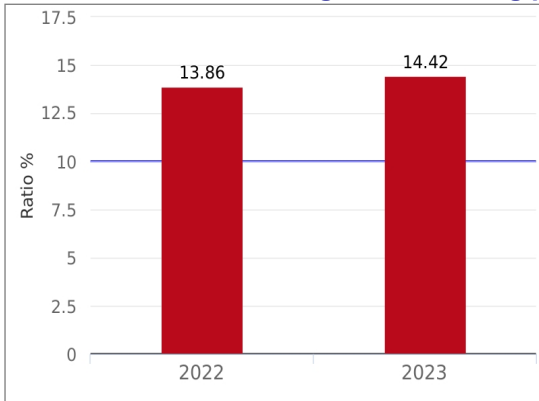
Benchmark: — > 2.00x

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 2022/23 result

2022/23 ratio 14.42%

Council ratepayers are mostly meeting their commitments however a few long-term outstanding debts are keeping this ratio above the benchmark. Council has a Sale of Land scheduled for 2023/2024.

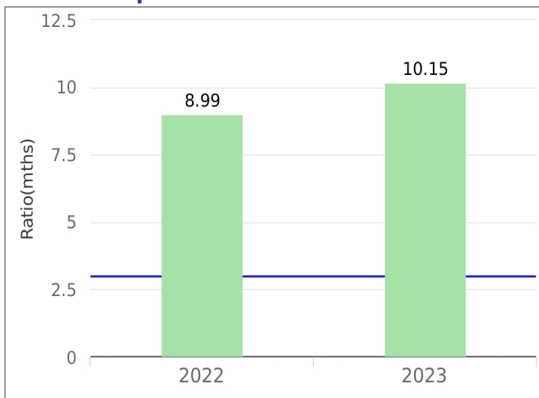
Benchmark: — < 10.00%

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 2022/23 result

2022/23 ratio 10.15 months

Councils liquidity ratio remains above the benchmark in 2022/2023.

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

Principal place of business:

81 Cobar Street
Nyngan NSW 2825

Contact details

Mailing Address:

PO Box 221
Nyngan NSW 2825

Telephone: 02 6835 9000

Facsimile: 02 6835 9011

Opening hours:

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

Internet: www.bogan.nsw.gov.au

Email: admin@bogan.nsw.gov.au

Officers

General Manager

D A Francis

Responsible Accounting Officer

S A Waterhouse

Public Officer

Auditor General

Auditors

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

Elected members

Mayor

G R J Neill

V J Boag

W G Deacon

J L Douglas

A J Elias

G N Jackson

D J Menzies

K J Bright

R Milligan

Other information

ABN: 68 886 242 083



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

I have audited the accompanying financial statements of Bogan Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, 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 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

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

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

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



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

6 October 2023
SYDNEY



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

Contact: Manuel Moncada
 Phone no: 02 9275 7333
 Our ref: R008-16585809-45303

6 October 2023

Dear Mayor

**Report on the Conduct of the Audit
 for the year ended 30 June 2023
 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 2023 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 2023 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

	2023	2022	Variance
	\$m	\$m	%
Rates and annual charges revenue	5.35	5.21	↑ 2.7
Grants and contributions revenue	31.97	20.61	↑ 55.1
Operating result from continuing operations	17.79	9.94	↑ 79.0
Net operating result before capital grants and contributions	5.61	2.20	↑ 155

Council's operating result (\$17.79 million including the effect of depreciation and amortisation expense of \$4.57 million) was \$7.85 million higher than the 2021–22 result. This was due to increased revenue from grants and contributions.

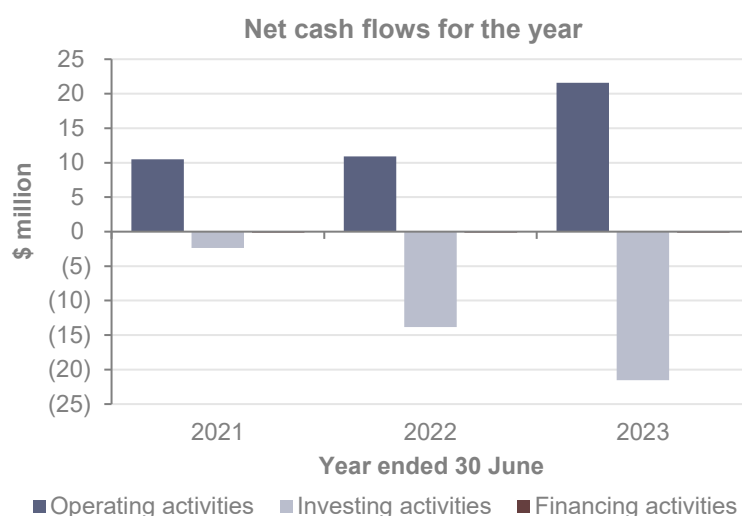
The net operating result before capital grants and contributions (\$5.61 million) was \$3.41 million higher than the 2021–22 result. This was primarily due to increased revenue from operating grants.

Rates and annual charges revenue (\$5.35 million) increased by \$0.14 million (2.7 per cent) in 2022–2023.

Grants and contributions revenue (\$31.97 million) increased by \$11.36 million (55.1 per cent) in 2022–2023 due to due to increased funding for capital projects and the receipt of additional advance payments of financial assistance 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 \$84,000 at the close of the year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2023	2022	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	23.4	17.4	<ul style="list-style-type: none"> External restrictions include unspent specific purpose grants and water and sewerage funds. Balances are internally allocated due to Council policy or decisions for forward plans including works program.
Restricted cash and investments:			
<ul style="list-style-type: none"> External restrictions Internal allocations 	7.7 15.3	3.9 12.2	

Debt

After repaying principal and interest of \$192,000 total debt as at 30 June 2023 was \$2.1 million (2022: \$2.2 million).

PERFORMANCE

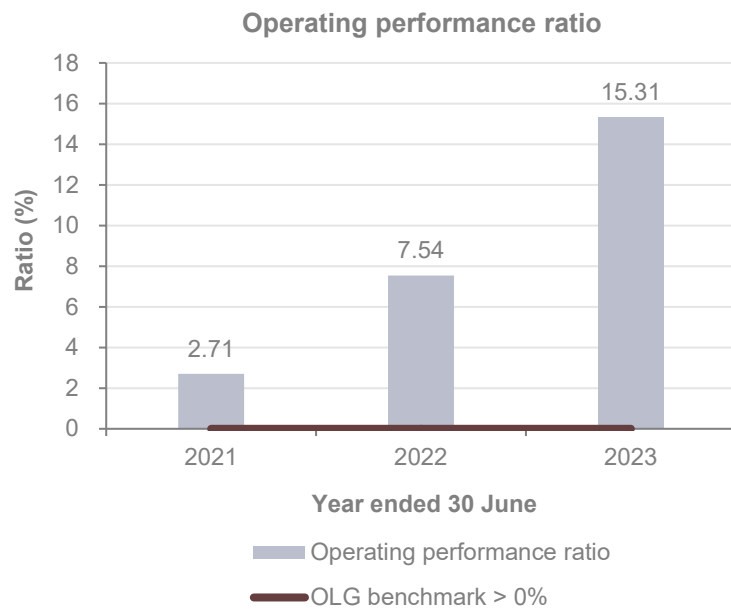
Performance measures

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.

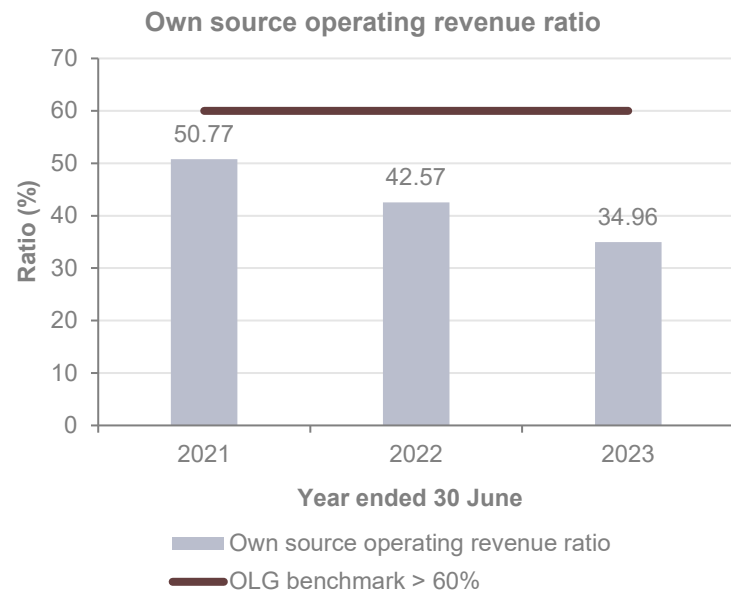
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

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

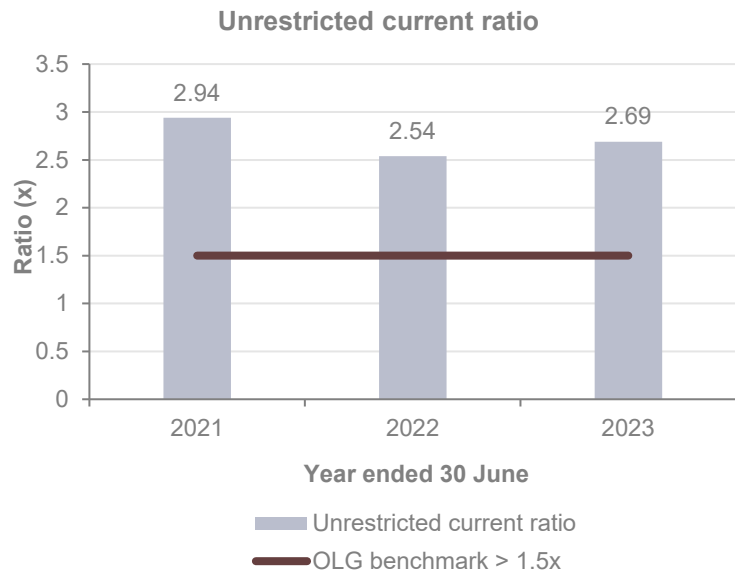
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

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

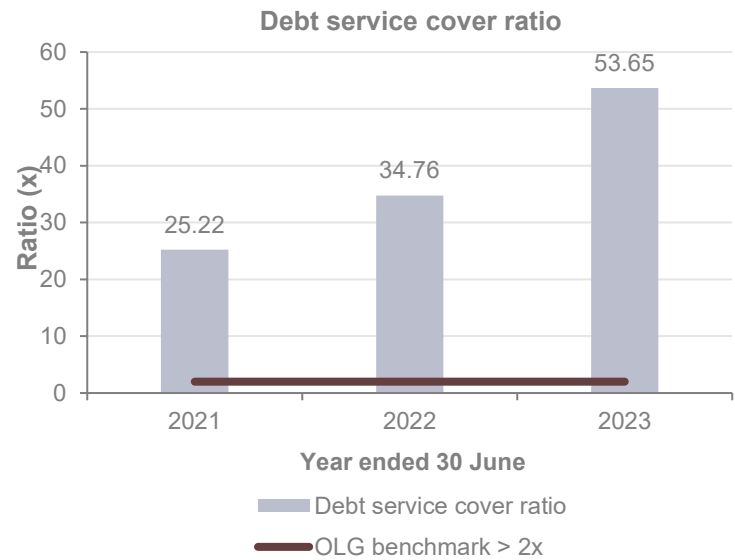
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

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

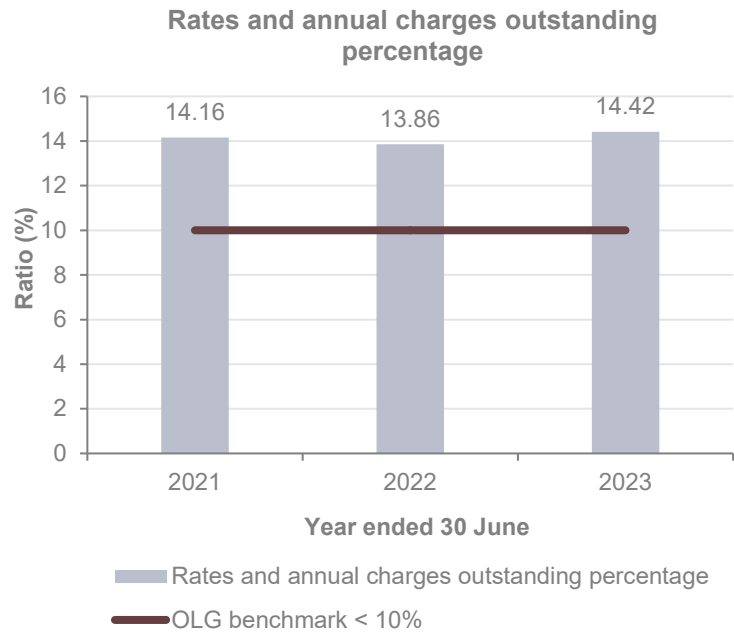
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

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

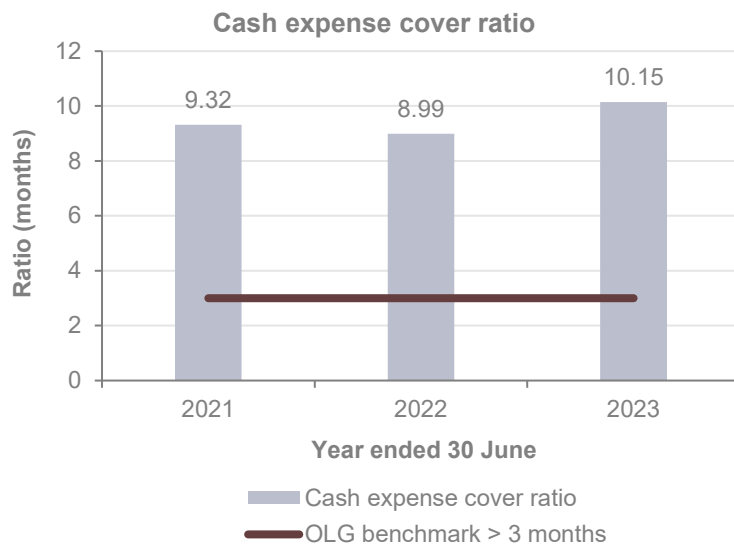
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for metropolitan councils.



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 \$6.3 million compared to \$4 million for the prior year.
- Renewals primarily consisted of plant, roads, and other infrastructure.
- The level of asset renewals during the year represented 138 percent of the total depreciation expense (\$4.6 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 at 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 2023



Bogan Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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

Background

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

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

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

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

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

Bogan Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 24 August 2023.



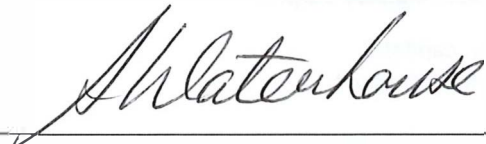
G R J Neill
Mayor
24 August 2023



V J Boag
Councillor
24 August 2023



D A Francis
General Manager
24 August 2023



S A Waterhouse
Responsible Accounting Officer
24 August 2023

Bogan Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2023

	2023 <i>Actual</i> \$ '000	2022 <i>Actual</i> \$ '000
Income from continuing operations		
Access charges	869	863
User charges	1,253	1,144
Interest and investment income	20	26
Grants and contributions provided for operating purposes	9	150
Other income	15	9
Total income from continuing operations	2,166	2,192
Expenses from continuing operations		
Employee benefits and on-costs	331	294
Materials and services	1,447	1,245
Depreciation, amortisation and impairment	569	534
Water purchase charges	111	66
Other expenses	1	–
Total expenses from continuing operations	2,459	2,139
Surplus (deficit) from continuing operations before capital amounts	(293)	53
Grants and contributions provided for capital purposes	6,408	2,864
Surplus (deficit) from continuing operations after capital amounts	6,115	2,917
Surplus (deficit) from all operations before tax	6,115	2,917
Less: corporate taxation equivalent (25%) [based on result before capital]	–	(13)
Surplus (deficit) after tax	6,115	2,904
Plus accumulated surplus	19,735	16,818
– Corporate taxation equivalent	–	13
Closing accumulated surplus	25,850	19,735
Return on capital %	(0.6)%	0.1%
Subsidy from Council	2,148	1,323
Calculation of dividend payable:		
Surplus (deficit) after tax	6,115	2,904
Less: capital grants and contributions (excluding developer contributions)	(6,408)	(2,864)
Surplus for dividend calculation purposes	–	40
Potential dividend calculated from surplus	–	20

Bogan Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2023

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Income from continuing operations		
Access charges	363	357
User charges	159	148
Interest and investment income	71	20
Grants and contributions provided for operating purposes	8	8
Other income	8	8
Total income from continuing operations	609	541
Expenses from continuing operations		
Employee benefits and on-costs	119	120
Materials and services	641	504
Depreciation, amortisation and impairment	239	222
Other expenses	3	–
Total expenses from continuing operations	1,002	846
Surplus (deficit) from continuing operations before capital amounts	(393)	(305)
Surplus (deficit) from continuing operations after capital amounts	(393)	(305)
Surplus (deficit) from all operations before tax	(393)	(305)
Surplus (deficit) after tax	(393)	(305)
Plus accumulated surplus	6,516	6,821
Closing accumulated surplus	6,123	6,516
Return on capital %	(3.8)%	(3.1)%
Subsidy from Council	806	662
Calculation of dividend payable:		
Surplus (deficit) after tax	(393)	(305)

Bogan Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2023

	2023 <i>Actual</i> \$ '000	2022 <i>Actual</i> \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	–	513
Receivables	4,127	1,277
Total current assets	4,127	1,790
Non-current assets		
Receivables	653	673
Infrastructure, property, plant and equipment	46,139	37,602
Total non-current assets	46,792	38,275
Total assets	50,919	40,065
LIABILITIES		
Current liabilities		
Contract liabilities	52	–
Payables	2,225	40
Total current liabilities	2,277	40
Total liabilities	2,277	40
Net assets	48,642	40,025
EQUITY		
Accumulated surplus	25,850	19,735
Revaluation reserves	22,792	20,290
Total equity	48,642	40,025

Bogan Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2023

	2023 <i>Actual</i> \$ '000	2022 <i>Actual</i> \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	2,595	2,171
Receivables	107	64
Total current assets	2,702	2,235
Non-current assets		
Receivables	206	271
Infrastructure, property, plant and equipment	10,269	9,758
Total non-current assets	10,475	10,029
Total assets	13,177	12,264
LIABILITIES		
Current liabilities		
Contract liabilities	560	-
Payables	-	3
Total current liabilities	560	3
Total liabilities	560	3
Net assets	12,617	12,261
EQUITY		
Accumulated surplus	6,123	6,516
Revaluation reserves	6,494	5,745
Total equity	12,617	12,261

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 2021 (Regulation)* and the Local Government Code of Accounting Practice and Financial Reporting.

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

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

a. Bogan Shire Council Combined Water Supplies

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

Category 2

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

b. Bogan Shire Council Sewerage Service

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

Taxation equivalent charges

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

Notional rate applied (%)

Corporate income tax rate – **25%** (21/22 25%)

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

Note – Significant Accounting Policies (continued)

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

In accordance with section 4 of Department of Planning and Environment (DPE) – Water's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

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

Achievement of substantial compliance to sections 3 and 4 of DPE – Water's regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25% (21/22 25%).

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

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

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.02% at 30/6/23.

(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 2023, the Statement of Financial Position of each Declared Business Activity as at 30 June 2023 and 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 2023, 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 2022–23 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the 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 2023 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. 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', written in a cursive style.

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

6 October 2023
SYDNEY

Bogan Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2023



Bogan Shire Council

Special Schedules

for the year ended 30 June 2023

Contents

Page

Special Schedules:

Permissible income for general rates 3

Report on infrastructure assets as at 30 June 2023 6

Bogan Shire Council

Permissible income for general rates

	Notes	Calculation 2022/23 \$ '000	Calculation 2023/24 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	3,124	3,096
Plus or minus adjustments ²	b	(86)	35
Notional general income	c = a + b	3,038	3,131
Permissible income calculation			
Or rate peg percentage	e	2.00%	3.70%
Or plus rate peg amount	i = e x (c + g)	61	116
Sub-total	k = (c + g + h + i + j)	3,099	3,247
Plus (or minus) last year's carry forward total	l	93	3
Sub-total	n = (l + m)	93	3
Total permissible income	o = k + n	3,192	3,250
Less notional general income yield	p	3,096	3,228
Catch-up or (excess) result	q = o - p	96	22
Less unused catch-up ³	s	(93)	-
Carry forward to next year ⁴	t = q + r + s	3	22

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 2024.

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 2022–23 (LG Code) and is in accordance with the books and records of the Council.

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2023 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 2023'.

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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



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

6 October 2023
SYDNEY

Bogan Shire Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost		2022/23 Required maintenance ^a	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Buildings	Administration & Governance	100	100	100	–	805	2,401	0.0%	0.0%	100.0%	0.0%	0.0%
	Public Order & Safety	10	10	10	9	857	1,086	0.0%	52.0%	48.0%	0.0%	0.0%
	Health	30	30	30	12	2,673	3,758	0.0%	78.0%	22.0%	0.0%	0.0%
	Solid Waste Management	–	–	–	–	156	199	0.0%	100.0%	0.0%	0.0%	0.0%
	Welfare & Community Services	10	10	10	67	1,935	2,599	41.0%	59.0%	0.0%	0.0%	0.0%
	Housing & Community Amenities	250	250	250	210	3,567	4,441	6.0%	19.0%	75.0%	0.0%	0.0%
	Cemeteries	20	20	20	88	20	24	0.0%	0.0%	100.0%	0.0%	0.0%
	Libraries	25	20	25	3	859	1,475	0.0%	0.0%	100.0%	0.0%	0.0%
	Museums & Cultural Heritage	30	30	30	–	69	316	0.0%	0.0%	100.0%	0.0%	0.0%
	Community Centres & Halls	400	200	400	–	4,543	10,841	22.0%	0.0%	67.0%	11.0%	0.0%
	Sporting Grounds and Venues	–	–	–	–	4,979	9,006	8.0%	11.0%	77.0%	4.0%	0.0%
	Parks & Gardens	–	–	–	–	362	812	6.0%	94.0%	0.0%	0.0%	0.0%
	Swimming Pool	100	100	100	–	1,561	3,492	1.0%	1.0%	98.0%	0.0%	0.0%
	Transport	–	–	–	54	1,699	3,892	1.0%	1.0%	95.0%	3.0%	0.0%
	Other Economic Affairs	–	–	–	2	6	44	0.0%	0.0%	24.0%	76.0%	0.0%
	Sub-total	975	770	975	445	24,091	44,386	10.3%	17.8%	68.1%	3.8%	0.0%
Other structures	Museums & Cultural Heritage	–	–	–	–	–	26	100.0%	0.0%	0.0%	0.0%	0.0%
	Housing & Community Amenities	–	–	–	–	11	11	100.0%	0.0%	0.0%	0.0%	0.0%
	Administration & Governance	–	–	–	–	11	24	100.0%	0.0%	0.0%	0.0%	0.0%
	Public Order & Safety	–	–	–	–	12	14	1.0%	99.0%	0.0%	0.0%	0.0%
	Health	–	–	–	–	13	15	0.0%	100.0%	0.0%	0.0%	0.0%
	Solid Waste Management	–	–	–	–	122	141	0.0%	91.0%	9.0%	0.0%	0.0%
	Welfare & Community Services	–	–	–	–	16	18	0.0%	100.0%	0.0%	0.0%	0.0%
	Cemeteries	–	–	–	–	58	72	77.0%	8.0%	15.0%	0.0%	0.0%
	Libraries	–	–	–	–	20	27	0.0%	100.0%	0.0%	0.0%	0.0%
	Community Centres & Halls	–	–	–	–	200	351	0.0%	0.0%	100.0%	0.0%	0.0%
	Sporting Grounds & Venues	150	100	150	200	1,652	2,601	8.0%	33.0%	57.0%	2.0%	0.0%
	Parks & Gardens	20	20	20	199	1,586	2,098	8.0%	5.0%	86.0%	1.0%	0.0%
	Swimming Pool	20	20	20	10	532	634	51.0%	44.0%	5.0%	0.0%	0.0%
	Transport	15	15	15	–	176	244	54.0%	33.0%	13.0%	0.0%	0.0%
	Other Economic Affairs	–	–	–	–	189	598	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub-total	205	155	205	409	4,598	6,874	13.8%	22.3%	62.9%	1.1%	(0.1%)

Bogan Shire Council

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

Asset Class	Asset Category	Estimated cost		2022/23 Required maintenance ^a	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Roads	Bridges	50	50	50	–	11,419	20,269	0.0%	71.0%	29.0%	0.0%	0.0%
	Footpaths	130	130	130	–	2,233	5,004	5.0%	17.0%	60.0%	18.0%	0.0%
	Kerb & Gutter	100	100	100	–	3,240	5,597	5.0%	40.0%	53.0%	2.0%	0.0%
	Traffic Island	20	20	20	–	49	90	0.0%	23.0%	77.0%	0.0%	0.0%
	Floodways	10	10	10	–	740	1,235	0.0%	8.0%	89.0%	3.0%	0.0%
	Signs	–	–	–	–	521	984	10.0%	3.0%	82.0%	5.0%	0.0%
	Bus Shelters	10	10	10	–	11	27	0.0%	0.0%	100.0%	0.0%	0.0%
	Culverts	70	70	70	–	9,214	15,840	0.0%	2.0%	96.0%	2.0%	0.0%
	Regional Road Sealed - Pavement	135	135	135	474	4,913	6,608	0.0%	80.0%	20.0%	0.0%	0.0%
	Regional Road Sealed - Surface	450	450	450	177	1,371	2,213	0.0%	66.0%	34.0%	0.0%	0.0%
	Regional Road - Unsealed Pavement	150	150	150	90	2,479	3,336	0.0%	25.0%	75.0%	0.0%	0.0%
	Rural Road Sealed - Pavement	150	150	150	1,048	23,411	34,254	0.0%	96.0%	4.0%	0.0%	0.0%
	Rural Road Sealed - Surface	340	340	340	430	9,207	14,804	0.0%	1.0%	98.0%	0.0%	1.0%
	Rural Road Sealed - Shoulder	–	–	–	–	300	525	0.0%	0.0%	100.0%	0.0%	0.0%
	Rural Road - Unsealed Pavement	500	500	500	4,920	17,616	26,648	0.0%	26.0%	72.0%	2.0%	0.0%
	Bulk earthworks	–	–	–	–	89,938	89,938	100.0%	0.0%	0.0%	0.0%	0.0%
Sub-total		2,115	2,115	2,115	7,139	176,662	227,372	39.8%	28.8%	30.4%	0.9%	0.1%
Water supply network	Mains	150	150	150	109	18,656	25,935	10.0%	43.0%	26.0%	21.0%	0.0%
	Potable Water Storage	20	20	20	–	1,590	3,462	2.0%	96.0%	1.0%	0.0%	1.0%
	Pumping Station/s	140	140	140	170	388	824	16.0%	58.0%	3.0%	22.0%	1.0%
	Raw Water Storage	20	20	20	215	14,729	16,242	100.0%	0.0%	0.0%	0.0%	0.0%
	Treatment	500	500	500	189	2,044	6,345	1.0%	42.0%	30.0%	27.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total		830	830	830	683	37,407	52,808	36.2%	33.4%	16.5%	13.9%
Sewerage network	Pumping Station/s	20	20	20	33	1,243	2,414	1.0%	93.0%	5.0%	1.0%	0.0%
	Treatment	50	50	50	39	2,574	3,040	1.0%	92.0%	6.0%	1.0%	0.0%
	Reticulation	90	90	90	304	6,427	14,963	1.0%	77.0%	22.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total		160	160	160	376	10,244	20,417	1.0%	81.1%	17.6%	0.3%

Bogan Shire Council

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

Asset Class	Asset Category	Estimated cost		2022/23 Required maintenance ^a	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Stormwater drainage	Open Drain	–	–	–	–	1,200	1,200	100.0%	0.0%	0.0%	0.0%	0.0%
	Levee	10	10	10	9	8,360	8,372	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	–	–	–	–	107	293	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub-total	10	10	10	9	9,669	9,878	92.7%	0.0%	7.3%	0.0%	0.0%
Total – all assets		4,295	4,040	4,295	9,061	262,671	361,735	34.4%	30.2%	32.3%	3.1%	0.0%

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

Infrastructure asset condition assessment 'key'

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

Bogan Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	<i>Amounts</i> 2023	<i>Indicator</i> 2023	<i>Indicator</i> 2022	<i>Benchmark</i>
Buildings and infrastructure renewals ratio				
Asset renewals ¹	6,236	172.74%	148.03%	> 100.00%
Depreciation, amortisation and impairment	3,610			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	4,295	1.57%	1.72%	< 2.00%
Net carrying amount of infrastructure assets	273,179			
Asset maintenance ratio				
Actual asset maintenance	9,061	210.97%	153.06%	> 100.00%
Required asset maintenance	4,295			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	4,040	1.12%	1.22%	
Gross replacement cost	361,735			

(*) 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 2023

Infrastructure asset performance indicators (by fund)

\$ '000	<i>General fund</i>		<i>Water fund</i>		<i>Sewer fund</i>		<i>Benchmark</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	
Buildings and infrastructure renewals ratio							
Asset renewals ¹							
Depreciation, amortisation and impairment	222.56%	187.97%	0.00%	0.00%	0.00%	0.00%	> 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	1.47%	1.59%	2.22%	2.53%	1.56%	1.64%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	242.12%	180.35%	82.29%	47.83%	235.00%	140.00%	> 100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	1.06%	1.14%	1.57%	1.78%	0.78%	0.84%	

(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.

This page has been intentionally left blank

Annexure Two Objectives and Performance



Strategy 1.1.1				
Continue to support and create opportunities for community festivals, events and cultural activities through direct involvement and various forms of assistance.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Hold Australia Day and ANZAC Day events and activities.	C		Director People and Community Services
ii	Seek sponsorship for and organise the Christmas Lights and Rural Mailbox Competitions	C		Director People and Community Services
iii	Provide facilities for the Nyngan Show, Ag Expo, Anzac Day, Australia Day, Duck Creek and other community events.	PNI		Director Engineering Services
iv	Support a range of local community organisations and events.	C		Director People and Community Services
v	Support and encourage arts and culture, including membership of Outback Arts and funding from Bogan Shire Council Arts Fund.	C		Director People and Community Services
vi	Conduct citizenship ceremonies	PNI		General Manager
Strategy 1.1.2				
Promote, support and preserve connections to local heritage and culture recognising the role they play in tourism and economic development of the Shire.				
	Activities 2022/23	Status	Action Comments	Council Lead
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		General Manager
Strategy 1.1.3				
Identify, respect and preserve sites and items of historical significance.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain and preserve Council owned historic buildings	PWI	Front rooms in Nyngan Town Hall affected by leaking roof and have been closed off	Director Development and Environmental Services
Strategy 1.1.4				
Develop and support volunteer groups to carry out functions and projects for the benefit of the community and volunteers.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work with volunteer groups to support their activities. (e.g. administrative support and assistance with grant applications)	C		Director People and Community Services
ii	Support National Tree Day	PNI		Director Development and 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	PWI	Arrangements under review by Internal Auditor	General Manager
Strategy 1.2.1				
Provide and maintain Nyngan Pool facilities to cater for a variety of users.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Operate the Nyngan Pool and maintain best practice standards	PWI	Investigation of significant water leak continuing	Director Development and Environmental Services

Strategy 1.2.2**Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Continue to maintain and upgrade main street and other key gardens and parks	PNI		Director Development and Environmental Services
ii	Continue to maintain and upgrade parks and reserves	PNI		Director Engineering Services
iii	Management and maintenance of the cemetery in accordance with the Plan of Management	PNI		Director Development and Environmental Services

Strategy 1.2.3**Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain sporting grounds to a high standard	PNI		Director Engineering Services
ii	Consult with user groups to ensure that facilities are maintained and improved to suit their requirements	PNI		Director Engineering Services

Strategy 1.2.4**Provide well maintained community halls and other similar facilities for community use.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Develop progressive maintenance and repair program for all Shire halls and community facilities	PNI		Director Engineering Services

Strategy 1.2.5**Provide well maintained Shire showground and equestrian facilities for community use.**

	Activities 2022/23	Status	Action Comments	Council Lead
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

Strategy 1.2.6**Support operation of a Youth Centre that is maintained for recreational, educational and cultural activities.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Support the operation of the Bogan Shire Youth and Community Centre.	PNI		Director People and Community Services

Strategy 1.2.7				
Provide and promote quality Library services.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Provide and promote well maintained facilities and access to printed and online information and other resources.	PNI		Director People and Community Services
ii	Maintain North Western Regional Library Service partnership and carry out all obligations under the partnership agreement.	PNI		Director People and Community Services
Strategy 1.3.1				
Provide childcare facilities, preschools, after hours care and playgroups that meet the needs of the whole community.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Operate Bogan Shire Early Learning Centre	PWI	National shortage of Early Childhood Educators has impacted the operations of the Service. Recent recruitment efforts have been successful in addressing this to some extent.	Director People and Community Services
ii	Continue to provide the Bush Mobile playgroup and childcare service.	PWI	National shortage of Early Childhood Educators has impacted the operations of the Service. Recent recruitment efforts have been successful in addressing this to some extent.	Director People and Community Services
iii	Lobby Government to address the need for before and after school care	PWI	Informed by Department of Education that the process is underway. Council has resolved to request a status update and timeline from the Department and, if necessary, the Minister.	Director People and Community Services
Strategy 1.3.2				
Provide opportunities for young people to be actively engaged in the community, including input into development, design and planning for programs, services and infrastructure in which they are a stakeholder or user group.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work with the community and Government agencies to understand issues and lobby Government to address them	PNI		General Manager
ii	Work with Bogan Shire Youth and Community Committee to develop, design and plan programs, services and infrastructure	PNI		Director People and Community Services
iii	Source funding for Youth Week activities and/or events including StormCo	PNI		Director People and Community Services
Strategy 1.3.3				
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.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Monitor and review the DIAP to support the community	PNI		Director People and Community Services
Strategy 1.3.4				
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.				
	Activities 2022/23	Status	Action Comments	Council Lead
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

Strategy 1.3.5				
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.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Operate the Bogan Shire Seniors Living Units	PNI		Director Finance and Corporate Services
ii	Lobby service providers and government on behalf of the community	PNI		General Manager
Strategy 1.4.1				
Provide a range of high quality primary and secondary education and vocational training facilities and opportunities.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work with the schools, TAFE, community and Government agencies to understand issues and lobby Government to address them	PNI		General Manager
ii	Provide scholarships to all schools at annual awards nights	C		General Manager
Strategy 1.4.2				
Provide support and encouragement for local people to obtain work in Bogan Shire after completing tertiary education.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work with the community and Government agencies to understand issues and lobby Government to address them	PNI		General Manager
Strategy 1.5.1				
Work with the community and governments to ensure health services and facilities meet the needs of residents and visitors.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work closely with community groups to lobby on behalf of the community	PNI		General Manager
ii	Liaise with Western LHD to resolve relevant issues	PWI	Significant issue relating to closed beds at Nyngan Residential Aged Care facility linked to critical shortage of nurses. Community Committee, initiated by Local Member, Roy Butler has been meeting to discuss ways this can be addressed.	General Manager
iii	Operate the Bogan Shire Medical Centre	PNI		Director People and Community Services
iv	Provide facilities for dental services in Nyngan	PNI		Director Finance and Corporate Services
Strategy 1.6.1				
Protect people and property from fire related incidents.				
	Activities 2022/23	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	PNI		General Manager
ii	Implement hazard reduction program for villages and rural properties	PNI		Director Engineering Services

Strategy 1.6.2

Provide an appropriate level of ambulance services for the community.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Monitor availability of a 24 hour Ambulance Service for the Shire	PNI		General Manager

Strategy 1.6.3

Improve community safety and maintain low crime levels.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Participate in meetings with NSW Police to discuss and address any issues	PNI		General Manager
ii	Support by agreement with NSW Police the recruitment of Police through provision of housing at market rental	PNI		General Manager

Strategy 2.1.1

Efficient local and regional transport networks that meet community and business needs.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Adopt and implement the asset management plan for all shire roads	PNI		Director Engineering Services
ii	Maintain Shire Roads in accordance with standards expressed in our asset management plan and our annual maintenance program	PNI		Director Engineering Services
iii	Construct Shire Roads in accordance with community and council priorities	PNI		Director Engineering Services
iv	Maintain supporting infrastructure such as parking, footpaths, kerbs and gutters, and street furniture to current standards.	PNI		Director Engineering Services
v	Design and construct bikeways and footpaths incorporating tree shade cover	PNI	New projects identified in the recently completed Active Transport Plan	Director Engineering Services
vi	Investigate funding for development of Active Transport Plan and develop the plan	PNI	New Active Transport Plan recently completed	Director Engineering Services

Strategy 2.1.2

Maintain state road networks to ensure provision of efficient transport links.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain State Roads on behalf of RMS	PNI	Ongoing within approved programmes and funding - RMS now Transport for NSW (TfNSW)	Director Engineering Services
ii	Work with the RMS to ensure current standards of road safety are maintained	PNI		Director Engineering Services

Strategy 2.2.1				
Encouraged increased use of rail for transporting agricultural and mining products.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work with and lobby State Government and UGL Linx to maintain and improve reliable freight transport network	PNI		General Manager
ii	Work with UGL Linx, the RMS and NSW Police to ensure current standards of rail and crossing safety are maintained and promoted within the community	NP	The safety of Hoskins Street level crossing remains a concern. Council has consistently followed up with numerous State Government representatives with no positive outcomes on improved safety at this location.	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 2022/23	Status	Action Comments	Council Lead
i	Maintain water supply to best practice standards	PNI	Investigation for new water treatment plant has commenced	Director Engineering Services
ii	Implement an ongoing program or capital works improvements and enhancements and asset management to ensure the responsible management of water supply to the area and surrounding villages	PNI		Director Engineering Services
iii	Maintain water supply infrastructure to relevant NSW Government Standards	PNI	Investigation for new water treatment plant has commenced	Director Engineering Services
iv	Continue active involvement in Lower Macquarie Water Utilities Alliance	PNI		Director Engineering Services
v	Develop regional Water Quality Improvement Plans	PNI		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 2022/23	Status	Action Comments	Council Lead
i	Continue construction of infrastructure to ensure security of Nyngan's water supply, subject to government funding	PNI		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 2022/23	Status	Action Comments	Council Lead
i	Maintain sewer infrastructure to relevant NSW Government standards	PNI		Director Engineering Services
ii	Monitor and review the development of a database of all sewerage management systems within the Local Government Area	NP	Not resourced to undertake this activity	Director Development and Environmental Services
iii	Ensure our compliance with the EPA license by regularly testing the waste water for treated effluent re-use and disposal.	PNI		Director Engineering Services

Strategy 2.4.2				
Ensure effective management of liquid trade waste.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Continue implementation of Trade Waste Policy, including licencing practices and inspections	NP	Not resourced to undertake this activity	Director Development and Environmental Services
Strategy 2.5.1				
Maximise the coverage and availability of telecommunications infrastructure across the Shire.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Lobby service providers and government on behalf of the community	PNI		General Manager
Strategy 3.1.1				
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.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Implement and monitor the operations of the LEP 2011 and DCP 2012, proposing amendments where necessary	PWI	Awaiting advice from Dept of Planning on reclassification of land	Director Development and Environmental Services
ii	Define and prioritise plans of management for public land	PNI		Director Finance and Corporate Services
iii	Develop Rural Residential Strategy	PWI	Housing strategy being developed	Director Development and Environmental Services
Strategy 3.1.2				
Development complies with Planning legislation, Local Government Act, Building Code of Australia and Local Council Policies.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Ensure all development complies with LEP and DCP	PNI		Director Development and Environmental Services
ii	Effectively manage development applications, construction certificate process, Principal Certifying Authority process, and orders processed for lawful development	PNI		Director Development and Environmental Services
Strategy 3.1.3				
Ensure our community's buildings are safe, healthy and maintained.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	All essential services measures to be inspected and the register maintained	NP	Not currently resourced to undertake this activity	Director Development and Environmental Services
ii	Develop an asset management plan for Council's buildings	PNI		Director Finance and Corporate Services
iii	Issue planning and building certificates including effective customer service	PNI		Director Development and Environmental Services
iv	Investigate concerns or complaints in relation to overgrown allotments and buildings in a state of disrepair	PNI		Director Development and Environmental Services

Strategy 3.1.4**Develop and implement flood management plans for all urban flood plain areas.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain stormwater management infrastructure	PNI		Director Engineering Services
ii	Review requirements under LEP and DCP for Flood Management	PNI		Director Development and Environmental Services
iii	Develop, review and implement Flood Risk Management Plan in accordance with NSW Government Guidelines	NP	Grant application submitted to fund Flood Risk Management Study and Plan	Director Development and Environmental Services

Strategy 3.2.1**Provide efficient and cost effective kerbside collection of solid and recyclable waste.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Provide, monitor and review kerbside waste service collections and volumes	PNI		Director Development and Environmental Services
ii	Provide, monitor and review kerbside recycling service in order to reduce contamination rates	PNI		Director Development and Environmental Services

Strategy 3.2.2**Provide Bogan Shire waste facilities to comply with standards, regulations and licence requirements.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Implement and review Waste Facility Operations Management Plan	PNI		Director Development and Environmental Services
ii	Operate the Nyngan Waste and Resource Recovery Facility in accordance with the Operations Management Plan	PNI		Director Development and Environmental Services
iii	Operate village landfill sites to meet requirements	PWI	Unmanned sites. The disposal and sorting of waste is not monitored.	Director Development and Environmental Services
iv	Participate in Netwaste initiatives and activities to reduce waste and promote recycling	PNI		Director Development and Environmental Services

Strategy 3.3.1**Protect and improve the amenity of the river corridor to enhance and increase utilisation for a range of recreational activities.**

	Activities 2022/23	Status	Action Comments	Council Lead
i	Involve and support the local community in the rehabilitation and improvements of the river corridor	PNI		Director Development and Environmental Services
ii	Identify locations and programs to reduce waste along the river corridor	PNI		Director Development and Environmental Services

Strategy 3.3.2

Provide a clean and pleasant streetscape, ensuring regular street sweeping and cleaning of public spaces.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Undertake and monitor Cleaning Program for all public areas	PNI		Director Engineering Services
ii	Review street bin containers and emptying procedures	PNI		Director Development and Environmental Services

Strategy 3.3.3

Implement programs which foster responsible and protective behaviours towards reducing waste and litter pollution.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Engage and seek community feedback on areas of concern of waste and litter control	PNI		Director Development and Environmental Services
ii	Enforce breaches of environmental legislation in order to reduce the incidence of littering	PNI		Director Development and Environmental Services

Strategy 3.3.4

Protect, preserve and enhance Bogan Shire's natural environments, waterways, flora and fauna through responsible development and management.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Ensure all development complies with conditions of DA Consents in relation to environmental protections	PNI		Director Development and Environmental Services
ii	Engage with and support the Central West Local Land Services and other government bodies	PNI		Director Development and Environmental Services

Strategy 3.3.5

Meet Council's obligations under the Biodiversity Act 2015 in respect of maintenance of noxious weeds.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Council to meet Noxious Weeds Control obligations	PNI		Director Development and Environmental Services
ii	Ensure Council operations are undertaken in accordance with Council's Weed Action program	PNI		Director Development and Environmental Services
iii	Undertake enforcement activities on private property for noxious weeds as required	PNI		Director Development and Environmental Services

Strategy 3.4.1

Liaise with Local Liquor Accord to ensure compliance strategies are maintained to maximise public health and safety.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Provide information regarding new Liquor License applications, and make submissions on new applications to the State Government as required	PNI		Director Development and Environmental Services
ii	Provide advisory services to the Liquor Accord	PNI		Director Development and Environmental Services

Strategy 3.4.2				
Ensure compliance with Safe Foods Standards.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Monitor and review food premises register	PNI		Director Development and Environmental Services
ii	Undertake annual food premises Inspections to ensure food handlers compliance with standards	C	Inspections undertaken by contractor due to low internal resources	Director Development and Environmental Services
Strategy 3.4.3				
Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Improve public awareness of companion animal control including lifetime registration.	PNI		Director Development and Environmental Services
ii	Carry out enforcement activities relating to dog control measures	PNI		Director Development and Environmental Services
iii	Carry out Council's administrative responsibilities under NSW Companion Animals Act 1998	PNI		Director Development and Environmental Services
Strategy 4.1.1				
Support and promote our local business and industry, to identify gaps and develop initiatives for sustainable economic growth and local employment opportunities.				
	Activities 2022/23	Status	Action Comments	Council Lead
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		General Manager
iii	Prepare an Economic Development Plan for Bogan Shire	NS	Current focus for Economic Development is on grant-funded projects.	Director People and Community Services
iv	Council continues to commit to shopping locally for services and products wherever possible and in the best interests of Council.	PNI		Director Finance and Corporate Services
v	Continue the implementation of Council's streetscape master plan.	PNI		Director Engineering Services
Strategy 4.1.2				
Support agricultural businesses so that they have the capacity to be a significant contributor to the local, regional and national economy.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain relationships with local agricultural businesses and lobby on behalf of local issues	PNI		General Manager

Strategy 4.1.3				
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.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain relationships with mining companies to explore opportunities for mutual benefit and lobby on behalf of local issues	PNI		General Manager
ii	Negotiate Voluntary Planning Agreements with mining companies to ensure financial contributions are made to local infrastructure requirements	PNI		General Manager
Strategy 4.2.1				
Develop and implement a tourism strategy which includes the identification of potential opportunities for growth and new tourism products through consultation with stakeholders.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Develop a tourism strategy	PWI	Initial discussions commenced - further development once resources permit.	Director People and Community Services
ii	Provide and maintain a quality Visitor Information Centre which encourages and supports growth across many sectors of the local economy.	PNI		Director People and Community Services
iii	Continue to update, produce and distribute the Official Tourist Guide to local businesses and VICs in neighbouring shires	PNI		Director People and Community Services
iv	Continue to advertise Nyngan and Bogan Shire in print media, on appropriate websites and via relevant social media platforms.	PNI		Director People and Community Services
Strategy 4.2.2				
Provide a welcoming aesthetic on the approaches to town.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Continue beautification along main roads into town	PNI		Director Engineering Services
Strategy 4.3.1				
Identify gaps and opportunities and engage with stakeholders, to investigate options for improved public transport.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Work with the community to understand gaps and opportunities and lobby appropriate bodies for improvements	PNI		General Manager
Strategy 4.3.2				
Maintain airport facilities to meet required standards.				
	Activities 2022/23	Status	Action Comments	Council Lead
i	Undertake regular maintenance activities on the runway and surrounding areas to CASA regulations	PNI		Director Engineering Services
ii	Maintain airport buildings to acceptable standards	PNI		Director Engineering Services

Strategy 5.1.1

Facilitate purposeful engagement and consultation with the community and other stakeholders to progress the outcomes of the Community Strategic Plan.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain a community consultation database (from CSP implementation)	PNI		Director People and Community Services
ii	Undertake community engagement regarding major Council plans and projects	PNI		Director People and Community Services

Strategy 5.1.2

Provide accountability to the community by regularly reporting on Council activities through the publication of statutory reports, business papers, meeting minutes and general information.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Provide accurate and timely meeting agendas and minutes	PNI		General Manager
ii	Proactively release appropriate Council information e.g. Council Business Paper and Minutes through the website and council column	PNI		General Manager
iii	Complete Annual Report	C		Director Finance and Corporate Services
iv	Complete statutory financial accounts	C		Director Finance and Corporate Services
v	Produce Council's quarterly reports, delivery program and budget and operational plans	PNI		Director Finance and Corporate Services

Strategy 5.1.3

Councillors represent the interests of the community through strong and positive leadership and advocacy.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Hold regular Council meetings	PNI		General Manager
ii	Ensure Councillors make all reasonable efforts to acquire and maintain the skills necessary to perform the role of a councillor	PNI		General Manager

Strategy 5.1.4

Maintain effective partnerships through regional and industry bodies to collaborate on matters of mutual interest and lobby collectively on behalf of the community.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Maintain regional partnerships including Alliance of Western Councils	PNI		General Manager
ii	Undertake lobbying as appropriate	PNI		General Manager
iii	Continue contracting alliance with RMS	PNI		Director Engineering Services

Strategy 5.1.5

Councillors take pride in our community, are inclusive and respectful, work together to get things done and contribute positively to our culture.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Ensure that Councillors are aware of the Code of Conduct and Council's Values	PNI		General Manager

Strategy 5.2.1

Undertake sound financial planning, management and reporting to fulfil our stewardship responsibilities and ensure that Bogan Shire Council remains financially viable.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Develop and implement Council's Long Term Financial Strategy	PNI		Director Finance and Corporate Services
ii	Prepare and present Council's Operational Plan and Budget to Council for Approval within set timeframes	PNI		Director Finance and Corporate Services
iii	Prepare and present quarterly budget reviews to Council for approval within set timeframes	PNI		Director Finance and Corporate Services
iv	Accurately record all Council's financial transactions	PNI		Director Finance and Corporate Services
v	Present periodic financial reports to assist with monitoring budget performance	PNI		Director Finance and Corporate Services
vi	Maximise recovery of all revenue due to Council in accordance with policy	PNI		Director Finance and Corporate Services

Strategy 5.2.2

Manage our people effectively to ensure Council meets its goals and can implement its mission and deliver on its vision.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Develop Council's Workforce Plan	PNI		Director People and Community Services
ii	Manage Council's Workplace Health and Safety obligations	PNI		Director People and Community Services
iii	Conduct effective staff recruitment and induction processes.	PNI		Director People and Community Services
iv	Continuously develop and maintain Council's organisational structure, salary system and related processes	PNI		Director People and Community Services
v	Manage Council's Employee Development Planning process	PNI		Director People and Community Services
vi	Promote Council's Values and Code of Conduct to ensure staff uphold and contribute positively to our social environment and culture	PNI		General Manager

Strategy 5.2.3

Implement sound asset management practices to ensure adequate provision is made for the maintenance and long-term replacement of Council's infrastructure assets.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Develop and adopt Council's Asset Management Strategy and Asset Management Policy	C		Director Finance and Corporate Services
ii	Develop and implement Asset Management Plans for the major categories of Council's assets: Transport and Stormwater, Water Supply and Sewerage and Buildings	C		Director Finance and Corporate Services
iii	Provide periodic asset management reports to inform decision-making	NS	Asset management systems relatively new and reports still under development	Director Finance and Corporate Services

Strategy 5.2.4

Manage Council's operations effectively and on business-like principles to maximise service delivery for the community.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Monitor and review customer service charter	PNI		Director Finance and Corporate Services
ii	Initiate a customer service training program	NS	Priority for 2023/34	Director People and Community Services
iii	Monitor Council's complaint management system to identify and rectify issues	PNI		Director Finance and Corporate Services
iv	Identify and manage Council's risks, including insurance cover	PNI		Director Finance and Corporate Services
v	Manage Council's record management system to support our business	PNI		Director Finance and Corporate Services
vi	Manage Council's communication with the community through a variety of media including electronic	PNI		General Manager
vii	Manage Council's ICT resources including disaster recovery to support our business	PNI		Director Finance and Corporate Services
viii	Manage Council's procurement system to ensure probity and best value for money	PNI		Director Finance and Corporate Services
ix	Develop Council's governance capability, including reviewing and updating Council's policies and procedures	PNI		Director Finance and Corporate Services

Strategy 5.3.1

Facilitate the Local Emergency Management Committee to ensure a co-ordinated response by all agencies having responsibilities and functions in emergencies.

	Activities 2022/23	Status	Action Comments	Council Lead
i	Continue to fulfil Councils statutory obligations relevant to the State Emergency & Rescue Management Act 1989	PNI		General Manager
ii	Provide a support role through the LEMC to the SES and other involved agencies	PNI		Director Engineering Services
iii	Regularly maintain the Nyngan levee bank and associated infrastructure to ensure protection from potential flooding	PNI		Director Engineering Services

This page has been intentionally left blank

Contact Details - For more information

Telephone: 02 6835 9000

Email: admin@bogan.nsw.gov.au

Web: www.bogan.nsw.gov.au

In Person: 81 Cobar Street, Nyngan

Postal Address: PO Box 221, Nyngan NSW 2825