



**Edward  
River**  
COUNCIL

***General Purpose  
Financial Statements***  
for the year ended  
30 June 2025

## General Purpose Financial Statements

for the year ended 30 June 2025

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### Overview

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

180 Cressy Street  
Deniliquin NSW 2710

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

# Edward River Council

## General Purpose Financial Statements

for the year ended 30 June 2025

## Understanding Council's Financial Statements

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### Introduction

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

### What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2025.

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.

# Edward River Council

## General Purpose Financial Statements

for the year ended 30 June 2025

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

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

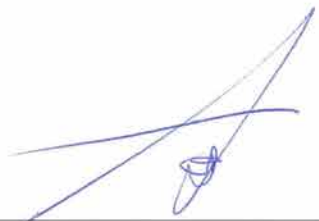
- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the *Local Government Code of Accounting Practice and Financial Reporting*.

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

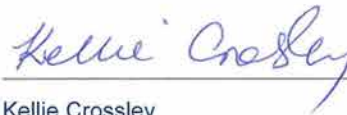
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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 16 September 2025.



Ashley Hall  
Mayor  
16 September 2025



Kellie Crossley  
Deputy Mayor  
16 September 2025



Jack Bond  
General Manager  
16 September 2025



David Mead  
Responsible Accounting Officer  
16 September 2025

## Edward River Council

## Income Statement

for the year ended 30 June 2025

| Original<br>unaudited<br>budget<br>2025<br>\$ '000 |  | Notes | Actual<br>2025<br>\$ '000 | Actual<br>2024<br>\$ '000 |
|--|--|-------|---------------------------|---------------------------|
| <b>Income from continuing operations</b>           |  |       |                           |                           |
| 16,234   | Rates and annual charges   | B2-1  | 15,970                    | 14,845                    |
| 4,534  | User charges and fees  | B2-2  | 5,218                     | 5,560                     |
| 594  | Other revenues   |       | 726                       | 800                       |
| 10,560   | Grants and contributions provided for operating purposes   | B2-3  | 11,225                    | 25,188                    |
| 4,120  | Grants and contributions provided for capital purposes   | B2-3  | 3,196                     | 5,411                     |
| 1,653  | Interest and investment income   |       | 1,996                     | 1,753                     |
| 480  | Net gain from the disposal of assets   | B4-1  | 171                       | —                         |
| 38,175   | <b>Total income from continuing operations</b>   |       | <b>38,502</b>             | <b>53,557</b>             |
| <b>Expenses from continuing operations</b>         |  |       |                           |                           |
| 12,303   | Employee benefits and on-costs   | B3-1  | 12,853                    | 11,597                    |
| 10,011   | Materials and services   | B3-2  | 13,115                    | 11,558                    |
| 624  | Other expenses   |       | 688                       | 539                       |
| —  | Net loss from the disposal of assets   | B4-1  | —                         | 227                       |
| 22,938   | <b>Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b>   |       | <b>26,656</b>             | <b>23,921</b>             |
| 15,237   | <b>Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b> |       | <b>11,846</b>             | <b>29,636</b>             |
| 11,116   | Depreciation, amortisation and impairment of non-financial assets  | B3-3  | 10,953                    | 13,406                    |
| 4,121  | <b>Net operating result for the year attributable to Council</b>   |       | <b>893</b>                | <b>16,230</b>             |
| 1  | <b>Net operating result for the year before grants and contributions provided for capital purposes</b>                         |       | <b>(2,303)</b>            | <b>10,819</b>             |

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



## Edward River Council

## Statement of Comprehensive Income

for the year ended 30 June 2025

|  | Notes | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-------|-----------------|-----------------|
| <b>Net operating result for the year – from Income Statement</b>   |       | <b>893</b>      | <b>16,230</b>   |
| <b>Other comprehensive income:</b>   |       |                 |                 |
| Amounts which will not be reclassified subsequent to operating result  |       |                 |                 |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment                                    | C1-5  | <b>14,777</b>   | (22,811)        |
| Impairment (loss) reversal / (revaluation decrement) relating to infrastructure, property, plant and equipment | C1-5  | <b>–</b>        | 3,216           |
| <b>Total comprehensive income for the year attributable to Council</b>   |       | <b>15,670</b>   | <b>(3,365)</b>  |

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

## Edward River Council

## Statement of Financial Position

as at 30 June 2025

|  | Notes | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-------|-----------------|-----------------|
| <b>ASSETS</b>  |       |                 |                 |
| <b>Current assets</b>                                |       |                 |                 |
| Cash and cash equivalents                            | C1-1  | 10,241          | 12,740          |
| Investments  | C1-2  | 27,000          | 24,000          |
| Receivables  | C1-4  | 4,167           | 7,395           |
| Other  |       | 224             | 190             |
| <b>Total current assets</b>                          |       | <b>41,632</b>   | <b>44,325</b>   |
| <b>Non-current assets</b>                            |       |                 |                 |
| Investments  | C1-2  | 4,000           | 6,000           |
| Infrastructure, property, plant and equipment (IPPE) | C1-5  | 517,034         | 495,816         |
| Intangible assets                                    |       | 431             | 747             |
| <b>Total non-current assets</b>                      |       | <b>521,465</b>  | <b>502,563</b>  |
| <b>Total assets</b>                                  |       | <b>563,097</b>  | <b>546,888</b>  |
| <b>LIABILITIES</b>                                   |       |                 |                 |
| <b>Current liabilities</b>                           |       |                 |                 |
| Payables   | C2-1  | 3,198           | 3,695           |
| Contract liabilities                                 |       | 815             | 2,553           |
| Employee benefit provisions                          | C2-2  | 2,897           | 2,935           |
| Provisions   | C2-3  | –               | 261             |
| <b>Total current liabilities</b>                     |       | <b>6,910</b>    | <b>9,444</b>    |
| <b>Non-current liabilities</b>                       |       |                 |                 |
| Payables   | C2-1  | 52              | 52              |
| Employee benefit provisions                          | C2-2  | 82              | 78              |
| Provisions   | C2-3  | 6,976           | 3,907           |
| <b>Total non-current liabilities</b>                 |       | <b>7,110</b>    | <b>4,037</b>    |
| <b>Total liabilities</b>                             |       | <b>14,020</b>   | <b>13,481</b>   |
| <b>Net assets</b>                                    |       | <b>549,077</b>  | <b>533,407</b>  |
| <b>EQUITY</b>  |       |                 |                 |
| Accumulated surplus                                  |       | 481,850         | 480,957         |
| IPPE revaluation surplus                             | C3-1  | 67,227          | 52,450          |
| <b>Total equity</b>                                  |       | <b>549,077</b>  | <b>533,407</b>  |

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

Edward River Council

Statement of Changes in Equity

for the year ended 30 June 2025

|  | 2025                |                          |                | 2024                |                          |                 |
|--|---------------------|--------------------------|----------------|---------------------|--------------------------|-----------------|
|  | Accumulated surplus | IPPE revaluation surplus | Total equity   | Accumulated surplus | IPPE revaluation surplus | Total equity    |
| Notes  | \$ '000             | \$ '000                  | \$ '000        | \$ '000             | \$ '000                  | \$ '000         |
| Opening balance at 1 July  | 480,957             | 52,450                   | 533,407        | 464,727             | 72,045                   | 536,772         |
| <b>Opening balance</b>   | <b>480,957</b>      | <b>52,450</b>            | <b>533,407</b> | <b>464,727</b>      | <b>72,045</b>            | <b>536,772</b>  |
| Net operating result for the year  | 893                 | -                        | 893            | 16,230              | -                        | 16,230          |
| <b>Net operating result for the year</b>   | <b>893</b>          | <b>-</b>                 | <b>893</b>     | <b>16,230</b>       | <b>-</b>                 | <b>16,230</b>   |
| <b>Other comprehensive income</b>  |                     |                          |                |                     |                          |                 |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment                                    | -                   | 14,777                   | 14,777         | -                   | (22,811)                 | (22,811)        |
| Impairment (loss) reversal / (revaluation decrement) relating to infrastructure, property, plant and equipment | -                   | -                        | -              | -                   | 3,216                    | 3,216           |
| <b>Other comprehensive income</b>  | <b>-</b>            | <b>14,777</b>            | <b>14,777</b>  | <b>-</b>            | <b>(19,595)</b>          | <b>(19,595)</b> |
| <b>Total comprehensive income</b>  | <b>893</b>          | <b>14,777</b>            | <b>15,670</b>  | <b>16,230</b>       | <b>(19,595)</b>          | <b>(3,365)</b>  |
| <b>Closing balance at 30 June</b>  | <b>481,850</b>      | <b>67,227</b>            | <b>549,077</b> | <b>480,957</b>      | <b>52,450</b>            | <b>533,407</b>  |

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



## Edward River Council

## Statement of Cash Flows

for the year ended 30 June 2025

| Original<br>unaudited<br>budget<br>2025<br>\$ '000 |  | Notes | Actual<br>2025<br>\$ '000 | Actual<br>2024<br>\$ '000 |
|--|--|-------|---------------------------|---------------------------|
| <b>Cash flows from operating activities</b>        |  |       |                           |                           |
| <b>Receipts:</b>                                   |  |       |                           |                           |
| 16,216   | Rates and annual charges                                     |       | <b>15,705</b>             | 14,984                    |
| 4,553  | User charges and fees  |       | <b>5,391</b>              | 5,049                     |
| 1,681  | Interest received  |       | <b>1,957</b>              | 1,495                     |
| 9,412  | Grants and contributions                                     |       | <b>15,522</b>             | 27,608                    |
| 2,910  | Bonds, deposits and retentions received                      |       | <b>554</b>                | –                         |
| 940  | Other  |       | <b>3,831</b>              | 1,471                     |
| <b>Payments:</b>                                   |  |       |                           |                           |
| (12,912)   | Payments to employees  |       | <b>(12,884)</b>           | (11,813)                  |
| (10,041)   | Payments for materials and services                          |       | <b>(13,851)</b>           | (18,032)                  |
| –  | Bonds, deposits and retentions refunded                      |       | <b>–</b>                  | (28)                      |
| <b>12,759</b>                                      | <b>Net cash flows from operating activities</b>              | G1-1  | <b>16,225</b>             | 20,734                    |
| <b>Cash flows from investing activities</b>        |  |       |                           |                           |
| <b>Receipts:</b>                                   |  |       |                           |                           |
| 4,918  | Redemption of term deposits                                  |       | <b>–</b>                  | 12,005                    |
| 906  | Proceeds from sale of IPPE                                   |       | <b>199</b>                | 89                        |
| <b>Payments:</b>                                   |  |       |                           |                           |
| (1,032)  | Acquisition of term deposits                                 |       | <b>(1,000)</b>            | –                         |
| (14,802)   | Payments for IPPE  |       | <b>(17,923)</b>           | (29,308)                  |
| –  | Purchase of intangible assets                                |       | <b>–</b>                  | (57)                      |
| <b>(10,010)</b>                                    | <b>Net cash flows from (or used in) investing activities</b> |       | <b>(18,724)</b>           | (17,271)                  |
| <b>2,749</b>                                       | <b>Net change in cash and cash equivalents</b>               |       | <b>(2,499)</b>            | 3,463                     |
| 6,225  | Cash and cash equivalents at beginning of year               |       | <b>12,740</b>             | 9,277                     |
| <b>8,974</b>                                       | <b>Cash and cash equivalents at end of year</b>              | C1-1  | <b>10,241</b>             | 12,740                    |
| 35,566   | plus: Investments on hand at end of year                     | C1-2  | <b>31,000</b>             | 30,000                    |
| <b>44,540</b>                                      | <b>Total cash, cash equivalents and investments</b>          |       | <b>41,241</b>             | 42,740                    |

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

# Edward River Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 16 September 2025. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information related to these consolidated financial statements are set out below. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993* (Act) and *Local Government (General) Regulation 2021* (Regulation), and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not for-profit entity. The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

#### **Historical cost convention**

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

#### **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 C1-5
- (ii) estimated tip remediation provisions – refer Note C2-3
- (iii) employee benefit provisions – refer Note C2-2

#### **Significant judgements in applying the Council's accounting policies**

- (i) Impairment of receivables - refer Note C1-4

Council has made a significant judgement about the impairment of a number of its receivables – refer Note C1-4

- (ii) Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts* and / or AASB 1058 *Income of Not-for-Profit Entities* - Refer to Notes B2-2 to B2-3

### **(a) Monies and other assets received by Council**

#### **(i) 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
- Sewerage and water services
- Conargo Recreation Hall Committee

#### **(ii) 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.

## A1-1 Basis of preparation (continued)

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

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

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

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

### Volunteer services

Council does not have material dependence on volunteer services. Volunteers are utilised at the Visitors Information Centre. The estimated value of these services has been included in the financial statements based on average salary and on costs Council would be required to pay if services were not donated.

### (c) New accounting standards and interpretations issued not yet effective

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

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2024.

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 18 Presentation and Disclosure in Financial Statements**

This standard replaces AASB 101 Presentation of Financial Statements and sets out the requirements for the structure of the financial statements, including the application of fundamental concepts such as materiality.

AASB 18 introduces additional subtotals into the Statement of Profit or Loss as well as restructuring the statement into operating, investing and financing elements.

Management performance measures are also required to be disclosed.

Expected impact on Council's financial statements:

The presentation of Council's primary statements will be changed along with some additional disclosures, however there will be no effect on Council's reported position or performance.

The standard applies to annual reporting periods beginning on or after 1 January 2028, i.e. council financial statements for the year ended 30 June 2029.

#### **AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments [AASB 7 and AASB 9]**

This Standard amends AASB 7 and AASB 9 in response to feedback from the 2022 Post-implementation Review of the classification and measurement requirements in AASB 9 and related requirements in AASB 7 and the subsequent 2023 Exposure Draft.

This Standard amends requirements related to:

- (a) settling financial liabilities using an electronic payment system; and
- (b) assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance (ESG) and similar features.

This Standard also amends disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and adds disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs.

Likely impact of this standard is:

## A1-1 Basis of preparation (continued)

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- potential earlier derecognition of liabilities settled by electronic means which meet the updated criteria in AASB 9.

The standard applies to annual reporting periods beginning on or after 1 January 2026, i.e. council financial statements for the year ended 30 June 2027.

### **New accounting standards adopted during the year**

During the year, Council adopted all standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective for the first time at 30 June 2025. None of these standards had a significant impact on reported position or performance.



B Financial Performance

B1 Functions or activities

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

| Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2. |               |               |               |               |                  |               |                          |               |                           |                |
|---|---------------|---------------|---------------|---------------|------------------|---------------|--------------------------|---------------|---------------------------|----------------|
|   | Income        |               | Expenses      |               | Operating result |               | Grants and contributions |               | Carrying amount of assets |                |
|   | 2025          | 2024          | 2025          | 2024          | 2025             | 2024          | 2025                     | 2024          | 2025                      | 2024           |
|   | \$ '000       | \$ '000       | \$ '000       | \$ '000       | \$ '000          | \$ '000       | \$ '000                  | \$ '000       | \$ '000                   | \$ '000        |
| <b>Functions or activities</b> <sup>1, 2</sup>  |               |               |               |               |                  |               |                          |               |                           |                |
| A community working together to achieve its potential   | 14,068        | 14,709        | 8,849         | 6,836         | 5,219            | 7,873         | 3,860                    | 6,636         | 118,366                   | 114,959        |
| A great place to live   | 692           | 716           | 1,681         | 1,628         | (989)            | (912)         | 160                      | 2,836         | 45,438                    | 44,130         |
| A prosperous and vibrant economy  | 8             | 167           | 530           | 671           | (522)            | (504)         | 8                        | 2,338         | 17,970                    | 17,453         |
| A region with quality and sustainable infrastructure  | 20,715        | 33,666        | 21,288        | 23,234        | (573)            | 10,432        | 10,094                   | 18,715        | 299,362                   | 290,745        |
| A valued and enhanced natural environment   | 3,019         | 4,299         | 5,261         | 4,958         | (2,242)          | (659)         | 299                      | 74            | 81,961                    | 79,601         |
| <b>Total functions and activities</b>   | <b>38,502</b> | <b>53,557</b> | <b>37,609</b> | <b>37,327</b> | <b>893</b>       | <b>16,230</b> | <b>14,421</b>            | <b>30,599</b> | <b>563,097</b>            | <b>546,888</b> |

(1) Income and expenditure allocated to each function/ activity using cost centres, with each cost centre being attached to one particular function/activity.

(2) Assets allocated to each activity on the basis of the activity's expenditure as a proportion of total expenditure. The assumption is that a function's expenditure is a reflection of that activity's utilisation of total assets.

## B1-2 Components of functions or activities

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

These Functions align with Council's Community Strategic Plan and are in line with Council's Integrated Planning and Reporting framework.

#### **A community working together to achieve its potential**

These are activities that relate to council's leadership, including governance, administration and general purpose operations. Council's objectives of this function are:

1. Our community is informed and engaged.
2. We collaborate and pursue partnerships that achieve great outcomes for our community.
3. Our local government is efficient, innovative and financially sustainable.

#### **A great place to live**

These activities relate to council's society and community, including health, public order and security, community services and education, as well as recreation and culture. Council's objectives for this function are:

1. Our community has access to essential services.
2. Our community is safe, happy and healthy, both physically and mentally.
3. Our community and public spaces are accessible and inclusive and reflect our history, heritage and culture.

#### **A prosperous and vibrant economy**

These activities relate to the economy in Council's area of operation and include agriculture, manufacturing, construction and economic affairs. Council's objectives for this function are:

1. Our economy is strong and diverse.
2. We develop our key assets to enhance agriculture, boost tourism and support existing business.
3. Our region provides strong education, employment and training opportunities.

#### **A region with quality and sustainable infrastructure**

These activities relate to infrastructure, including water and sewerage, roads, transport and communication. Council's objectives for this function are:

1. Our built environment is managed, maintained and improved.
2. Our road network is a source of pride.
3. Our water and sewer infrastructure is efficient and fit for purpose.

#### **A valued and enhanced natural environment**

These activities relate to the natural environment in which council operates, including solid waste management, drainage and storm water management. Council's objectives for this function are:

1. We are committed to resource recovery and waste management.
2. Our natural environment is protected and enhanced.
3. We plan for the future to accommodate and facilitate sustainable growth and development.

## B2 Sources of income

### B2-1 Rates and annual charges

|   | 2025<br>\$ '000 | 2024<br>\$ '000 |
|---|-----------------|-----------------|
| <b>Ordinary rates</b>   |                 |                 |
| Residential   | 4,262           | 4,061           |
| Farmland  | 3,224           | 3,087           |
| Business  | 1,107           | 1,070           |
| Other   | 10              | 10              |
| Less: pensioner rebates (mandatory)                                 | (154)           | (154)           |
| <b>Rates levied to ratepayers</b>                                   | <b>8,449</b>    | <b>8,074</b>    |
| Pensioner rate subsidies received                                   | 66              | 72              |
| <b>Total ordinary rates</b>   | <b>8,515</b>    | <b>8,146</b>    |
| <b>Annual charges (pursuant to s496, 496A, 496B, 501 &amp; 611)</b> |                 |                 |
| Domestic waste management services                                  | 1,896           | 1,409           |
| Stormwater management services                                      | 75              | 75              |
| Water supply services   | 1,693           | 1,606           |
| Sewerage services   | 3,626           | 3,442           |
| Waste management services (non-domestic)                            | 212             | 219             |
| Less: pensioner rebates (mandatory)                                 | (140)           | (140)           |
| <b>Annual charges levied</b>  | <b>7,362</b>    | <b>6,611</b>    |
| Pensioner annual charges subsidies received:                        |                 |                 |
| – Water   | 32              | 32              |
| – Sewerage  | 30              | 30              |
| – Domestic waste management   | 31              | 26              |
| <b>Total annual charges</b>   | <b>7,455</b>    | <b>6,699</b>    |
| <b>Total rates and annual charges</b>                               | <b>15,970</b>   | <b>14,845</b>   |

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

#### Material accounting policy information

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

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

|  | Timing | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|--------|-----------------|-----------------|
| <b>Specific user charges (per s502 - specific 'actual use' charges)</b>      |        |                 |                 |
| Water supply services  | 2      | 2,311           | 1,839           |
| Sewerage services  | 2      | 359             | 342             |
| Waste management services (non-domestic)                                     | 2      | 270             | 144             |
| <b>Total specific user charges</b>   |        | <b>2,940</b>    | <b>2,325</b>    |
| <b>Other user charges and fees</b>   |        |                 |                 |
| <b>(i) Fees and charges – statutory and regulatory functions (per s608)</b>  |        |                 |                 |
| Building regulation  | 2      | 46              | 41              |
| Inspection services  | 2      | 32              | 28              |
| Private works  | 2      | 672             | 499             |
| Regulatory/ statutory fees   | 2      | 9               | 6               |
| Section 10.7 certificates (EP&A Act)   | 2      | 26              | 26              |
| Section 603 certificates   | 2      | 49              | 31              |
| Development fees   | 2      | 101             | 102             |
| Impounding fees  | 2      | 4               | 4               |
| Other – certificates and permits   | 2      | 39              | 39              |
| <b>Total fees and charges – statutory/regulatory</b>                         |        | <b>978</b>      | <b>776</b>      |
| <b>(ii) Fees and charges – other (incl. general user charges (per s608))</b> |        |                 |                 |
| Aerodrome  | 2      | 151             | 56              |
| Caravan park   | 2      | 103             | 76              |
| Cemeteries   | 2      | 102             | 120             |
| Leaseback fees – Council vehicles  | 2      | 26              | 50              |
| Library and art gallery  | 2      | 10              | 9               |
| Park rents   | 2      | 12              | 7               |
| Transport for NSW (state roads not controlled by Council)                    | 2      | 455             | 1,628           |
| Water connection fees  | 2      | 13              | 38              |
| Medical centre   | 2      | 111             | 135             |
| Murray Valley industrial park  | 2      | 14              | 24              |
| Museum donations   | 2      | 8               | 4               |
| Other lease rentals  | 2      | 70              | 119             |
| Sewerage connection fees   | 2      | 4               | 8               |
| Truckwash  | 2      | 114             | 108             |
| Other  | 2      | 107             | 77              |
| <b>Total fees and charges – other</b>  |        | <b>1,300</b>    | <b>2,459</b>    |
| <b>Total other user charges and fees</b>                                     |        | <b>2,278</b>    | <b>3,235</b>    |
| <b>Total user charges and fees</b>   |        | <b>5,218</b>    | <b>5,560</b>    |
| <b>Timing of revenue recognition for user charges and fees</b>               |        |                 |                 |
| User charges and fees recognised at a point in time (2)                      |        | 5,218           | 5,560           |
| <b>Total user charges and fees</b>   |        | <b>5,218</b>    | <b>5,560</b>    |

### Material accounting policy information

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

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

Where an upfront fee is charged such as joining fees for the leisure centre, 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 over the term of the licence.

## B2-3 Grants and contributions

|  |        | Operating<br>2025<br>\$ '000 | Operating<br>2024<br>\$ '000 | Capital<br>2025<br>\$ '000 | Capital<br>2024<br>\$ '000 |
|--|--------|------------------------------|------------------------------|----------------------------|----------------------------|
|  | Timing |                              |                              |                            |                            |
| <b>General purpose grants and non-developer contributions (untied)</b>     |        |                              |                              |                            |                            |
| <b>General purpose (untied)</b>  |        |                              |                              |                            |                            |
| <b>Current year allocation</b>   |        |                              |                              |                            |                            |
| Financial assistance – general component                                   | 2      | 850                          | 271                          | –                          | –                          |
| Financial assistance – local roads component                               | 2      | 308                          | 62                           | –                          | –                          |
| <b>Payment in advance - future year allocation</b>                         |        |                              |                              |                            |                            |
| Financial assistance – general component                                   | 2      | 2,856                        | 4,615                        | –                          | –                          |
| Financial assistance – local roads component                               | 2      | 1,048                        | 1,688                        | –                          | –                          |
| <b>Amount recognised as income during current year</b>                     |        | <b>5,062</b>                 | <b>6,636</b>                 | <b>–</b>                   | <b>–</b>                   |
| <b>Special purpose grants and non-developer contributions (tied)</b>       |        |                              |                              |                            |                            |
| <b>Cash contributions</b>  |        |                              |                              |                            |                            |
| Economic development   | 1      | –                            | 70                           | –                          | 2,268                      |
| Environmental programs   | 2      | –                            | 312                          | 4                          | 12                         |
| Heritage and cultural  | 2      | 13                           | 13                           | –                          | –                          |
| Library  | 2      | 33                           | 56                           | –                          | –                          |
| Library – per capita   | 2      | 67                           | 45                           | –                          | –                          |
| Noxious weeds  | 2      | 71                           | 74                           | –                          | –                          |
| NSW rural fire services  | 2      | 232                          | 229                          | –                          | 4                          |
| Recreation and culture   | 1      | 19                           | 80                           | 1,840                      | 2,087                      |
| Recreation and culture - Disaster Recovery                                 | 2      | –                            | 316                          | –                          | –                          |
| Street lighting  | 2      | 42                           | 41                           | –                          | –                          |
| Transport (flood repair works)   | 1      | 3,827                        | 14,299                       | –                          | –                          |
| Transport (roads to recovery)  | 2      | –                            | 841                          | –                          | –                          |
| Other specific grants  | 2      | 5                            | –                            | –                          | –                          |
| Transport (other roads and bridges funding)                                | 2      | –                            | 549                          | 1,352                      | –                          |
| Transport for NSW contributions (regional roads, block grant)              | 2      | 1,479                        | 1,451                        | –                          | 1,000                      |
| Other contributions  | 2      | 58                           | 26                           | –                          | 40                         |
| <b>Total special purpose grants and non-developer contributions (tied)</b> |        | <b>5,846</b>                 | <b>18,402</b>                | <b>3,196</b>               | <b>5,411</b>               |
| <b>Total grants and non-developer contributions</b>                        |        | <b>10,908</b>                | <b>25,038</b>                | <b>3,196</b>               | <b>5,411</b>               |
| <b>Comprising:</b>   |        |                              |                              |                            |                            |
| – Commonwealth funding   |        | 5,062                        | 6,764                        | 1,346                      | 2,372                      |
| – State funding  |        | 5,819                        | 18,245                       | 1,850                      | 2,999                      |
| – Other funding  |        | 27                           | 29                           | –                          | 40                         |
|  |        | <b>10,908</b>                | <b>25,038</b>                | <b>3,196</b>               | <b>5,411</b>               |

## B2-3 Grants and contributions (continued)

### Developer contributions

|  | Notes | Timing | Operating<br>2025<br>\$ '000 | Operating<br>2024<br>\$ '000 | Capital<br>2025<br>\$ '000 | Capital<br>2024<br>\$ '000 |
|--|-------|--------|------------------------------|------------------------------|----------------------------|----------------------------|
| <b>Developer contributions:</b>                            |       |        |                              |                              |                            |                            |
| <b>(s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>  |       |        |                              |                              |                            |                            |
|  | G4    |        |                              |                              |                            |                            |
| <b>Cash contributions</b>                                  |       |        |                              |                              |                            |                            |
| S 64 – water supply contributions                          |       | 2      | 173                          | 67                           | –                          | –                          |
| S 64 – sewerage service contributions                      |       | 2      | 144                          | 83                           | –                          | –                          |
| <b>Total developer contributions</b>                       |       |        | <b>317</b>                   | <b>150</b>                   | <b>–</b>                   | <b>–</b>                   |
| <b>Total contributions</b>                                 |       |        | <b>317</b>                   | <b>150</b>                   | <b>–</b>                   | <b>–</b>                   |
| <b>Total grants and contributions</b>                      |       |        | <b>11,225</b>                | <b>25,188</b>                | <b>3,196</b>               | <b>5,411</b>               |
| <b>Timing of revenue recognition</b>                       |       |        |                              |                              |                            |                            |
| Grants and contributions recognised over time (1)          |       |        | 3,827                        | 14,449                       | 810                        | 4,355                      |
| Grants and contributions recognised at a point in time (2) |       |        | 7,398                        | 10,739                       | 2,386                      | 1,056                      |
| <b>Total grants and contributions</b>                      |       |        | <b>11,225</b>                | <b>25,188</b>                | <b>3,196</b>               | <b>5,411</b>               |



## B2-3 Grants and contributions (continued)

### Unspent grants and contributions

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

|   | <b>Operating<br/>2025<br/>\$ '000</b> | <b>Operating<br/>2024<br/>\$ '000</b> | <b>Capital<br/>2025<br/>\$ '000</b> | <b>Capital<br/>2024<br/>\$ '000</b> |
|---|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| <b>Unspent grants and contributions</b>   |                                       |                                       |                                     |                                     |
| Unspent funds at 1 July   | <b>576</b>                            | 4,372                                 | <b>2,059</b>                        | 2,788                               |
| <b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions | –                                     | –                                     | <b>482</b>                          | 1,398                               |
| <b>Add:</b> Funds received and not recognised as revenue in the current year                                      | –                                     | –                                     | –                                   | –                                   |
| <b>Less:</b> Funds received in prior year but revenue recognised and funds spent in current year                  | <b>(490)</b>                          | (3,796)                               | <b>(1,731)</b>                      | (2,127)                             |
| <b>Unspent funds at 30 June</b>   | <b>86</b>                             | <b>576</b>                            | <b>810</b>                          | <b>2,059</b>                        |

### Material accounting policy information

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

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

The performance obligations vary according to the agreement but include Local Roads and Community Infrastructure rounds 4 and 5, Showground Stimulus Phase 2 and Stronger Country Communities Round 4 & 5. 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.

## B2-3 Grants and contributions (continued)

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### **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.

## B3 Costs of providing services

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

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| Salaries and wages   | 9,837           | 9,158           |
| Travel expenses  | 26              | 9               |
| Employee leave entitlements (ELE)  | 1,713           | 1,528           |
| Superannuation   | 1,262           | 1,171           |
| Workers' compensation insurance  | 336             | 195             |
| Fringe benefit tax (FBT)   | 167             | 199             |
| Training costs (other than salaries and wages)                                 | 202             | 285             |
| Protective clothing  | 27              | 30              |
| Uniform clothing   | 23              | 16              |
| Recruitment costs  | 28              | 56              |
| WH&S expenses  | 20              | 12              |
| Other  | 8               | 16              |
| <b>Total employee costs</b>  | <b>13,649</b>   | <b>12,675</b>   |
| Less: capitalised costs  | (796)           | (1,078)         |
| <b>Total employee costs expensed</b>   | <b>12,853</b>   | <b>11,597</b>   |
| Number of 'full-time equivalent' employees (FTE) at year end                   | 128             | 121             |
| Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies) | 138             | 136             |

#### Material accounting policy information

##### *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

|   |       | 2025          | 2024          |
|---|-------|---------------|---------------|
|   | Notes | \$ '000       | \$ '000       |
| Raw materials and consumables                       |       | 3,554         | 2,395         |
| Contractor Costs                                    |       | 5,005         | 3,814         |
| Consultancy Costs                                   |       | 406           | 1,345         |
| Audit Fees  | F2-1  | 103           | 95            |
| Councillor and Mayoral fees and associated expenses | F1-2  | 169           | 195           |
| Advertising   |       | 153           | 156           |
| Bank and centrepay charges                          |       | 39            | 47            |
| Electricity and heating                             |       | 551           | 653           |
| Insurance   |       | 1,159         | 1,089         |
| Office expenses                                     |       | 73            | 50            |
| Postage   |       | 30            | 27            |
| Printing and stationery                             |       | 20            | 24            |
| Street lighting                                     |       | 99            | 116           |
| Subscriptions and publications                      |       | 179           | 209           |
| Telephone and communications                        |       | 109           | 124           |
| Valuation fees                                      |       | 48            | 46            |
| Other expenses                                      |       | 118           | 81            |
| Information technology                              |       | 698           | 663           |
| Licences, fees and permits                          |       | 380           | 221           |
| <b>Legal expenses:</b>                              |       |               |               |
| – Legal expenses: planning and development          |       | 59            | 1             |
| – Legal expenses: debt recovery                     |       | 69            | 77            |
| – Legal expenses: other                             |       | 94            | 130           |
| <b>Total materials and services</b>                 |       | <b>13,115</b> | <b>11,558</b> |
| <b>Total materials and services</b>                 |       | <b>13,115</b> | <b>11,558</b> |

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

|   | Notes | 2025<br>\$ '000 | 2024<br>\$ '000 |
|---|-------|-----------------|-----------------|
| <b>Depreciation and amortisation</b>  |       |                 |                 |
| Plant and equipment   |       | 909             | 958             |
| Office equipment  |       | 141             | 143             |
| Furniture and fittings  |       | 9               | 10              |
| Land improvements (depreciable)   |       | 154             | 135             |
| <b>Infrastructure:</b>  | C1-5  |                 |                 |
| – Buildings – non-specialised   |       | 371             | 323             |
| – Buildings – specialised   |       | 1,106           | 981             |
| – Other structures  |       | 130             | 114             |
| – Roads   |       | 4,076           | 4,817           |
| – Bridges   |       | 92              | 68              |
| – Footpaths   |       | 359             | 348             |
| – Other road assets   |       | 112             | 72              |
| – Stormwater drainage   |       | 460             | 401             |
| – Water supply network  |       | 983             | 869             |
| – Sewerage network  |       | 803             | 680             |
| – Swimming pools  |       | 128             | 113             |
| – Other open space/recreational assets  |       | 580             | 461             |
| <b>Other assets:</b>  |       |                 |                 |
| – Library books   |       | 11              | 10              |
| <b>Reinstatement, rehabilitation and restoration assets:</b>                    |       |                 |                 |
| – Tip assets  | C1-5  | 213             | 200             |
| Intangible assets   |       | 316             | 305             |
| <b>Total depreciation and amortisation costs</b>                                |       | <b>10,953</b>   | <b>11,008</b>   |
| <b>Revaluation decrement of IPPE</b>  |       |                 |                 |
| <b>Infrastructure:</b>  | C1-5  |                 |                 |
| – Footpaths   |       | –               | 779             |
| – Other road assets   |       | –               | 1,619           |
| <b>Total depreciation, amortisation and impairment for non-financial assets</b> |       | <b>10,953</b>   | <b>13,406</b>   |

#### Material accounting policy information

##### Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-5 for IPPE assets.

## B4 Gains or losses

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

|  | Notes | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-------|-----------------|-----------------|
| <b>Gain (or loss) on disposal of plant and equipment</b>             | C1-5  |                 |                 |
| Proceeds from disposal – plant and equipment                         |       | 199             | 83              |
| Less: carrying amount of plant and equipment assets sold/written off |       | (28)            | (31)            |
| <b>Gain (or loss) on disposal</b>                                    |       | <b>171</b>      | <b>52</b>       |
| <b>Gain (or loss) on disposal of infrastructure</b>                  | C1-5  |                 |                 |
| Proceeds from disposal – infrastructure                              |       | –               | 6               |
| Less: carrying amount of infrastructure assets sold/written off      |       | –               | (285)           |
| <b>Gain (or loss) on disposal</b>                                    |       | <b>–</b>        | <b>(279)</b>    |
| <b>Net gain (or loss) from disposal of assets</b>                    |       | <b>171</b>      | <b>(227)</b>    |



## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 17 June 2024 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  | 2025<br>Budget  | 2025<br>Actual  | 2025<br>----- Variance ----- |                |
|--|-----------------|-----------------|------------------------------|----------------|
| <b>Revenues</b>  |                 |                 |                              |                |
| <b>User charges and fees</b>   | <b>4,534</b>    | <b>5,218</b>    | <b>684</b>                   | <b>15% F</b>   |
| Water usage fees of \$500k higher than budget income, and an increase in private works for reimbursement of professional fees for flood recovery works.  |                 |                 |                              |                |
| <b>Other revenues</b>  | <b>594</b>      | <b>726</b>      | <b>132</b>                   | <b>22% F</b>   |
| \$156k building insurance claim payout, fuel sales at the aerodrome that were not included in budget and higher fuel rebates than budgeted.  |                 |                 |                              |                |
| <b>Operating grants and contributions</b>  | <b>10,560</b>   | <b>11,225</b>   | <b>665</b>                   | <b>6% F</b>    |
| <b>Capital grants and contributions</b>  | <b>4,120</b>    | <b>3,196</b>    | <b>(924)</b>                 | <b>(22)% U</b> |
| Council is required to recognise income in accordance with AASB 15 and AASB 1058 as the projects are completed and specific obligations are met. The budget also included flood recovery grants which have since been classified as operational. |                 |                 |                              |                |
| <b>Interest and investment revenue</b>   | <b>1,653</b>    | <b>1,996</b>    | <b>343</b>                   | <b>21% F</b>   |
| Council were able to achieve higher than budgeted rates for its investments.   |                 |                 |                              |                |
| <b>Net gains from disposal of assets</b>   | <b>480</b>      | <b>171</b>      | <b>(309)</b>                 | <b>(64)% U</b> |
| Timing of the disposal of plant and equipment happened later in the financial year with further planned disposals in the next financial year.  |                 |                 |                              |                |
| <b>Expenses</b>  |                 |                 |                              |                |
| <b>Employee benefits and on-costs</b>  | <b>12,303</b>   | <b>12,853</b>   | <b>(550)</b>                 | <b>(4)% U</b>  |
| <b>Materials and services</b>  | <b>10,011</b>   | <b>13,115</b>   | <b>(3,104)</b>               | <b>(31)% U</b> |
| Increased legal expenses compared to budget, there was carryover work for storm and flood repair, and election/councillor induction costs that only occur every four years.  |                 |                 |                              |                |
| <b>Depreciation, amortisation and impairment of non-financial assets</b>   | <b>11,116</b>   | <b>10,953</b>   | <b>163</b>                   | <b>1% F</b>    |
| <b>Other expenses</b>  | <b>624</b>      | <b>688</b>      | <b>(64)</b>                  | <b>(10)% U</b> |
| Contributions to NSW emergency services levy above budgeted figure.  |                 |                 |                              |                |
| <b>Statement of cash flows</b>   |                 |                 |                              |                |
| <b>Cash flows from operating activities</b>  | <b>12,759</b>   | <b>16,225</b>   | <b>3,466</b>                 | <b>27% F</b>   |
| <b>Cash flows from investing activities</b>  | <b>(10,010)</b> | <b>(18,724)</b> | <b>(8,714)</b>               | <b>87% U</b>   |

## C Financial position

### C1 Assets we manage

#### C1-1 Cash and cash equivalents

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Cash assets</b>                     |                 |                 |
| Cash on hand and at bank               | 10,241          | 12,738          |
| Cash equivalent assets                 |                 |                 |
| – Deposits at call                     | –               | 2               |
| <b>Total cash and cash equivalents</b> | <b>10,241</b>   | <b>12,740</b>   |

## C1-2 Financial investments

|  | 2025<br>Current<br>\$ '000 | 2025<br>Non-current<br>\$ '000 | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Debt securities at amortised cost</b>                   |                            |                                |                            |                                |
| Long term deposits   | 27,000                     | 4,000                          | 24,000                     | 6,000                          |
| <b>Total financial investments</b>                         | <b>27,000</b>              | <b>4,000</b>                   | <b>24,000</b>              | <b>6,000</b>                   |
| <b>Total cash assets, cash equivalents and investments</b> | <b>37,241</b>              | <b>4,000</b>                   | <b>36,740</b>              | <b>6,000</b>                   |

### Material accounting policy information

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)

Financial assets are not reclassified subsequent to their initial recognition.

### Amortised cost

Assets measured at amortised cost are financial assets where:

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

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

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

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

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

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| (a) Externally restricted cash, cash equivalents and investments                         |                 |                 |
| <b>Total cash, cash equivalents and investments</b>                                      | <b>41,241</b>   | 42,740          |
| Less: Externally restricted cash, cash equivalents and investments                       | (23,323)        | (20,106)        |
| <b>Cash, cash equivalents and investments not subject to external restrictions</b>       | <b>17,918</b>   | 22,634          |
| <b>External restrictions</b>   |                 |                 |
| <b>External restrictions – included in liabilities</b>                                   |                 |                 |
| External restrictions included in cash, cash equivalents and investments above comprise: |                 |                 |
| Specific purpose unexpended grants – general fund  | 896             | 2,635           |
| <b>External restrictions – included in liabilities</b>                                   | <b>896</b>      | 2,635           |
| <b>External restrictions – other</b>   |                 |                 |
| External restrictions included in cash, cash equivalents and investments above comprise: |                 |                 |
| Developer contributions – general  | 119             | 119             |
| Water fund   | 8,271           | 5,797           |
| Sewer fund   | 9,364           | 7,178           |
| Conargo milestones / interpretative  | –               | 16              |
| Conargo Oval M&R   | –               | 20              |
| Deniliquin band committee  | 24              | 26              |
| EPA waste  | 36              | 36              |
| Regional arts  | 3               | 3               |
| Domestic waste management  | 4,610           | 4,276           |
| <b>External restrictions – other</b>   | <b>22,427</b>   | 17,471          |
| <b>Total external restrictions</b>   | <b>23,323</b>   | 20,106          |

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.

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| (b) Internal allocations   |                 |                 |
| <b>Cash, cash equivalents and investments not subject to external restrictions</b> | <b>17,918</b>   | 22,634          |
| Less: Internally restricted cash, cash equivalents and investments                 | (11,440)        | (15,301)        |
| <b>Unrestricted and unallocated cash, cash equivalents and investments</b>         | <b>6,478</b>    | 7,333           |

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

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Internal allocations</b>  |                 |                 |
| At 30 June, Council has internally allocated funds to the following: |                 |                 |
| Plant and vehicle replacement  | 1,799           | 1,799           |
| Infrastructure replacement   | 1,360           | 1,360           |
| Employees leave entitlement  | 693             | 693             |
| Deposits, retentions and bonds                                       | 808             | 241             |
| Advanced Payment - Financial Assistance Grant                        | 3,904           | 6,302           |
| Airport industrial land  | –               | 20              |
| Asset management   | –               | 14              |
| Blighty-upgrade power  | –               | 70              |
| Building maintenance   | –               | 50              |
| Cemetery upgrade   | –               | 9               |
| Conargo Hall Committee Bequest                                       | 2,876           | 2,636           |
| Depot office and gates upgrade                                       | –               | 41              |
| Dog trail  | –               | 3               |
| Election reserve   | –               | 12              |
| Fencing Conargo  | –               | 7               |
| Gravel pits  | –               | 14              |
| Human resources  | –               | 18              |
| Internal audit   | –               | 6               |
| Land development fund  | –               | 385             |
| Landscaping plans  | –               | 90              |
| Recreation reserves / village landscaping                            | –               | 1,113           |
| Risk management  | –               | 45              |
| Wanganella hall community  | –               | 5               |
| Shire – entrance signage   | –               | 5               |
| Tourism/industry promotion   | –               | 13              |
| Town planning plans, surveys and studies                             | –               | 103             |
| Waste facilities   | –               | 63              |
| Water infrastructure   | –               | 57              |
| Website development  | –               | 2               |
| North Depot Redevelopment  | –               | 125             |
| <b>Total internal allocations</b>                                    | <b>11,440</b>   | <b>15,301</b>   |

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

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| <b>(c) Unrestricted and unallocated</b>                                    |                 |                 |
| <b>Unrestricted and unallocated cash, cash equivalents and investments</b> | <b>6,478</b>    | <b>7,333</b>    |

## C1-4 Receivables

|   | 2025<br>Current<br>\$ '000 | 2025<br>Non-current<br>\$ '000 | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 |
|---|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Rates and annual charges                            | 855                        | –                              | 654                        | –                              |
| Interest and extra charges                          | 164                        | –                              | 132                        | –                              |
| User charges and fees                               | 1,957                      | –                              | 1,894                      | –                              |
| Accrued revenues                                    |                            |                                |                            |                                |
| – Interest on investments                           | 901                        | –                              | 894                        | –                              |
| – Other income accruals                             | 142                        | –                              | 3,824                      | –                              |
| Net GST receivable                                  | 215                        | –                              | 43                         | –                              |
| Other debtors                                       | 5                          | –                              | 5                          | –                              |
| <b>Total</b>  | <b>4,239</b>               | <b>–</b>                       | <b>7,446</b>               | <b>–</b>                       |
| <b>Less: provision for impairment</b>               |                            |                                |                            |                                |
| Other debtors                                       | (72)                       | –                              | (51)                       | –                              |
| <b>Total provision for impairment – receivables</b> | <b>(72)</b>                | <b>–</b>                       | <b>(51)</b>                | <b>–</b>                       |
| <b>Total net receivables</b>                        | <b>4,167</b>               | <b>–</b>                       | <b>7,395</b>               | <b>–</b>                       |

|   | 2025<br>\$ '000 | 2024<br>\$ '000 |
|---|-----------------|-----------------|
| <b>Movement in provision for impairment of receivables</b>                  |                 |                 |
| Balance at the beginning of the year (calculated in accordance with AASB 9) | 51              | 460             |
| Movement through provision  | 21              | (117)           |
| – amounts already provided for and written off this year                    | –               | (292)           |
| <b>Balance at the end of the year</b>                                       | <b>72</b>       | <b>51</b>       |



## C1-4 Receivables (continued)

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### Material accounting policy information

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

#### Impairment

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

When estimating ECL, 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.

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

When considering the ECL for rates and annual charges 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.

Credit losses are measured at 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.

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

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

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

## C1-5 Infrastructure, property, plant and equipment

|   | At 1 July 2024                          |                       |                     | Asset movements during the reporting period |                      |                             |                      |               |                           |  | At 30 June 2025                        |   |                       |                     |
|---|---|-----------------------|---------------------|---|----------------------|-----------------------------|----------------------|---------------|---------------------------|--|--|---|-----------------------|---------------------|
|   | Accumulated depreciation and impairment | Gross carrying amount | Net carrying amount | Additions renewals                          | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Adjustments and transfers | Revaluation increment due to provision for remediation | Revaluation increments to equity (AFR) | Accumulated depreciation and impairment | Gross carrying amount | Net carrying amount |
|   | \$ '000                                 | \$ '000               | \$ '000             | \$ '000                                     | \$ '000              | \$ '000                     | \$ '000              | \$ '000       | \$ '000                   | \$ '000  | \$ '000                                | \$ '000                                 | \$ '000               | \$ '000             |
| <b>By aggregated asset class</b>                            |   |                       |                     |   |                      |                             |                      |               |                           |  |  |   |                       |                     |
| Capital work in progress                                    | –                                       | 7,816                 | 7,816               | 6,685                                       | 67                   | –                           | –                    | (4,438)       | –                         | –  | –                                      | –                                       | 10,130                | 10,130              |
| Plant and equipment   | (11,471)                                | 15,701                | 4,230               | 421   | –                    | (28)                        | (909)                | –             | –                         | –  | –                                      | (11,887)                                | 15,601                | 3,714               |
| Office equipment  | (3,175)                                 | 3,604                 | 429                 | –   | 28                   | –                           | (141)                | –             | –                         | –  | –                                      | (3,316)                                 | 3,632                 | 316                 |
| Furniture and fittings                                      | (277)                                   | 318                   | 41                  | –   | –                    | –                           | (9)                  | –             | –                         | –  | –                                      | (285)                                   | 317                   | 32                  |
| <b>Land:</b>  |   |                       |                     |   |                      |                             |                      |               |                           |  |  |   |                       |                     |
| – Operational land  | –                                       | 8,366                 | 8,366               | –   | –                    | –                           | –                    | –             | –                         | –  | –                                      | –                                       | 8,366                 | 8,366               |
| – Community land  | –                                       | 1,823                 | 1,823               | –   | –                    | –                           | –                    | –             | –                         | –  | –                                      | –                                       | 1,823                 | 1,823               |
| – Crown land  | –                                       | 5,205                 | 5,205               | –   | –                    | –                           | –                    | –             | –                         | –  | –                                      | –                                       | 5,205                 | 5,205               |
| Land improvements – depreciable                             | (2,257)                                 | 6,720                 | 4,463               | 134   | 647                  | –                           | (154)                | 74            | 935                       | –  | 433                                    | (2,632)                                 | 9,164                 | 6,532               |
| <b>Infrastructure:</b>                                      |   |                       |                     |   |                      |                             |                      |               |                           |  |  |   |                       |                     |
| – Buildings – non-specialised                               | (5,610)                                 | 23,514                | 17,904              | 45  | –                    | –                           | (371)                | –             | (935)                     | –  | (21)                                   | (6,820)                                 | 23,442                | 16,622              |
| – Buildings – specialised                                   | (27,734)                                | 78,934                | 51,200              | 95  | 293                  | –                           | (1,106)              | 1,258         | –                         | –  | 9,951                                  | (23,987)                                | 85,678                | 61,691              |
| – Other structures  | (3,492)                                 | 23,742                | 20,250              | –   | –                    | –                           | (130)                | –             | –                         | –  | –                                      | (3,622)                                 | 23,742                | 20,120              |
| – Roads   | (92,737)                                | 259,340               | 166,603             | 2,391                                       | –                    | –                           | (4,076)              | 2,323         | –                         | –  | –                                      | (96,814)                                | 264,055               | 167,241             |
| – Bridges   | (2,070)                                 | 12,327                | 10,257              | –   | –                    | –                           | (92)                 | –             | –                         | –  | –                                      | (2,161)                                 | 12,326                | 10,165              |
| – Footpaths and kerb and gutter                             | (9,463)                                 | 29,616                | 20,153              | 315   | 26                   | –                           | (359)                | 108           | –                         | –  | –                                      | (9,822)                                 | 30,065                | 20,243              |
| – Other road assets (including bulk earthworks)             | (792)                                   | 8,012                 | 7,220               | 40  | –                    | –                           | (112)                | –             | –                         | –  | –                                      | (904)                                   | 8,052                 | 7,148               |
| – Bulk earthworks (non-depreciable)                         | –                                       | 33,744                | 33,744              | 68  | 77                   | –                           | –                    | –             | –                         | –  | –                                      | –                                       | 33,889                | 33,889              |
| – Stormwater drainage                                       | (15,739)                                | 46,624                | 30,885              | 1,486                                       | 216                  | –                           | (460)                | 83            | –                         | –  | –                                      | (16,199)                                | 48,409                | 32,210              |
| – Water supply network                                      | (29,945)                                | 74,799                | 44,854              | 105   | –                    | –                           | (983)                | 16            | –                         | –  | 1,189                                  | (31,619)                                | 76,800                | 45,181              |
| – Sewerage network  | (32,554)                                | 69,217                | 36,663              | 935   | –                    | –                           | (803)                | 168           | –                         | –  | 992                                    | (34,123)                                | 72,078                | 37,955              |
| – Swimming pools  | (1,680)                                 | 7,232                 | 5,552               | –   | –                    | –                           | (128)                | –             | (11)                      | –  | 203                                    | (1,685)                                 | 7,301                 | 5,616               |
| – Other open space/recreational assets                      | (4,772)                                 | 19,021                | 14,249              | 28  | 196                  | –                           | (580)                | 408           | 11                        | –  | 2,030                                  | (5,764)                                 | 22,106                | 16,342              |
| <b>Other assets:</b>  |   |                       |                     |   |                      |                             |                      |               |                           |  |  |   |                       |                     |
| – Library books   | (1,171)                                 | 1,378                 | 207                 | –   | –                    | –                           | (11)                 | –             | –                         | –  | –                                      | (1,182)                                 | 1,378                 | 196                 |
| <b>Reinstatement, rehabilitation and restoration assets</b> |   |                       |                     |   |                      |                             |                      |               |                           |  |  |   |                       |                     |
| – Tip assets  | (896)                                   | 4,598                 | 3,702               | –   | –                    | –                           | (213)                | –             | –                         | 2,808  | –                                      | (1,109)                                 | 7,406                 | 6,297               |
| <b>Total infrastructure, property, plant and equipment</b>  | <b>(245,835)</b>                        | <b>741,651</b>        | <b>495,816</b>      | <b>12,748</b>                               | <b>1,550</b>         | <b>(28)</b>                 | <b>(10,637)</b>      | <b>–</b>      | <b>–</b>                  | <b>2,808</b>   | <b>14,777</b>                          | <b>(253,931)</b>                        | <b>770,965</b>        | <b>517,034</b>      |

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

C1-5 Infrastructure, property, plant and equipment (continued)

|   | At 1 July 2023                          |                       |                     | Asset movements during the reporting period |                      |                             |                      |  |  |               |  |                                |  | At 30 June 2024                        |   |                       |                     |
|---|---|-----------------------|---------------------|---|----------------------|-----------------------------|----------------------|--|--|---------------|--|--------------------------------|--|--|---|-----------------------|---------------------|
|   | Accumulated depreciation and impairment | Gross carrying amount | Net carrying amount | Additions renewals                          | Additions new assets | Carrying value of disposals | Depreciation expense | Impairment loss / revaluation decrements (recognised in P/L) | Impairment reversal (recognised in equity) | WIP transfers | Revaluation increment due to provision for remediation | Impairment Rectification Works | Revaluation decrements to equity (ARR) | Revaluation increments to equity (APR) | Accumulated depreciation and impairment | Gross carrying amount | Net carrying amount |
|   | \$ '000                                 | \$ '000               | \$ '000             | \$ '000                                     | \$ '000              | \$ '000                     | \$ '000              | \$ '000  | \$ '000                                    | \$ '000       | \$ '000  | \$ '000                        | \$ '000                                | \$ '000                                | \$ '000                                 | \$ '000               | \$ '000             |
| <b>By aggregated asset class</b>                            |   |                       |                     |   |                      |                             |                      |  |  |               |  |                                |  |  |   |                       |                     |
| Capital work in progress                                    | –                                       | 7,651                 | 7,651               | 6,563                                       | 266                  | –                           | –                    | –  | –  | (6,664)       | –  | –                              | –                                      | –                                      | –                                       | 7,816                 | 7,816               |
| Plant and equipment   | (10,581)                                | 15,507                | 4,926               | 292   | –                    | (30)                        | (958)                | –  | –  | –             | –  | –                              | –                                      | –                                      | (11,471)                                | 15,701                | 4,230               |
| Office equipment  | (3,032)                                 | 3,483                 | 451                 | –   | 121                  | –                           | (143)                | –  | –  | –             | –  | –                              | –                                      | –                                      | (3,175)                                 | 3,604                 | 429                 |
| Furniture and fittings                                      | (267)                                   | 318                   | 51                  | –   | –                    | –                           | (10)                 | –  | –  | –             | –  | –                              | –                                      | –                                      | (277)                                   | 318                   | 41                  |
| <b>Land:</b>  |   |                       |                     |   |                      |                             |                      |  |  |               |  |                                |  |  |   |                       |                     |
| – Operational land  | –                                       | 8,366                 | 8,366               | –   | –                    | –                           | –                    | –  | –  | –             | –  | –                              | –                                      | –                                      | –                                       | 8,366                 | 8,366               |
| – Community land  | –                                       | 1,823                 | 1,823               | –   | –                    | –                           | –                    | –  | –  | –             | –  | –                              | –                                      | –                                      | –                                       | 1,823                 | 1,823               |
| – Crown land  | –                                       | 5,205                 | 5,205               | –   | –                    | –                           | –                    | –  | –  | –             | –  | –                              | –                                      | –                                      | –                                       | 5,205                 | 5,205               |
| Land improvements – depreciable                             | (2,013)                                 | 6,354                 | 4,341               | 33  | 9                    | –                           | (135)                | –  | –  | –             | –  | –                              | –                                      | 215                                    | (2,257)                                 | 6,720                 | 4,463               |
| <b>Infrastructure:</b>                                      |   |                       |                     |   |                      |                             |                      |  |  |               |  |                                |  |  |   |                       |                     |
| – Buildings – non-specialised                               | (5,020)                                 | 19,225                | 14,205              | 583   | 581                  | –                           | (323)                | –  | –  | 2,163         | –  | –                              | –                                      | –                                      | (5,610)                                 | 23,514                | 17,904              |
| – Buildings – specialised                                   | (25,432)                                | 74,607                | 49,175              | 149   | –                    | –                           | (981)                | –  | –  | 419           | –  | –                              | –                                      | 2,438                                  | (27,734)                                | 78,934                | 51,200              |
| – Other structures  | (3,237)                                 | 22,785                | 19,548              | –   | –                    | –                           | (114)                | –  | –  | –             | –  | –                              | –                                      | 816                                    | (3,492)                                 | 23,742                | 20,250              |
| – Roads   | (87,176)                                | 273,741               | 186,565             | 2,988                                       | 1,161                | –                           | (4,817)              | –  | 3,216                                      | 128           | –  | 7,861                          | (30,499)                               | –                                      | (92,737)                                | 259,340               | 166,603             |
| – Bridges   | (3,843)                                 | 11,453                | 7,610               | 50  | –                    | –                           | (68)                 | –  | –  | –             | –  | –                              | –                                      | 2,665                                  | (2,070)                                 | 12,327                | 10,257              |
| – Footpaths   | (10,084)                                | 30,955                | 20,871              | 165   | 244                  | –                           | (348)                | (779)  | –  | –             | –  | –                              | –                                      | –                                      | (9,463)                                 | 29,616                | 20,153              |
| – Other road assets (including bulk earthworks)             | (1,118)                                 | 5,174                 | 4,056               | 2,923                                       | 599                  | –                           | (72)                 | (1,619)  | –  | 1,996         | –  | –                              | (663)                                  | –                                      | (792)                                   | 8,012                 | 7,220               |
| – Bulk earthworks (non-depreciable)                         | –                                       | 37,937                | 37,937              | –   | 196                  | –                           | –                    | –  | –  | 18            | –  | –                              | (4,407)                                | –                                      | –                                       | 33,744                | 33,744              |
| – Stormwater drainage                                       | (14,704)                                | 44,169                | 29,465              | 109   | 464                  | –                           | (401)                | –  | –  | 55            | –  | –                              | –                                      | 1,193                                  | (15,739)                                | 46,624                | 30,885              |
| – Water supply network                                      | (27,631)                                | 69,499                | 41,868              | 656   | 153                  | –                           | (869)                | –  | –  | 882           | –  | –                              | –                                      | 2,164                                  | (29,945)                                | 74,799                | 44,854              |
| – Sewerage network  | (30,302)                                | 64,836                | 34,534              | 434   | 301                  | –                           | (680)                | –  | –  | 305           | –  | –                              | –                                      | 1,769                                  | (32,554)                                | 69,217                | 36,663              |
| – Swimming pools  | (1,481)                                 | 6,554                 | 5,073               | 122   | 38                   | –                           | (113)                | –  | –  | 152           | –  | –                              | –                                      | 280                                    | (1,680)                                 | 7,232                 | 5,552               |
| – Other open space/recreational assets                      | (4,087)                                 | 14,966                | 10,879              | 383   | 2,664                | (285)                       | (461)                | –  | –  | 546           | –  | –                              | –                                      | 523                                    | (4,772)                                 | 19,021                | 14,249              |
| <b>Other assets:</b>  |   |                       |                     |   |                      |                             |                      |  |  |               |  |                                |  |  |   |                       |                     |
| – Library books   | (1,161)                                 | 1,330                 | 169                 | –   | 48                   | –                           | (10)                 | –  | –  | –             | –  | –                              | –                                      | –                                      | (1,171)                                 | 1,378                 | 207                 |
| <b>Reinstatement, rehabilitation and restoration assets</b> |   |                       |                     |   |                      |                             |                      |  |  |               |  |                                |  |  |   |                       |                     |
| – Tip assets  | (696)                                   | 4,318                 | 3,622               | –   | –                    | –                           | (200)                | –  | –  | –             | 280  | –                              | –                                      | –                                      | (896)                                   | 4,598                 | 3,702               |
| <b>Total infrastructure, property, plant and equipment</b>  | <b>(231,865)</b>                        | <b>730,256</b>        | <b>498,391</b>      | <b>15,450</b>                               | <b>6,845</b>         | <b>(315)</b>                | <b>(10,703)</b>      | <b>(2,398)</b>   | <b>3,216</b>                               | <b>–</b>      | <b>280</b>   | <b>7,861</b>                   | <b>(35,569)</b>                        | <b>12,758</b>                          | <b>(245,835)</b>                        | <b>741,651</b>        | <b>495,816</b>      |

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

## C1-5 Infrastructure, property, plant and equipment (continued)

### Material accounting policy information

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

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

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

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

| <b>Plant and equipment</b>        | <b>Years</b> | <b>Other equipment</b>               | <b>Years</b> |
|-----------------------------------|--------------|--------------------------------------|--------------|
| Office equipment                  | 5 to 10      | Playground equipment                 | 30 to 60     |
| Office furniture                  | 10 to 20     | Benches, seats etc.                  | 20 to 60     |
| Computer equipment                | 3 to 5       |                                      |              |
| Vehicles                          | 5 to 10      | <b>Buildings</b>                     |              |
| Heavy plant/road making equipment | 5 to 10      | Buildings: masonry                   | 60 to 125    |
| Other plant and equipment         | 5 to 15      | Buildings: other                     | 40 to 100    |
|                                   |              |                                      |              |
| <b>Water and sewer assets</b>     |              | <b>Stormwater assets</b>             |              |
| Dams and reservoirs               | 50 to 150    | Drains                               | 100 to 175   |
| Bores                             | 50 to 75     | Culverts                             | 60 to 140    |
| Reticulation pipes: PVC           | 40 to 150    | Flood control structures             | 100 to 175   |
| Reticulation pipes: other         | 80 to 120    |                                      |              |
| Pumps and telemetry               | 30 to 95     |                                      |              |
|                                   |              |                                      |              |
| <b>Transportation assets</b>      |              | <b>Other infrastructure assets</b>   |              |
| Sealed roads: surface             | 20 to 70     | Bulk earthworks                      | 200 to 425   |
| Sealed roads: structure           | 70 to 100    | Swimming pools                       | 40 to 81     |
| Unsealed roads                    | 15 to 80     | Other open space/recreational assets | 25 to 60     |
| Bridge: concrete                  | 100 to 175   | Other infrastructure                 | 25 to 75     |
| Bridge: other                     | 50           |                                      |              |
| Road pavements                    | 60           |                                      |              |
| Kerb, gutter and footpaths        | 35 to 140    |                                      |              |

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

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

### Crown reserves

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

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

### Rural Fire Service assets

Council recognises the land and buildings used by the Rural Fire Service situated within the Local Government area, however, it does not recognise the Rural Fire Service equipment.

## C2 Liabilities of Council

### C2-1 Payables

|  | 2025<br>Current<br>\$ '000 | 2025<br>Non-current<br>\$ '000 | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Prepaid rates                              | 570                        | –                              | 634                        | –                              |
| Goods and services – operating expenditure | 470                        | –                              | 308                        | –                              |
| Goods and services – capital expenditure   | 751                        | –                              | 1,568                      | –                              |
| Accrued expenses:                          |                            |                                |                            |                                |
| – Salaries and wages                       | 317                        | –                              | 254                        | –                              |
| – Other expenditure accruals               | 209                        | –                              | 554                        | –                              |
| Security bonds, deposits and retentions    | 734                        | 50                             | 180                        | 50                             |
| ATO – fringe benefits                      | 4                          | –                              | 89                         | –                              |
| Workers compensation                       | 84                         | 2                              | 66                         | 2                              |
| Other                                      | 59                         | –                              | 42                         | –                              |
| <b>Total payables</b>                      | <b>3,198</b>               | <b>52</b>                      | <b>3,695</b>               | <b>52</b>                      |

#### Material accounting policy information

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, accrued expenses and bonds for development applications.

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

## C2-2 Employee benefit provisions

|  | 2025<br>Current<br>\$ '000 | 2025<br>Non-current<br>\$ '000 | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Annual leave                             | 719                        | –                              | 761                        | –                              |
| Sick leave                               | 67                         | –                              | 158                        | –                              |
| Long service leave                       | 1,887                      | 79                             | 1,795                      | 75                             |
| Rostered Day Off leave                   | 70                         | –                              | 67                         | –                              |
| Time in lieu leave                       | 10                         | –                              | 5                          | –                              |
| Employee Leave Entitlements on-costs     | 144                        | 3                              | 149                        | 3                              |
| <b>Total employee benefit provisions</b> | <b>2,897</b>               | <b>82</b>                      | <b>2,935</b>               | <b>78</b>                      |

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

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| The following provisions, even though classified as current, are not expected to be settled in the next 12 months. |                 |                 |
| Provisions – employees benefits  | 1,822           | 1,783           |
|  | <b>1,822</b>    | <b>1,783</b>    |

### Material accounting policy information

#### 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.

## C2-3 Provisions

|  | 2025<br>Current<br>\$ '000 | 2025<br>Non-Current<br>\$ '000 | 2024<br>Current<br>\$ '000 | 2024<br>Non-Current<br>\$ '000 |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Asset remediation/restoration:</b>        |                            |                                |                            |                                |
| Asset remediation/restoration (future works) | –                          | 6,976                          | 261                        | 3,907                          |
| <b>Total provisions</b>                      | <b>–</b>                   | <b>6,976</b>                   | <b>261</b>                 | <b>3,907</b>                   |

### Description of and movements in provisions

|                                       | Other provisions                |                  |
|---------------------------------------|---------------------------------|------------------|
|                                       | Asset<br>remediation<br>\$ '000 | Total<br>\$ '000 |
| <b>2025</b>                           |                                 |                  |
| At beginning of year                  | 4,168                           | 4,168            |
| Changes to provision:                 |                                 |                  |
| – Revised costs                       | 2,652                           | 2,652            |
| Unwinding of discount                 | 156                             | 156              |
| Total other provisions at end of year | 6,976                           | 6,976            |
| <b>2024</b>                           |                                 |                  |
| At beginning of year                  | 3,887                           | 3,887            |
| Changes to provision:                 |                                 |                  |
| – Revised costs                       | 280                             | 280              |
| Unwinding of discount                 | 1                               | 1                |
| Total other provisions at end of year | 4,168                           | 4,168            |

### Material accounting policy information

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

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

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

### Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

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

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

## C3 Reserves

### C3-1 Nature and purpose of reserves

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#### **IPPE Revaluation Surplus**

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



## D Council structure

### D1 Results by fund

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

#### D1-1 Income Statement by fund

|  | <b>General<br/>2025<br/>\$ '000</b> | <b>Water<br/>2025<br/>\$ '000</b> | <b>Sewer<br/>2025<br/>\$ '000</b> |
|--|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Income from continuing operations</b>   |                                     |                                   |                                   |
| Rates and annual charges   | 10,702                              | 1,667                             | 3,601                             |
| User charges and fees  | 2,523                               | 2,323                             | 372                               |
| Interest and investment revenue  | 1,407                               | 264                               | 325                               |
| Other revenues   | 694                                 | 24                                | 8                                 |
| Grants and contributions provided for operating purposes   | 10,908                              | 173                               | 144                               |
| Grants and contributions provided for capital purposes   | 2,968                               | 228                               | —                                 |
| Net gains from disposal of assets  | 171                                 | —                                 | —                                 |
| <b>Total income from continuing operations</b>   | <b>29,373</b>                       | <b>4,679</b>                      | <b>4,450</b>                      |
| <b>Expenses from continuing operations</b>   |                                     |                                   |                                   |
| Employee benefits and on-costs   | 11,612                              | 479                               | 762                               |
| Materials and services   | 10,125                              | 1,651                             | 1,339                             |
| Other expenses   | 688                                 | —                                 | —                                 |
| <b>Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b>   | <b>22,425</b>                       | <b>2,130</b>                      | <b>2,101</b>                      |
| <b>Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b> | <b>6,948</b>                        | <b>2,549</b>                      | <b>2,349</b>                      |
| Depreciation, amortisation and impairment of non-financial assets  | 9,164                               | 985                               | 804                               |
| <b>Net operating result for the year</b>   | <b>(2,216)</b>                      | <b>1,564</b>                      | <b>1,545</b>                      |
| <b>Net operating result attributable to each council fund</b>  | <b>(2,216)</b>                      | <b>1,564</b>                      | <b>1,545</b>                      |
| <b>Net operating result for the year before grants and contributions provided for capital purposes</b>                         | <b>(5,184)</b>                      | <b>1,336</b>                      | <b>1,545</b>                      |

## D1-2 Statement of Financial Position by fund

|   | General<br>2025<br>\$ '000 | Water<br>2025<br>\$ '000 | Sewer<br>2025<br>\$ '000 |
|---|----------------------------|--------------------------|--------------------------|
| <b>ASSETS</b>                                 |                            |                          |                          |
| <b>Current assets</b>                         |                            |                          |                          |
| Cash and cash equivalents                     | 394                        | 2,938                    | 7,230                    |
| Investments                                   | 19,212                     | 5,333                    | 2,134                    |
| Receivables                                   | 3,184                      | 667                      | 316                      |
| Other   | 197                        | 27                       | —                        |
| <b>Total current assets</b>                   | <b>22,987</b>              | <b>8,965</b>             | <b>9,680</b>             |
| <b>Non-current assets</b>                     |                            |                          |                          |
| Investments                                   | 4,000                      | —                        | —                        |
| Infrastructure, property, plant and equipment | 434,889                    | 45,122                   | 37,023                   |
| Intangible assets                             | 431                        | —                        | —                        |
| <b>Total non-current assets</b>               | <b>439,320</b>             | <b>45,122</b>            | <b>37,023</b>            |
| <b>Total assets</b>                           | <b>462,307</b>             | <b>54,087</b>            | <b>46,703</b>            |
| <b>LIABILITIES</b>                            |                            |                          |                          |
| <b>Current liabilities</b>                    |                            |                          |                          |
| Payables                                      | 2,917                      | 137                      | 144                      |
| Contract liabilities                          | 815                        | —                        | —                        |
| Employee benefit provision                    | 2,897                      | —                        | —                        |
| <b>Total current liabilities</b>              | <b>6,629</b>               | <b>137</b>               | <b>144</b>               |
| <b>Non-current liabilities</b>                |                            |                          |                          |
| Payables                                      | 52                         | —                        | —                        |
| Employee benefit provision                    | 82                         | —                        | —                        |
| Provisions                                    | 6,976                      | —                        | —                        |
| <b>Total non-current liabilities</b>          | <b>7,110</b>               | <b>—</b>                 | <b>—</b>                 |
| <b>Total liabilities</b>                      | <b>13,739</b>              | <b>137</b>               | <b>144</b>               |
| <b>Net assets</b>                             | <b>448,568</b>             | <b>53,950</b>            | <b>46,559</b>            |
| <b>EQUITY</b>                                 |                            |                          |                          |
| Accumulated surplus                           | 393,675                    | 45,219                   | 42,956                   |
| IPPE revaluation surplus                      | 54,893                     | 8,731                    | 3,603                    |
| <b>Total equity</b>                           | <b>448,568</b>             | <b>53,950</b>            | <b>46,559</b>            |

## E Risks and accounting uncertainties

### E1-1 Risks relating to financial instruments held

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 Council.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manage the cash and Investments portfolio with the assistance of independent advisers. Council has an investment policy which complies with the s625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up and performance of the portfolio as required by local government regulations.

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

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

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.  
The risks associated with the financial instruments held are:

- Market risk – interest rate risk – the risk that movements in interest rates could affect returns
- 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 a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to the Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers before placing any cash and investments.

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

|  | 2025    | 2024    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

The impact on the 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                      | 310   | 300   |
| Impact of a 10% movement in price of investments |       |       |
| – Equity / Income Statement                      | 3,100 | 3,000 |

#### (b) Credit risk

Council's major receivables comprise rates, annual charges, user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery policies. 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 other than Council has significant credit risk exposures in its local area given the nature of Council activities.

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.

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

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.

|                       | Not yet<br>overdue<br>\$ '000 | overdue rates and annual charges<br>< 5 years<br>\$ '000 | ≥ 5 years<br>\$ '000 | Total<br>\$ '000 |
|-----------------------|-------------------------------|--|----------------------|------------------|
| <b>2025</b>           |                               |  |                      |                  |
| Gross carrying amount | –                             | 845  | 10                   | 855              |
| <b>2024</b>           |                               |  |                      |                  |
| Gross carrying amount | –                             | 648  | 6                    | 654              |

#### 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.

|                        | Not yet<br>overdue<br>\$ '000 | 0 - 30 days<br>\$ '000 | Overdue debts<br>31 - 60 days<br>\$ '000 | 61 - 90 days<br>\$ '000 | > 91 days<br>\$ '000 | Total<br>\$ '000 |
|------------------------|-------------------------------|------------------------|--|-------------------------|----------------------|------------------|
| <b>2025</b>            |                               |                        |  |                         |                      |                  |
| Gross carrying amount  | 2,071                         | 28                     | 69                                       | 231                     | 1,014                | 3,413            |
| Expected loss rate (%) | 0.36%                         | 4.80%                  | 1.67%                                    | 10.81%                  | 27.12%               | 9.08%            |
| <b>ECL provision</b>   | <b>9</b>                      | <b>6</b>               | <b>1</b>                                 | <b>14</b>               | <b>42</b>            | <b>72</b>        |
| <b>2024</b>            |                               |                        |  |                         |                      |                  |
| Gross carrying amount  | 6,580                         | 54                     | 40                                       | 8                       | 110                  | 6,792            |
| Expected loss rate (%) | 0.11%                         | 2.18%                  | 19.81%                                   | 34.65%                  | 29.46%               | 0.76%            |
| <b>ECL provision</b>   | <b>7</b>                      | <b>1</b>               | <b>8</b>                                 | <b>3</b>                | <b>32</b>            | <b>51</b>        |

### (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 and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

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

|                                    | Weighted<br>average<br>interest<br>rate<br>% | Subject<br>to no<br>maturity<br>\$ '000 | ≤ 1 Year<br>\$ '000 | payable in:<br>1 - 5<br>Years<br>\$ '000 | > 5 Years<br>\$ '000 | Total<br>contractual<br>cash<br>outflows<br>\$ '000 | Actual<br>carrying<br>values<br>\$ '000 |
|------------------------------------|--|---|---------------------|--|----------------------|---|---|
|                                    | Weighted<br>average<br>interest<br>rate<br>% | Subject<br>to no<br>maturity<br>\$ '000 | ≤ 1 Year<br>\$ '000 | payable in:<br>1 - 5<br>Years<br>\$ '000 | > 5 Years<br>\$ '000 | Total<br>contractual<br>cash<br>outflows<br>\$ '000 | Actual<br>carrying<br>values<br>\$ '000 |
| <b>2025</b>                        |  |   |                     |  |                      |   |   |
| Payables                           | 0.00%  | 784                                     | 2,465               | 2  | —                    | 3,251   | 3,250                                   |
| <b>Total financial liabilities</b> |  | <b>784</b>                              | <b>2,465</b>        | <b>2</b>                                 | <b>—</b>             | <b>3,251</b>  | <b>3,250</b>                            |
| <b>2024</b>                        |  |   |                     |  |                      |   |   |
| Payables                           | 0.00%  | 230                                     | 3,370               | 52                                       | —                    | 3,652   | 3,747                                   |
| <b>Total financial liabilities</b> |  | <b>230</b>                              | <b>3,370</b>        | <b>52</b>                                | <b>—</b>             | <b>3,652</b>  | <b>3,747</b>                            |

## 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

### Fair value hierarchy

All assets and liabilities measured at fair value are 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:** Unobservable inputs for the asset or liability

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

| Fair value measurement hierarchy                    |                          |          |   |         |         |         |
|---|--------------------------|----------|---|---------|---------|---------|
| Notes   | Date of latest valuation |          | Level 3 Significant unobservable inputs |         | Total   |         |
|   | 2025                     | 2024     | 2025                                    | 2024    | 2025    | 2024    |
|   | \$ '000                  | \$ '000  | \$ '000                                 | \$ '000 | \$ '000 | \$ '000 |
| Recurring fair value measurements                   |                          |          |   |         |         |         |
| Infrastructure, property, plant and equipment       | C1-5                     |          |   |         |         |         |
| Plant and equipment                                 | 30/06/24                 | 30/06/24 | 3,714                                   | 4,230   | 3,714   | 4,230   |
| Office equipment                                    | 30/06/24                 | 30/06/24 | 316                                     | 429     | 316     | 429     |
| Furniture and fittings                              | 30/06/24                 | 30/06/24 | 32                                      | 41      | 32      | 41      |
| Operational land                                    | 30/06/21                 | 30/06/21 | 8,366                                   | 8,366   | 8,366   | 8,366   |
| Community land                                      | 30/06/21                 | 30/06/21 | 1,823                                   | 1,823   | 1,823   | 1,823   |
| Crown land  | 30/06/21                 | 30/06/21 | 5,205                                   | 5,205   | 5,205   | 5,205   |
| Land improvements – depreciable                     | 30/06/25                 | 30/06/21 | 6,532                                   | 4,463   | 6,532   | 4,463   |
| Buildings – non-specialised                         | 30/06/25                 | 29/02/20 | 16,622                                  | 17,904  | 16,622  | 17,904  |
| Buildings – specialised                             | 30/06/25                 | 29/02/20 | 61,691                                  | 51,200  | 61,691  | 51,200  |
| Other structures                                    | 30/06/24                 | 29/02/20 | 20,120                                  | 20,250  | 20,120  | 20,250  |
| Roads   | 30/06/24                 | 30/06/24 | 167,241                                 | 166,603 | 167,241 | 166,603 |
| Bridges   | 30/06/24                 | 30/06/24 | 10,165                                  | 10,257  | 10,165  | 10,257  |
| Footpaths and kerb and gutter                       | 30/06/24                 | 30/06/24 | 20,243                                  | 20,153  | 20,243  | 20,153  |
| Other road assets                                   | 30/06/24                 | 30/06/24 | 7,148                                   | 7,220   | 7,148   | 7,220   |
| Bulk earthworks                                     | 30/06/24                 | 30/06/24 | 33,889                                  | 33,744  | 33,889  | 33,744  |
| Stormwater drainage                                 | 29/02/20                 | 29/02/20 | 32,210                                  | 30,885  | 32,210  | 30,885  |
| Water supply network                                | 30/06/23                 | 30/06/23 | 45,181                                  | 44,854  | 45,181  | 44,854  |
| Sewerage network                                    | 01/06/22                 | 01/06/22 | 37,955                                  | 36,663  | 37,955  | 36,663  |
| Swimming pools                                      | 30/06/25                 | 29/02/20 | 5,616                                   | 5,552   | 5,616   | 5,552   |
| Other open spaces/recreational assets               | 30/06/25                 | 30/06/21 | 16,342                                  | 14,249  | 16,342  | 14,249  |
| Library books                                       | 30/06/21                 | 30/06/21 | 196                                     | 207     | 196     | 207     |
| Tip assets  | 29/02/25                 | 29/02/20 | 6,297                                   | 3,702   | 6,297   | 3,702   |
| Total infrastructure, property, plant and equipment |                          |          | 506,904                                 | 488,000 | 506,904 | 488,000 |

### 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 and Equipment** - This class of asset category is not valued at fair value. The category is at depreciated historical cost, which approximates fair value.

**Office Equipment** - Same as Plant and Equipment above.

**Furniture and Fittings** - Same as Plant and Equipment above.

**Operational Land** - The latest comprehensive revaluation was conducted by APV Valuers during the 2020/21 financial year.

The valuation method used is in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines). Operational Land should be valued at market value after considering the buyers and sellers in the market and, where possible, include elements such as zoning limitations, alternative use and size of the land.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, PDSLIVE property searches, Benchmarking, APV database of recent projects and on-site visits.

Index of 6.80% during 2022/23 financial year to account for material increases in costs due to high inflation experienced in the 2022/23 financial year. No material movement for 2023/24 and 2024/25.

**Community Land** - The latest comprehensive revaluation was conducted by APV Valuers during the 2020/21 financial year.

The valuation method used is in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines). Council is unable to provide neither observable nor unobservable valuation techniques and therefore it is reported as a Level 3.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, PDSLIVE property searches, Benchmarking, APV database of recent projects and on-site visits.

Following advice from the NSW Audit Office, Council discounted the market value of Community Land to equal values from the Valuer General's office. This was done so as to cater for the restrictions that are on Community Land.

Index of 6.80% during 2022/23 financial year to account for material increases in costs due to high inflation experienced in the 2022/23 financial year. No material movement for 2023/24 and 2024/25.

**Crown Land** - Same as Community Land above.

**Land Improvements (Depreciable)** - The latest comprehensive revaluation was conducted by APV Valuers during the current financial year.

The valuation 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.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide, Benchmarking, APV database of recent projects and on-site visits.

Index average of 5.07% during 2023/24 financial year to account for material increases in costs due to high inflation experienced in the 2023/24 financial year.

**Buildings (Non - Specialised)** - A comprehensive revaluation was conducted by APV Valuers during the current financial year.

The valuation 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.

In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately. This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

**Buildings (Specialised)** - A comprehensive revaluation was conducted by APV Valuers during the current financial year.

Refer to Buildings (Non-Specialised) above for valuation method and data sources.

**Other Structures** - The latest comprehensive revaluation was conducted by APV Valuers during the 2023/24 financial year.

The valuation 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.

## E2-1 Fair value measurement (continued)

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In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide, Benchmarking, APV database of recent projects and on-site visits.

Index average of 5% during 2023/24 financial year to account for material increases in costs due to high inflation experienced in the 2023/24 financial year. No material movement in 2024/25.

**Roads & Bulk Earthworks** - The latest comprehensive revaluation was conducted by APV Valuers during the 2023/24 financial year.

The valuation 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.

In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual construction or purchase prices, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

No material movement in 2024/25.

**Bridges** - The latest comprehensive revaluation was conducted by APV Valuers during the 2023/24 financial year. Refer to Roads above for valuation method and data sources. No material movement in 2024/25.

**Footpaths** - The latest comprehensive revaluation was conducted by APV Valuers during the 2023/24 financial year. Refer to Roads above for valuation method and data sources. No material movement in 2024/25.

**Stormwater** - The latest comprehensive revaluation was conducted by APV Valuers during the 2019/20 financial year. Refer to Roads above for valuation method and data sources.

Index average of 4.20% during 2023/24 financial year to account for material increases in costs due to high inflation experienced in the 2023/24 financial year. No material movement in 2024/25.

**Water Supply Network** - The latest comprehensive revaluation was conducted by APV Valuers during the 2022/23 financial year, with an indexation rate of 2.5% applied to the asset values for the 2024/25 year in accordance with the NSW Rates Reference Manual issued by DPI- Water.

The valuation 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.

In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual construction or purchase prices, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

**Sewer Network** - The latest comprehensive revaluation was conducted by APV Valuers during the year 2021/22 financial year, with an indexation rate of 2.5% applied to the asset values for the 2024/25 year in accordance with the NSW Rates Reference Manual issued by DPI- Water.

The valuation 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.

In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual construction or purchase prices, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.



## E2-1 Fair value measurement (continued)

**Swimming Pools** - A comprehensive revaluation was conducted by APV Valuers during the current financial year.

The valuation 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.

In accordance with the depreciation requirements of AASB 116, "complex assets" are componentised and depreciated separately (splitting each component into the short and long life parts). This is consistent with the AASB's May 2015 decision regarding residual value.

Sources of data used when determining revaluations include: Actual sales evidence, mapping evidence, Rawlinson's Construction Guide (or similar), Benchmarking, APV database of recent projects and on-site visits.

**Other Open Spaces/ Recreational Assets** - A comprehensive revaluation was conducted by APV Valuers during the 2024/25 financial year. Refer to Swimming Pools above for valuation method and data sources.

**Library Books** - Same as Plant and Equipment above.

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

#### b. 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.

|  | Valuation technique/s                   | Unobservable inputs  |
|--|---|--|
| <b>Infrastructure, property, plant and equipment</b> |   |  |
| Work in progress                                     | Cost approach                           | At cost.   |
| Plant and equipment                                  | Cost approach                           | Gross replacement cost, remaining useful life and residual value   |
| Office equipment                                     | Cost approach                           | Gross replacement cost, remaining useful life and residual value   |
| Furniture and fittings                               | Cost approach                           | Gross replacement cost, remaining useful life and residual value   |
| Operational land                                     | Market value approach                   | Comparison to other similar land sales/property prices, use of land and land area.   |
| Community land                                       | Market value approach                   | Use of land, zoning conditions and unit rates per square metre   |
| Crown land   | Market value approach                   | Use of land, zoning conditions and unit rates per square metre   |
| Land improvements – depreciable                      | Cost approach - depreciated replacement | Unit rates, pattern of consumption and consumption score   |
| Buildings – non specialised                          | Cost approach - depreciated replacement | Unit rates, pattern of consumption and consumption score   |
| Buildings – specialised                              | Cost approach - depreciated replacement | Unit rates, pattern of consumption and consumption score   |
| Other structures                                     | Cost approach - depreciated replacement | Unit rates, pattern of consumption and consumption score   |
| Roads  | Cost approach - depreciated replacement | Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost. |
| Bridges  | Cost approach - depreciated replacement | Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost. |

## E2-1 Fair value measurement (continued)

|                                       | Valuation technique/s                   | Unobservable inputs  |
|---------------------------------------|---|--|
| Footpaths and kerb                    | Cost approach - depreciated replacement | Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost. |
| Bulk earthworks                       | Cost approach - depreciated replacement | Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost. |
| Other road assets                     | Cost approach - depreciated replacement | Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost. |
| Stormwater drainage                   | Cost approach - depreciated replacement | Asset condition, relationship between asset consumption rating scale and the level of consumed service potential and unit rate cost. |
| Water supply network                  | Cost approach - depreciated replacement | Unit rate cost from market evidence, split between short and long life components, valuation profiles and consumption score.         |
| Sewerage network                      | Cost approach - depreciated replacement | Unit rate cost from market evidence, split between short and long life components, valuation profiles and consumption score.         |
| Swimming pools                        | Cost approach - depreciated replacement | Unit rates, pattern of consumption and consumption score.  |
| Other open spaces/recreational assets | Cost approach - depreciated replacement | Unit rates, pattern of consumption and consumption score.  |
| Library books                         | Cost approach                           | Gross replacement cost and remaining useful life   |
| Other assets                          | Cost approach - depreciated replacement | Gross replacement cost and remaining useful life   |
| Tip assets                            | Cost approach - depreciated replacement | Gross replacement cost and remaining useful life   |

## E2-1 Fair value measurement (continued)

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

|   | Plant and equipment |                 | Office equipment |                 | Furniture and fittings |                 | Operational land |                 |
|---|---------------------|-----------------|------------------|-----------------|------------------------|-----------------|------------------|-----------------|
|   | 2025<br>\$ '000     | 2024<br>\$ '000 | 2025<br>\$ '000  | 2024<br>\$ '000 | 2025<br>\$ '000        | 2024<br>\$ '000 | 2025<br>\$ '000  | 2024<br>\$ '000 |
| <b>Opening balance</b>                      | <b>4,230</b>        | <b>4,926</b>    | <b>429</b>       | <b>451</b>      | <b>41</b>              | <b>51</b>       | <b>8,366</b>     | <b>8,366</b>    |
| <b>Total gains or losses for the period</b> |                     |                 |                  |                 |                        |                 |                  |                 |
| <b>Other movements</b>                      |                     |                 |                  |                 |                        |                 |                  |                 |
| Purchases                                   | 421                 | 292             | 28               | 121             | –                      | –               | –                | –               |
| Disposals                                   | (28)                | (30)            | –                | –               | –                      | –               | –                | –               |
| Depreciation and impairment                 | (909)               | (958)           | (141)            | (143)           | (9)                    | (10)            | –                | –               |
| <b>Closing balance</b>                      | <b>3,714</b>        | <b>4,230</b>    | <b>316</b>       | <b>429</b>      | <b>32</b>              | <b>41</b>       | <b>8,366</b>     | <b>8,366</b>    |

|  | Community Land  |                 | Crown Land      |                 | Land improv-<br>ements |                 | Buildings non<br>specialised |                 |
|--|-----------------|-----------------|-----------------|-----------------|------------------------|-----------------|------------------------------|-----------------|
|  | 2025<br>\$ '000 | 2024<br>\$ '000 | 2025<br>\$ '000 | 2024<br>\$ '000 | 2025<br>\$ '000        | 2024<br>\$ '000 | 2025<br>\$ '000              | 2024<br>\$ '000 |
| <b>Opening balance</b>   | <b>1,823</b>    | <b>1,823</b>    | <b>5,205</b>    | <b>5,205</b>    | <b>4,463</b>           | <b>4,341</b>    | <b>17,904</b>                | <b>14,205</b>   |
| <b>Total gains or losses for the period</b>                    |                 |                 |                 |                 |                        |                 |                              |                 |
| Recognised in other comprehensive income – revaluation surplus | –               | –               | –               | –               | 433                    | 215             | (21)                         | 695             |
| <b>Other movements</b>   |                 |                 |                 |                 |                        |                 |                              |                 |
| Purchases  | –               | –               | –               | –               | 855                    | 42              | 45                           | 3,327           |
| Depreciation and impairment                                    | –               | –               | –               | –               | (154)                  | (135)           | (371)                        | (323)           |
| Adjustments and transfers                                      | –               | –               | –               | –               | 935                    | –               | (935)                        | –               |
| <b>Closing balance</b>   | <b>1,823</b>    | <b>1,823</b>    | <b>5,205</b>    | <b>5,205</b>    | <b>6,532</b>           | <b>4,463</b>    | <b>16,622</b>                | <b>17,904</b>   |

## E2-1 Fair value measurement (continued)

|  | Building specialised |         | Other structures |         | Roads          |          | Bridges       |         |
|--|----------------------|---------|------------------|---------|----------------|----------|---------------|---------|
|  | 2025                 | 2024    | 2025             | 2024    | 2025           | 2024     | 2025          | 2024    |
|  | \$ '000              | \$ '000 | \$ '000          | \$ '000 | \$ '000        | \$ '000  | \$ '000       | \$ '000 |
| <b>Opening balance</b>   | <b>51,200</b>        | 49,175  | <b>20,250</b>    | 19,548  | <b>166,603</b> | 186,565  | <b>10,257</b> | 7,610   |
| <b>Total gains or losses for the period</b>                    |                      |         |                  |         |                |          |               |         |
| Recognised in other comprehensive income – revaluation surplus | <b>9,951</b>         | 2,438   | –                | 816     | –              | (27,283) | –             | 2,665   |
| <b>Other movements</b>   |                      |         |                  |         |                |          |               |         |
| Purchases  | <b>1,646</b>         | 568     | –                | –       | <b>4,714</b>   | 12,138   | –             | 50      |
| Depreciation and impairment                                    | <b>(1,106)</b>       | (981)   | <b>(130)</b>     | (114)   | <b>(4,076)</b> | (4,817)  | <b>(92)</b>   | (68)    |
| <b>Closing balance</b>   | <b>61,691</b>        | 51,200  | <b>20,120</b>    | 20,250  | <b>167,241</b> | 166,603  | <b>10,165</b> | 10,257  |

|   | Footpaths     |         | Bulk earthworks |         | Other road assets |         | Stormwater drainage |         |
|---|---------------|---------|-----------------|---------|-------------------|---------|---------------------|---------|
|   | 2025          | 2024    | 2025            | 2024    | 2025              | 2024    | 2025                | 2024    |
|   | \$ '000       | \$ '000 | \$ '000         | \$ '000 | \$ '000           | \$ '000 | \$ '000             | \$ '000 |
| <b>Opening balance</b>  | <b>20,153</b> | 20,871  | <b>33,744</b>   | 37,937  | <b>7,220</b>      | 4,056   | <b>30,885</b>       | 29,465  |
| <b>Total gains or losses for the period</b>                           |               |         |                 |         |                   |         |                     |         |
| Recognised in profit or loss – realised (refer to Note B3-3 and B6-1) | –             | (779)   | –               | –       | –                 | (1,619) | –                   | –       |
| Recognised in other comprehensive income – revaluation surplus        | –             | –       | –               | (4,407) | –                 | (663)   | –                   | 1,193   |
| <b>Other movements</b>  |               |         |                 |         |                   |         |                     |         |
| Purchases   | <b>449</b>    | 409     | <b>145</b>      | 214     | <b>40</b>         | 5,518   | <b>1,785</b>        | 628     |
| Depreciation and impairment   | <b>(359)</b>  | (348)   | –               | –       | <b>(112)</b>      | (72)    | <b>(460)</b>        | (401)   |
| <b>Closing balance</b>  | <b>20,243</b> | 20,153  | <b>33,889</b>   | 33,744  | <b>7,148</b>      | 7,220   | <b>32,210</b>       | 30,885  |

## E2-1 Fair value measurement (continued)

|  | Water supply network |         | Sewerage network |         | Swimming pools |         | Other open spaces |         |
|--|----------------------|---------|------------------|---------|----------------|---------|-------------------|---------|
|  | 2025                 | 2024    | 2025             | 2024    | 2025           | 2024    | 2025              | 2024    |
|  | \$ '000              | \$ '000 | \$ '000          | \$ '000 | \$ '000        | \$ '000 | \$ '000           | \$ '000 |
| <b>Opening balance</b>   | <b>44,854</b>        | 41,868  | <b>36,663</b>    | 34,534  | <b>5,552</b>   | 5,073   | <b>14,249</b>     | 10,879  |
| <b>Total gains or losses for the period</b>                    |                      |         |                  |         |                |         |                   |         |
| Recognised in other comprehensive income – revaluation surplus | <b>1,189</b>         | 2,164   | <b>992</b>       | 1,769   | <b>203</b>     | 280     | <b>2,030</b>      | 523     |
| <b>Other movements</b>   |                      |         |                  |         |                |         |                   |         |
| Purchases  | <b>121</b>           | 1,691   | <b>1,103</b>     | 1,040   | –              | 312     | <b>632</b>        | 3,593   |
| Disposals  | –                    | –       | –                | –       | –              | –       | –                 | (285)   |
| Depreciation and impairment                                    | <b>(983)</b>         | (869)   | <b>(803)</b>     | (680)   | <b>(128)</b>   | (113)   | <b>(580)</b>      | (461)   |
| Adjustments and transfers                                      | –                    | –       | –                | –       | <b>(11)</b>    | –       | <b>11</b>         | –       |
| <b>Closing balance</b>   | <b>45,181</b>        | 44,854  | <b>37,955</b>    | 36,663  | <b>5,616</b>   | 5,552   | <b>16,342</b>     | 14,249  |

|   | Library books |         | Tip assets   |         | Total           |          |
|---|---------------|---------|--------------|---------|-----------------|----------|
|   | 2025          | 2024    | 2025         | 2024    | 2025            | 2024     |
|   | \$ '000       | \$ '000 | \$ '000      | \$ '000 | \$ '000         | \$ '000  |
| <b>Opening balance</b>  | <b>207</b>    | 169     | <b>3,702</b> | 3,622   | <b>488,000</b>  | 490,740  |
| Recognised in profit or loss – realised (refer to Note B3-3 and B6-1) | –             | –       | –            | –       | –               | (2,398)  |
| Recognised in other comprehensive income – revaluation surplus        | –             | –       | <b>2,808</b> | –       | <b>17,585</b>   | (19,595) |
| Purchases   | –             | 48      | –            | –       | <b>11,984</b>   | 29,991   |
| Disposals   | –             | –       | –            | –       | <b>(28)</b>     | (315)    |
| Depreciation and impairment   | <b>(11)</b>   | (10)    | <b>(213)</b> | (200)   | <b>(10,637)</b> | (10,703) |
| Adjustments and transfers   | –             | –       | –            | 280     | –               | 280      |
| <b>Closing balance</b>  | <b>196</b>    | 207     | <b>6,297</b> | 3,702   | <b>506,904</b>  | 488,000  |

### 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.

### 1. Guarantees

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

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

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

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

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

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

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

|            |  |
|------------|--|
| Division B | 1.9 times employee contributions for non-180 Point members<br>Nil for 180 Point Members* |
| Division C | 2.5% salaries  |
| Division D | 1.64 times employee contributions  |

\*For 180 Point Members, Employers are required to contribute 9.5% of salaries from 1 July 2025 to these members' accumulation accounts in line with current level Superannuation Guarantee contributions, which are paid in addition to members' defined benefits.

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

Given the funding position of the Fund as at 30 June 2024, it was recommended to cease these past service contributions effective 1 January 2025.

The adequacy of contributions is assessed at each actuarial investigation which will be conducted annually, the next of which is due effective 30 June 2025.

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

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

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

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

The plan is a defined benefit plan. However, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent that they are not borne by members). As such, there is not sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of superannuation expenses at Note B3-1 for the year ending 30 June 2025 was \$132,884.

## E3-1 Contingencies (continued)

The last valuation of the scheme was performed by Mr Richard Boyfield FIAA as at 30 June 2024.

Council's expected contribution to the Fund for the next annual reporting period is \$43,004.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2025 is:

| <b>Employer reserves only *</b> | <b>\$millions</b> | <b>Asset Coverage</b> |
|---------------------------------|-------------------|-----------------------|
| Assets                          | 2,197.6           |                       |
| Past Service Liabilities        | 2,092.0           | 105%                  |
| Vested Benefits                 | 2,130.4           | 103.2%                |

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

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

|                   |                |
|-------------------|----------------|
| Investment return | 6.0% per annum |
| Salary inflation  | 3.5% per annum |
| Increase in CPI   | 2.5% per annum |

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

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2025.

An employer's share of any funding surplus or deficit (see cover letter) that can be attributed to each organisation provides an indication of the level of participation of that employer compared with other employers in the Pooled Employer sub-group. Given the funding position of the Fund as at 30 June 2024, it was recommended that these past service contributions cease effective 1 January 2025.

### (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 2025 may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

### (iii) StateCover Limited

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

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

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

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

### (iv) Other guarantees

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

### (v) 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.

## E3-1 Contingencies (continued)

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### **(vi) Potential land acquisitions due to planning restrictions imposed by Council**

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

### **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.



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:

|                          | 2025         | 2024         |
|--------------------------|--------------|--------------|
|                          | \$ '000      | \$ '000      |
| <b>Compensation:</b>     |              |              |
| Short-term benefits      | 935          | 1,128        |
| Post-employment benefits | 92           | 81           |
| Other long-term benefits | 28           | 115          |
| Termination benefits     | 7            | 194          |
| <b>Total</b>             | <b>1,062</b> | <b>1,518</b> |

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

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are: |                 |                 |
| Mayoral fee  | 30              | 28              |
| Councillors' fees  | 118             | 119             |
| Other Councillors' expenses (including Mayor)  | 21              | 48              |
| <b>Total</b>   | <b>169</b>      | <b>195</b>      |

F1-3 Other related parties

|  | Transactions<br>during the year<br>\$ '000 | Outstanding<br>balances<br>including<br>commitments<br>\$ '000 | Impairment<br>provision on<br>outstanding<br>balances<br>\$ '000 | Impairment<br>expense<br>\$ '000 |
|--|--|--|--|----------------------------------|
| <b>2025</b>                            |  |  |  |                                  |
| <b>Training services</b> <sup>1.</sup> | 2  | -  | -  | -                                |

(1.) A company in which a member of KMP is a partner provided training services to Council for \$2K in 2025 (2024: nil).

## F2 Other relationships

### F2-1 Audit fees

|  | 2025    | 2024    |
|--|---------|---------|
|  | \$ '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

#### Total audit fees

|            |           |
|------------|-----------|
| 103        | 95        |
| <b>103</b> | <b>95</b> |

## G Other matters

### G1-1 Statement of Cash Flows information

#### Reconciliation of Operating Result

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Net operating result from Income Statement</b>                          | <b>893</b>      | 16,230          |
| <b>Add / (less) non-cash items:</b>  |                 |                 |
| Depreciation and amortisation  | 10,953          | 11,008          |
| (Gain) / loss on disposal of assets  | (171)           | 227             |
| Losses/(gains) recognised on fair value re-measurements through the P&L:   |                 |                 |
| – Revaluation decrements / impairments of IPP&E direct to P&L              | –               | 2,398           |
| Unwinding of discount rates on reinstatement provisions                    | 156             | 1               |
| <b>Movements in operating assets and liabilities and other cash items:</b> |                 |                 |
| (Increase) / decrease of receivables                                       | 3,207           | (3,916)         |
| Increase / (decrease) in provision for impairment of receivables           | 21              | (409)           |
| (Increase) / decrease of other current assets                              | (34)            | 121             |
| (Increase) / decrease of contract asset                                    | –               | 1,544           |
| Increase / (decrease) in payables  | 162             | (750)           |
| Increase / (decrease) in other accrued expenses payable                    | (282)           | (1,310)         |
| Increase / (decrease) in other liabilities                                 | 440             | (40)            |
| Increase / (decrease) in contract liabilities                              | (1,738)         | (4,535)         |
| Increase / (decrease) in employee benefit provision                        | (34)            | (115)           |
| Increase / (decrease) in other provisions                                  | 2,652           | 280             |
| <b>Net cash flows from operating activities</b>                            | <b>16,225</b>   | <b>20,734</b>   |

## G2-1 Commitments

### Capital commitments (exclusive of GST)

|  | 2025    | 2024    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

#### Property, plant and equipment

|                          |            |           |
|--------------------------|------------|-----------|
| Buildings                | 55         | —         |
| Water infrastructure     | 7          | —         |
| Roads                    | 71         | 34        |
| Other Infrastructure     | 65         | 56        |
| <b>Total commitments</b> | <b>198</b> | <b>90</b> |

#### These expenditures are payable as follows:

|                      |            |           |
|----------------------|------------|-----------|
| Within the next year | 198        | 90        |
| <b>Total payable</b> | <b>198</b> | <b>90</b> |

#### Details of capital commitments

Commitments exist for various projects including the Museum refurbishment, North Deniliquin levee upgrade, roads, water and sewer projects.

## G3-1 Events occurring after the reporting date

Council is unaware of any material or significant events that should be disclosed.

G4 Statement of developer contributions

G4-1 Summary of developer contributions

|  | Opening<br>balance at<br>1 July 2024<br>\$ '000 | Contributions<br>received during<br>the year - Cash<br>\$ '000 | Amounts<br>expended<br>\$ '000 | Held as<br>restricted<br>asset at 30 June<br>2025<br>\$ '000 |
|--|---|--|--------------------------------|--|
| Roads  | 11  | -  | -                              | 11   |
| Parking  | 8   | -  | -                              | 8  |
| Open space                                       | 4   | -  | -                              | 4  |
| Community facilities                             | 9   | -  | -                              | 9  |
| Other  | 1   | -  | -                              | 1  |
| <b>S7.11 contributions – under a plan</b>        | <b>33</b>                                       | <b>-</b>   | <b>-</b>                       | <b>33</b>  |
| <b>Total S7.11 and S7.12 revenue under plans</b> | <b>33</b>                                       | <b>-</b>   | <b>-</b>                       | <b>33</b>  |
| S7.11 not under plans                            | 6   | -  | -                              | 6  |
| S7.4 planning agreements                         | 80  | -  | -                              | 80   |
| S64 contributions                                | -   | 317  | (317)                          | -  |
| <b>Total contributions</b>                       | <b>119</b>                                      | <b>317</b>   | <b>(317)</b>                   | <b>119</b>   |

Under the *Environmental Planning and Assessment Act 1979*, local infrastructure contributions, also known as developer contributions, are charged by councils when new development occurs. They help fund infrastructure like parks, community facilities, local roads, footpaths, stormwater drainage and traffic management. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G4-2 Developer contributions by plan

|  | Opening<br>balance at<br>1 July 2024<br>\$ '000 | Contributions<br>received during<br>the year - Cash<br>\$ '000 | Amounts<br>expended<br>\$ '000 | Held as<br>restricted<br>asset at 30 June<br>2025<br>\$ '000 |
|--|---|--|--------------------------------|--|
| <b>S7.11 contributions – under a plan</b>    |   |  |                                |  |
| <b>CONTRIBUTION PLAN (former Deniliquin)</b> |   |  |                                |  |
| Roads  | 11  | -  | -                              | 11   |
| Parking                                      | 8   | -  | -                              | 8  |
| Open space                                   | 4   | -  | -                              | 4  |
| Community facilities                         | 9   | -  | -                              | 9  |
| Other  | 1   | -  | -                              | 1  |
| <b>Total</b>                                 | <b>33</b>                                       | <b>-</b>   | <b>-</b>                       | <b>33</b>  |
| <b>G4-3 S7.4 planning agreements</b>         |   |  |                                |  |
| <b>S7.4 planning agreements</b>              |   |  |                                |  |
| Kerb & Gutter Road Contribution              | 80  | -  | -                              | 80   |
| <b>Total</b>                                 | <b>80</b>                                       | <b>-</b>   | <b>-</b>                       | <b>80</b>  |
| <b>G4-4 S64 contributions</b>                |   |  |                                |  |
| Water supply                                 | -   | 173  | (173)                          | -  |
| Sewerage services                            | -   | 144  | (144)                          | -  |
| <b>Total</b>                                 | <b>-</b>  | <b>317</b>   | <b>(317)</b>                   | <b>-</b>   |



**End of the audited financial statements**

## H1-1 Council information and contact details

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**Principal place of business:**

180 Cressy Street  
Deniliquin NSW 2710

**Contact details****Mailing Address:**

PO Box 270  
Deniliquin NSW 2710

**Telephone:** 03 5898 3000

**Facsimile:** 03 5898 3029

**Opening hours (Customer Service):**

8.30am to 4.00pm  
Monday to Friday

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

**Email:** [council@edwardriver.nsw.gov.au](mailto:council@edwardriver.nsw.gov.au)

**Officers****Chief Executive Officer**

Jack Bond

**Responsible Accounting Officer**

David Mead

**Auditors**

Audit Office NSW  
Level 19, Tower 2 Darling Park  
201 Sussex St  
Sydney NSW 2000

**Elected members****Mayor**

Cr Ashley Hall

**Councillors**

Cr Kellie Crossley - Deputy Mayor  
Cr Craig Druitt  
Cr Frank Schofield  
Cr Leanne Mulham  
Cr Shirlee Burge  
Cr Ken Bates  
Cr Linda Fawns  
Cr Shannon Sampson

**Other information**

**ABN:** 90 407 359 958



## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Edward River Council

To the Councillors of Edward River Council

### Opinion

I have audited the accompanying financial statements of Edward River 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 2025, the Statement of Financial Position as at 30 June 2025, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of the Division
  - are, in all material respects, consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2025, 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 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

## **The Councillors' Responsibilities for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

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

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

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

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

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



Min Cui  
Delegate of the Auditor-General for New South Wales

31 October 2025  
SYDNEY



Cr Ashley Hall  
Mayor  
Edward River Council  
180 Cressy Street  
Deniliquin NSW 2710

Contact: Min Cui  
Phone no: 02 9275 7419  
Our ref: R008-1981756498-7431

31 October 2025

Dear Mayor

**Report on the Conduct of the Audit  
for the year ended 30 June 2025  
Edward River Council**

I have audited the general purpose financial statements (GPFS) of the Edward River Council (the Council) for the year ended 30 June 2025 as required by section 415 of the *Local Government Act 1993* (the Act).

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

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

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






This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2025 is issued in accordance with section 417 of the Act. The Report:

- must address the specific matters outlined in the Local Government Code of Accounting Practice and Financial Reporting 2024-25
- may include statements, comments and recommendations that I consider to be appropriate based on the conduct of the audit of the GPFS.

This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

## INCOME STATEMENT

### Financial performance

|   | 2025  | 2024 | Variance   |
|---|-------|------|--|
|   | \$m   | \$m  | %  |
| Rates and annual charges revenue  | 16.0  | 14.8 |  8.1    |
| Grants and contributions provided for operating purposes revenue                                | 11.2  | 25.2 |  55.6   |
| Grants and contributions provided for capital purposes revenue                                  | 3.2   | 5.4  |  40.7   |
| Operating result from continuing operations   | 0.9   | 16.2 |  94.4   |
| Net Operating result for the year before grants and contributions provided for capital purposes | (2.3) | 10.8 |  121.3 |

## Operating result from continuing operations

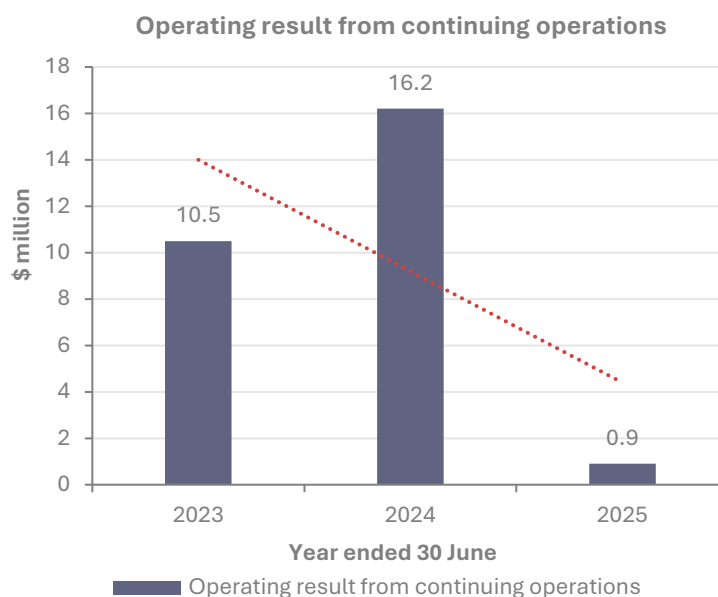
This graph shows the operating result from continuing operations for the current and prior two financial years.

Council's operating result from continuing operations for the year was \$15.3 million lower than the 2023–24 result. This was primarily due to a \$16.2 million reduction in grants and contributions revenue.

In 2024-25:

- employee benefits and on-costs expense (\$12.9 million) increased by \$1.3 million (10.8 per cent) in line with increase in FTEs (6.3 per cent) and increase in superannuation guarantee charge.
- grants and contributions provided for operating and capital purposes (\$14.4 million) decreased by \$16.2 million (52.9 per cent) due to the timing of Financial Assistant Grants and one-off grants received in the prior year for flood repair works.

The net operating deficit for the year before grants and contributions provided for capital purposes was \$2.3 million. Refer to 'Grants and contributions revenue' below for details.





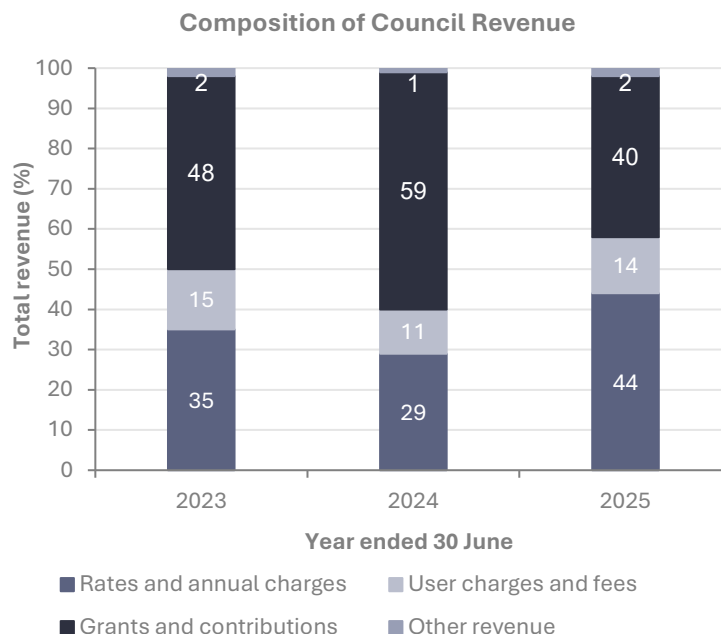
## Income

### Council revenue

This graph shows the composition of Council's revenue recognised for the current and prior two financial years.

Council revenue (\$38.5 million) decreased by \$15.1 million (28.1 per cent) in 2024–25 due to:

- rates and annual charges revenue (\$16.0 million) which increased by \$1.1 million (7.6 per cent) mainly due to rate peg increase of 2.2 per cent. This is offset by:
- grants and contributions revenue (\$14.4 million) which decreased by \$16.2 million (52.9 per cent) due to the timing of Financial Assistant Grants and one-off grants received in the prior year for flood repair works.

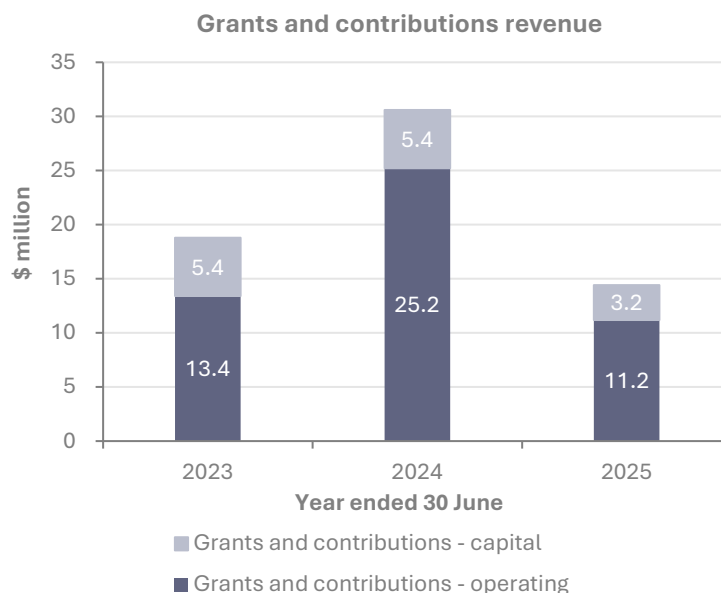


### Grants and contributions revenue

This graph shows the amount of grants and contributions revenue recognised for the current and prior two financial years.

Grants and contributions revenue (\$14.4 million) decreased by \$16.2 million (52.9 per cent) in 2024–25 due to:

- decrease of \$14.7 million of grants and contributions recognised for economic development, flood repair works, roads to recovery, and Transport for NSW.
- receiving 50 per cent of the financial assistance grants for 2025-26 in advance (85 per cent for 2024-25).



## CASH FLOWS

### Statement of cash flows

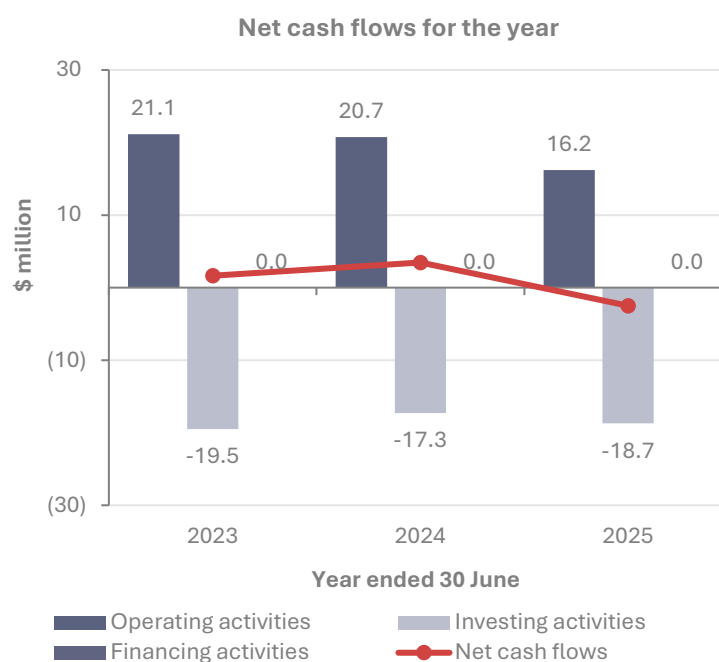
The Statement of Cash Flows details the Council's inflows and outflows of cash over a specific period. It helps in assessing the Council's ability to generate cash to fund its operations, pay off debts, and support future projects. It also aids in identifying any pressures or issues in the Council operating in a financially sustainable manner.

This graph shows the net cash flows for the current and prior two financial years.

The net cash flows for the year were negative \$2.5 million (positive \$3.5 million in 2023-24).

In 2024-25 the net cashflows:

- from operating activities decreased by \$4.5 million, primarily due to a decrease of \$12.1 million in receipts of grants and contributions, offset by an increase of \$2.4 million in receipts of bonds, deposits and retentions; and a decrease of \$4.9 million in payments for materials and services.
- used in investing activities increased by \$1.5 million, mainly due to a decrease of \$12 million in receipts of the redemption of term deposits, offset by a \$11.4 million decrease in payments for IPPE.
- net cash flows from financing activities were nil for 2025 (2024: nil).



## FINANCIAL POSITION

### Cash, cash equivalents and investments

This section of the Report provides details of the amount of cash, cash equivalents and investments recorded by the Council at 30 June 2025.

Externally restricted funds are the cash, cash equivalents and investments that can only be used for specific purposes due to legal or contractual restrictions.

Cash, cash equivalents, and investments without external restrictions can be allocated internally by the elected Council's resolution or policy. These allocations are matters of Council policy and can be changed or removed by a Council resolution.

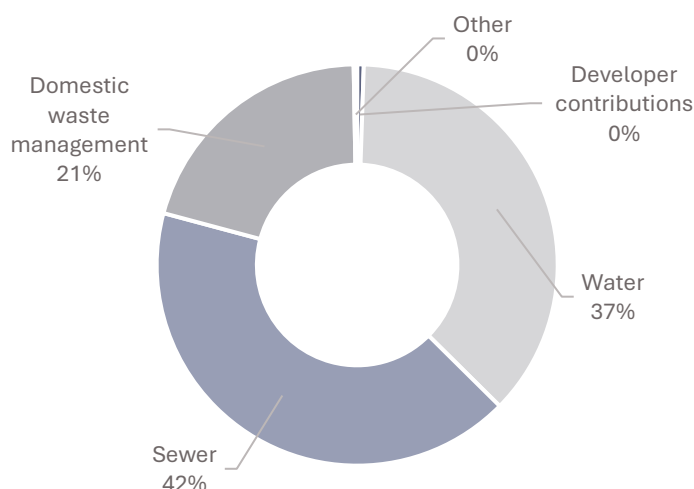
| Cash, cash equivalents and investments                           | 2025        | 2024        | Percentage of total cash and investments 2025 | Commentary  |
|--|-------------|-------------|---|---|
|  | \$m         | \$m         | %   |   |
| <b>Total cash, cash equivalents and investments</b>              | <b>41.2</b> | <b>42.7</b> |   | Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party contract. A breakdown of the sources of externally restricted balances is included in the graph below. |
| Restricted and allocated cash, cash equivalents and investments: |             |             |   | Internal allocations are determined by council policies or decisions, which are subject to change.  |
| • External restrictions  | 23.3        | 20.1        | 56.5  | The decrease of \$3.9 million in internal allocations is mainly due to the \$2.3 million of internal reserve balances unwound by Council and a decrease of \$2.4 million in the Financial Assistance Grant advance payment.                         |
| • Internal allocations   | 11.4        | 15.3        | 27.7  |   |

This graph shows the sources of externally restricted cash, cash equivalents and investments.

In 2024-25 the Council's main sources of externally restricted cash, cash equivalents and investments include:

- water charges of \$8.3 million which increased by \$2.5 million, due to a \$2.5 million increase in the cash and cash equivalents for the water business activity.
- sewer charges of \$9.4 million which increased by \$2.2 million, due to \$2.2 million increase in the cash and cash equivalents for the sewerage business activity.
- domestic waste management charges of \$4.6 million which increased by \$0.3 million, in line with usage and remained consistent with the prior year.

Source of externally restricted cash, cash equivalents and investments



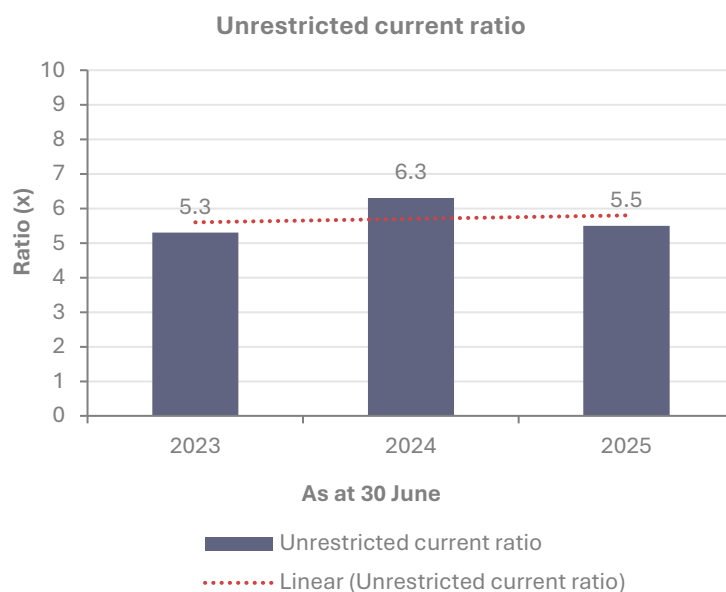
## Council liquidity

This graph shows the Council's unrestricted current ratio for the current and prior two financial years.

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 ratio measures the ratio of unrestricted current assets to current liabilities less specific purpose liabilities.

In 2023-24, the average unrestricted current ratio was an average of 5.6x for rural councils.

The Council's unrestricted current ratio of 5.5 times has decreased from the prior year ratio of 6.3.

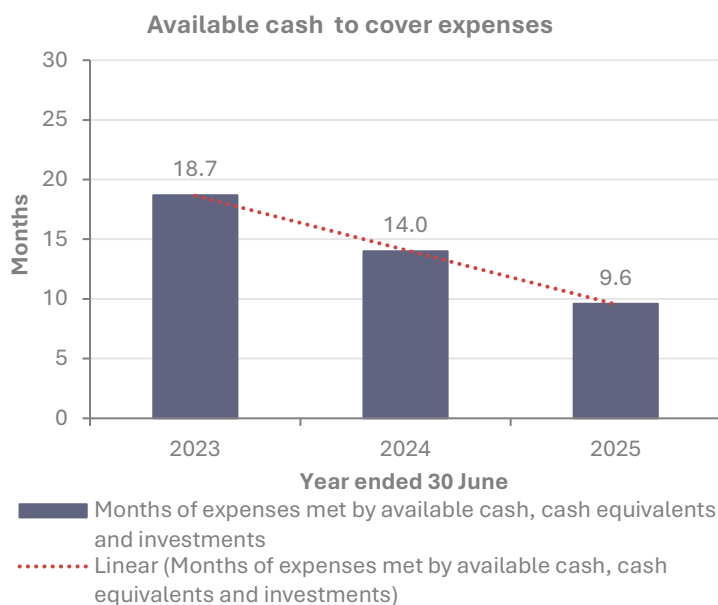


This graph shows the number of months of general fund expenses (excluding depreciation and borrowing costs), Council can fund from its available cash, cash equivalents and investments (not subject to external restrictions).

Further details on cash, cash equivalents and investments including the sources of external restrictions are included in the section above.

In 2023-24, the available cash to cover expenses was an average of 8 months for rural councils.

The Council's cash expense cover ratio was 9.6 months. This indicates that Council had the capacity to cover 9.6 months of operating cash expenditure without additional cash inflows at 30 June 2025.

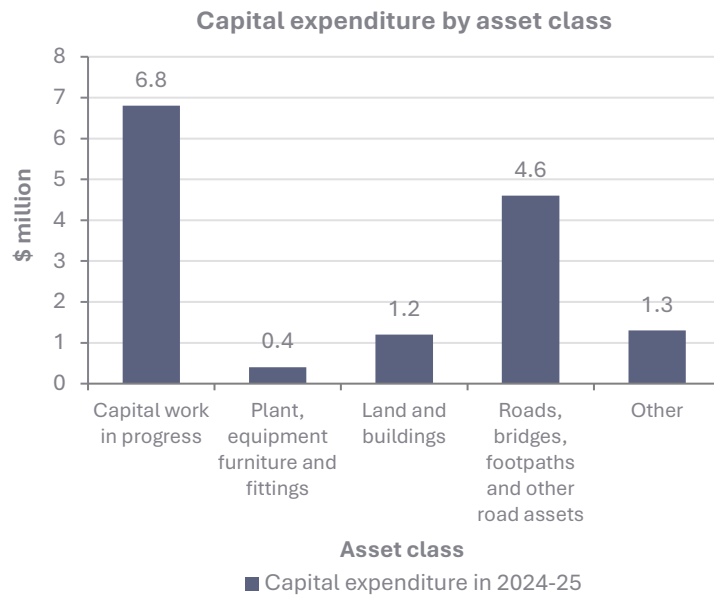


## Infrastructure, property, plant and equipment

This graph shows how much the Council spent on renewing and purchasing assets in 2024-25.

Council renewed \$12.7 million of infrastructure, property, plant and equipment during the 2024-25 financial year. This was mainly spent on capital work in progress (\$6.7 million), road assets (\$2.3 million) and stormwater drainage (\$1.5 million).

A further \$1.6 million was spent on new assets including primarily \$0.6 million on land improvements, \$0.3 million on specialised buildings and \$0.2 million on stormwater drainage.



## Debt

The Council has no external loans and borrowings as at 30 June 2025.

Min Cui  
Associate Director, Financial Audit

Delegate of the Auditor-General







Edward  
River  
COUNCIL

***Special Purpose  
Financial Statements***  
for the year ended  
30 June 2025



## Special Purpose Financial Statements

for the year ended 30 June 2025

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### Background

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

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

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

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

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



## Edward River Council

### Special Purpose Financial Statements

for the year ended 30 June 2025

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

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

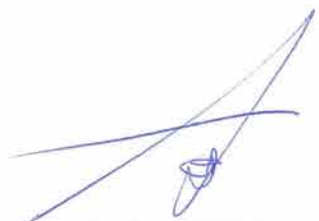
- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial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

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

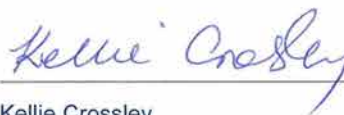
- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 16 September 2025.



Ashley Hall  
Mayor  
16 September 2025



Kellie Crossley  
Deputy Mayor  
16 September 2025



Jack Bond  
General Manager  
16 September 2025



David Mead  
Responsible Accounting Officer  
16 September 2025

## Edward River Council

## Income Statement of water supply business activity

for the year ended 30 June 2025

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Income from continuing operations</b>                                   |                 |                 |
| Access charges   | 1,667           | 1,580           |
| User charges   | 2,323           | 1,868           |
| Interest and investment income   | 264             | 245             |
| Grants and contributions provided for operating purposes                   | 173             | 96              |
| Other income   | 24              | 4               |
| <b>Total income from continuing operations</b>                             | <b>4,451</b>    | <b>3,793</b>    |
| <b>Expenses from continuing operations</b>                                 |                 |                 |
| Employee benefits and on-costs   | 479             | 701             |
| Materials and services   | 1,651           | 1,707           |
| Depreciation, amortisation and impairment                                  | 985             | 871             |
| <b>Total expenses from continuing operations</b>                           | <b>3,115</b>    | <b>3,279</b>    |
| <b>Surplus (deficit) from continuing operations before capital amounts</b> | <b>1,336</b>    | <b>514</b>      |
| Grants and contributions provided for capital purposes                     | 228             | —               |
| <b>Surplus (deficit) from continuing operations after capital amounts</b>  | <b>1,564</b>    | <b>514</b>      |
| <b>Surplus (deficit) from all operations before tax</b>                    | <b>1,564</b>    | <b>514</b>      |
| Less: corporate taxation equivalent (25%) [based on result before capital] | (334)           | (129)           |
| <b>Surplus (deficit) after tax</b>   | <b>1,230</b>    | <b>385</b>      |
| <b>Plus opening accumulated surplus</b>                                    | <b>43,655</b>   | <b>43,142</b>   |
| <b>Plus adjustments for amounts unpaid:</b>                                |                 |                 |
| – Corporate taxation equivalent  | 334             | 128             |
| <b>Closing accumulated surplus</b>   | <b>45,219</b>   | <b>43,655</b>   |
| <b>Return on capital %</b>   | <b>3.0%</b>     | <b>1.1%</b>     |
| <b>Subsidy from Council</b>  | <b>541</b>      | <b>1,418</b>    |
| <b>Calculation of dividend payable:</b>                                    |                 |                 |
| Surplus (deficit) after tax  | 1,230           | 386             |
| Less: capital grants and contributions (excluding developer contributions) | (228)           | —               |
| <b>Surplus for dividend calculation purposes</b>                           | <b>1,002</b>    | <b>386</b>      |
| <b>Potential dividend calculated from surplus</b>                          | <b>501</b>      | <b>193</b>      |

## Edward River Council

## Income Statement of sewerage business activity

for the year ended 30 June 2025

|  | 2025<br>\$ '000 | 2024<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Income from continuing operations</b>                                   |                 |                 |
| Access charges   | 3,601           | 3,417           |
| User charges   | 351             | 334             |
| Fees   | 21              | 35              |
| Interest and investment income   | 325             | 285             |
| Grants and contributions provided for operating purposes                   | 144             | 83              |
| Other income   | 8               | 27              |
| <b>Total income from continuing operations</b>                             | <b>4,450</b>    | <b>4,181</b>    |
| <b>Expenses from continuing operations</b>                                 |                 |                 |
| Employee benefits and on-costs   | 762             | 773             |
| Materials and services   | 1,339           | 1,288           |
| Depreciation, amortisation and impairment                                  | 804             | 681             |
| <b>Total expenses from continuing operations</b>                           | <b>2,905</b>    | <b>2,742</b>    |
| <b>Surplus (deficit) from continuing operations before capital amounts</b> | <b>1,545</b>    | <b>1,439</b>    |
| <b>Surplus (deficit) from continuing operations after capital amounts</b>  | <b>1,545</b>    | <b>1,439</b>    |
| <b>Surplus (deficit) from all operations before tax</b>                    | <b>1,545</b>    | <b>1,439</b>    |
| Less: corporate taxation equivalent (25%) [based on result before capital] | (386)           | (360)           |
| <b>Surplus (deficit) after tax</b>   | <b>1,159</b>    | <b>1,079</b>    |
| <b>Plus opening accumulated surplus</b>                                    | <b>41,411</b>   | <b>39,972</b>   |
| <b>Plus adjustments for amounts unpaid:</b>                                |                 |                 |
| – Corporate taxation equivalent  | 386             | 360             |
| <b>Closing accumulated surplus</b>   | <b>42,956</b>   | <b>41,411</b>   |
| <b>Return on capital %</b>   | <b>4.2%</b>     | <b>3.9%</b>     |
| <b>Subsidy from Council</b>  | <b>–</b>        | <b>145</b>      |
| <b>Calculation of dividend payable:</b>                                    |                 |                 |
| Surplus (deficit) after tax  | 1,159           | 1,079           |
| <b>Surplus for dividend calculation purposes</b>                           | <b>1,159</b>    | <b>1,079</b>    |
| <b>Potential dividend calculated from surplus</b>                          | <b>579</b>      | <b>540</b>      |

## Edward River Council

## Statement of Financial Position of water supply business activity

as at 30 June 2025

|   | 2025<br>\$ '000 | 2024<br>\$ '000 |
|---|-----------------|-----------------|
| <b>ASSETS</b>                                 |                 |                 |
| <b>Current assets</b>                         |                 |                 |
| Cash and cash equivalents                     | 2,938           | 464             |
| Investments                                   | 5,333           | 5,333           |
| Receivables                                   | 667             | 571             |
| Other   | 27              | 35              |
| <b>Total current assets</b>                   | <b>8,965</b>    | <b>6,403</b>    |
| <b>Non-current assets</b>                     |                 |                 |
| Infrastructure, property, plant and equipment | 45,122          | 44,919          |
| <b>Total non-current assets</b>               | <b>45,122</b>   | <b>44,919</b>   |
| <b>Total assets</b>                           | <b>54,087</b>   | <b>51,322</b>   |
| <b>LIABILITIES</b>                            |                 |                 |
| <b>Current liabilities</b>                    |                 |                 |
| Payables                                      | 137             | 118             |
| <b>Total current liabilities</b>              | <b>137</b>      | <b>118</b>      |
| <b>Total liabilities</b>                      | <b>137</b>      | <b>118</b>      |
| <b>Net assets</b>                             | <b>53,950</b>   | <b>51,204</b>   |
| <b>EQUITY</b>                                 |                 |                 |
| Accumulated surplus                           | 45,219          | 43,655          |
| IPPE revaluation surplus                      | 8,731           | 7,549           |
| <b>Total equity</b>                           | <b>53,950</b>   | <b>51,204</b>   |

## Edward River Council

### Statement of Financial Position of sewerage business activity

as at 30 June 2025

|   | 2025<br>\$ '000 | 2024<br>\$ '000 |
|---|-----------------|-----------------|
| <b>ASSETS</b>                                 |                 |                 |
| <b>Current assets</b>                         |                 |                 |
| Cash and cash equivalents                     | 7,230           | 5,044           |
| Investments                                   | 2,134           | 2,134           |
| Receivables                                   | 316             | 268             |
| <b>Total current assets</b>                   | <b>9,680</b>    | <b>7,446</b>    |
| <b>Non-current assets</b>                     |                 |                 |
| Infrastructure, property, plant and equipment | 37,023          | 36,834          |
| <b>Total non-current assets</b>               | <b>37,023</b>   | <b>36,834</b>   |
| <b>Total assets</b>                           | <b>46,703</b>   | <b>44,280</b>   |
| <b>LIABILITIES</b>                            |                 |                 |
| <b>Current liabilities</b>                    |                 |                 |
| Payables                                      | 144             | 256             |
| <b>Total current liabilities</b>              | <b>144</b>      | <b>256</b>      |
| <b>Total liabilities</b>                      | <b>144</b>      | <b>256</b>      |
| <b>Net assets</b>                             | <b>46,559</b>   | <b>44,024</b>   |
| <b>EQUITY</b>                                 |                 |                 |
| Accumulated surplus                           | 42,956          | 41,411          |
| IPPE revaluation surplus                      | 3,603           | 2,613           |
| <b>Total equity</b>                           | <b>46,559</b>   | <b>44,024</b>   |

## Note – Material accounting policy information

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

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

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

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

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

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

### National Competition Policy

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

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

### Declared business activities

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

#### Category 1

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

##### a. Water business activity

##### b. Sewer business activity

#### Category 2

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

Nil

### Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

#### Notional rate applied (%)

Corporate income tax rate – **25%** (LY 25%)

## Note – Material accounting policy information (continued)

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

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

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

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

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

### Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to 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 not 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.

## Note – Material accounting policy information (continued)

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The rate of return is calculated as follows:

**Operating result before capital income + interest expense**

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.30% at 30/6/24.

### **(iii) Dividends**

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

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

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

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2025 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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





## INDEPENDENT AUDITOR'S REPORT

### Report on the special purpose financial statements

#### Edward River Council

To the Councillors of Edward River Council

### Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Edward River 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 2025, the Statement of Financial Position of each Declared Business Activity as at 30 June 2025 and the Material accounting policy information note.

The Declared Business Activities of the Council are:

- Water supply
- Sewerage

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2025, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Material accounting policy information note and the Local Government Code of Accounting Practice and Financial Reporting 2024-25 (LG Code).

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

### Basis for Opinion

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

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

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

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

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

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

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

## **Emphasis of Matter - Basis of Accounting**

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

## **Other Information**

The Council's annual report for the year ended 30 June 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

## **The Councillors' Responsibilities for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

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

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

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

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

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

A handwritten signature in black ink, consisting of a stylized 'M' and 'C' followed by a horizontal line.

Min Cui  
Delegate of the Auditor-General for New South Wales

31 October 2025  
SYDNEY





Edward  
River  
COUNCIL

***Special Schedules***  
for the year ended  
30 June 2025

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| <b>Special Schedules:</b>                          |      |
| Permissible income for general rates               | 3    |
| Report on infrastructure assets as at 30 June 2025 | 7    |

## Edward River Council

## Permissible income for general rates

|   | Notes                  | Calculation<br>2024/25<br>\$ '000 | Calculation<br>2025/26<br>\$ '000 |
|---|------------------------|-----------------------------------|-----------------------------------|
| <b>Notional general income calculation <sup>1</sup></b> |                        |                                   |                                   |
| Last year notional general income yield                 | a                      | 8,310                             | 8,704                             |
| Plus or minus adjustments <sup>2</sup>                  | b                      | 18                                | 6                                 |
| <b>Notional general income</b>                          | <b>c = a + b</b>       | <b>8,328</b>                      | <b>8,710</b>                      |
| <b>Permissible income calculation</b>                   |                        |                                   |                                   |
| Percentage increase                                     | d                      | 4.50%                             | 4.60%                             |
| Plus percentage increase amount <sup>3</sup>            | $f = d \times (c + e)$ | 375                               | 401                               |
| <b>Sub-total</b>  | $g = (c + e + f)$      | <b>8,703</b>                      | <b>9,111</b>                      |
| Plus (or minus) last year's carry forward total         | h                      | 2                                 | 1                                 |
| <b>Sub-total</b>  | $j = (h + i)$          | <b>2</b>                          | <b>1</b>                          |
| <b>Total permissible income</b>                         | $k = g + j$            | <b>8,705</b>                      | <b>9,112</b>                      |
| Less notional general income yield                      | l                      | 8,704                             | 9,111                             |
| <b>Catch-up or (excess) result</b>                      | $m = k - l$            | <b>1</b>                          | <b>1</b>                          |
| <b>Carry forward to next year <sup>6</sup></b>          | $p = m + n + o$        | <b>1</b>                          | <b>1</b>                          |

**Notes**

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





## INDEPENDENT AUDITOR'S REPORT

### Special Schedule – Permissible income for general rates

#### Edward River Council

To the Councillors of Edward River Council

### Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Edward River Council (the Council) for the year ending 30 June 2026.

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 2024–25 (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 2025 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 2025.

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

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

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

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Schedule

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

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

## Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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

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

A handwritten signature in black ink, appearing to be 'Min Cui', with a stylized, flowing script.

Min Cui  
Delegate of the Auditor-General for New South Wales

31 October 2025  
SYDNEY

Edward River Council

Report on infrastructure assets as at 30 June 2025

| Asset Class          | Asset Category                | Estimated cost to bring assets to satisfactory standard |         | Estimated cost to bring to the agreed level of service set by Council |                                   | 2024/25 Actual maintenance | Net carrying amount | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost |       |       |       |       |
|----------------------|-------------------------------|---|---------|---|-----------------------------------|----------------------------|---------------------|------------------------------|---|-------|-------|-------|-------|
|                      |                               | \$ '000   | \$ '000 | \$ '000   | Required maintenance <sup>a</sup> | \$ '000                    | \$ '000             | \$ '000                      | 1   | 2     | 3     | 4     | 5     |
| Buildings            | Buildings – non-specialised   | 565   | 565     | 135   |                                   | 142                        | 13,719              | 19,622                       | 17.0%   | 62.0% | 13.0% | 0.0%  | 8.0%  |
|                      | Buildings – specialised       | 522   | 522     | 928   |                                   | 957                        | 64,594              | 89,498                       | 18.0%   | 44.0% | 36.0% | 1.0%  | 1.0%  |
|                      | Sub-total                     | 1,087   | 1,087   | 1,063   |                                   | 1,099                      | 78,313              | 109,120                      | 17.8%   | 47.2% | 31.9% | 0.8%  | 2.3%  |
| Other structures     | Other structures              | 24  | 24      | 10  |                                   | 9                          | 20,120              | 23,742                       | 28.0%   | 43.0% | 28.0% | 1.0%  | 0.0%  |
|                      | Sub-total                     | 24  | 24      | 10  |                                   | 9                          | 20,120              | 23,742                       | 28.0%   | 43.0% | 28.0% | 1.0%  | 0.0%  |
| Roads                | Sealed roads                  | 1,604   | 1,604   | 1,263   |                                   | 1,648                      | 139,668             | 223,708                      | 1.0%  | 31.0% | 65.0% | 3.0%  | 0.0%  |
|                      | Unsealed roads                | 920   | 920     | 1,051   |                                   | 1,986                      | 27,573              | 40,347                       | 0.0%  | 57.0% | 36.0% | 6.0%  | 1.0%  |
|                      | Bridges                       | –   | –       | 1   |                                   | –                          | 10,165              | 12,326                       | 50.0%   | 40.0% | 10.0% | 0.0%  | 0.0%  |
|                      | Footpaths and kerb and gutter | 725   | 725     | 77  |                                   | 115                        | 20,243              | 30,065                       | 7.0%  | 41.0% | 43.0% | 8.0%  | 1.0%  |
|                      | Other road assets             | 100   | 100     | 4   |                                   | 4                          | 7,148               | 8,052                        | 10.0%   | 35.0% | 55.0% | 0.0%  | 0.0%  |
|                      | Bulk earthworks               | –   | –       | –   |                                   | –                          | 33,889              | 33,889                       | 30.0%   | 45.0% | 25.0% | 0.0%  | 0.0%  |
| Water supply network | Sub-total                     | 3,349   | 3,349   | 2,396   |                                   | 3,753                      | 238,686             | 348,387                      | 6.2%  | 36.6% | 53.7% | 3.3%  | 0.2%  |
|                      | Water supply network          | 1,319   | 1,319   | 2,212   |                                   | 2,188                      | 45,181              | 76,800                       | 10.0%   | 27.0% | 39.0% | 23.0% | 1.0%  |
| Sewerage network     | Sub-total                     | 5,384   | 5,384   | 1,668   |                                   | 2,157                      | 37,955              | 72,078                       | 10.0%   | 27.0% | 39.0% | 23.0% | 1.0%  |
|                      | Sewerage network              | 5,384   | 5,384   | 1,668   |                                   | 2,157                      | 37,955              | 72,078                       | 24.0%   | 25.0% | 11.0% | 27.0% | 13.0% |
| Stormwater drainage  | Sub-total                     | 611   | 611     | 84  |                                   | 93                         | 32,210              | 48,409                       | 24.0%   | 25.0% | 11.0% | 27.0% | 13.0% |
|                      | Stormwater drainage           | 611   | 611     | 84  |                                   | 93                         | 32,210              | 48,409                       | 20.0%   | 40.0% | 23.0% | 15.0% | 2.0%  |
|                      | Sub-total                     | 611   | 611     | 84  |                                   | 93                         | 32,210              | 48,409                       | 20.0%   | 40.0% | 23.0% | 15.0% | 2.0%  |
|                      |                               | 611   | 611     | 84  |                                   | 93                         | 32,210              | 48,409                       | 20.0%   | 40.0% | 23.0% | 15.0% | 2.0%  |

Edward River Council

Report on infrastructure assets as at 30 June 2025 (continued)

| Asset Class                      | Asset Category                 | Estimated cost to bring assets to satisfactory standard |         | Estimated cost to bring to the agreed level of service set by Council |         | 2024/25 Required maintenance <sup>a</sup> | 2024/25 Actual maintenance | Net carrying amount | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost |       |       |      |      |
|----------------------------------|--------------------------------|---|---------|---|---------|---|----------------------------|---------------------|------------------------------|---|-------|-------|------|------|
|                                  |                                | \$ '000   | \$ '000 | \$ '000   | \$ '000 | \$ '000                                   | \$ '000                    | \$ '000             | \$ '000                      | 1   | 2     | 3     | 4    | 5    |
| Open space / recreational assets | Swimming pools                 | 32  | 32      |   |         | 398                                       | 410                        | 5,627               | 7,312                        | 4.0%  | 90.0% | 5.0%  | 1.0% | 0.0% |
|                                  | Other open space/ recreational | 268   | 268     |   |         | 1,628                                     | 1,688                      | 16,331              | 22,095                       | 38.0%   | 35.0% | 22.0% | 4.0% | 1.0% |
|                                  | Sub-total                      | 300   | 300     |   |         | 2,026                                     | 2,098                      | 21,958              | 29,407                       | 29.5%   | 48.7% | 17.8% | 3.3% | 0.7% |
| Total – all assets               |                                | 12,074  | 12,074  |   |         | 9,459                                     | 11,397                     | 474,423             | 707,943                      | 12.8%   | 37.0% | 39.9% | 8.2% | 2.1% |

(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                    |

## Edward River Council

## Report on infrastructure assets as at 30 June 2025

## Infrastructure asset performance indicators (consolidated) \*

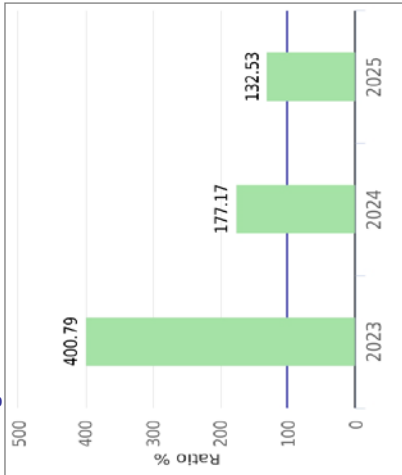
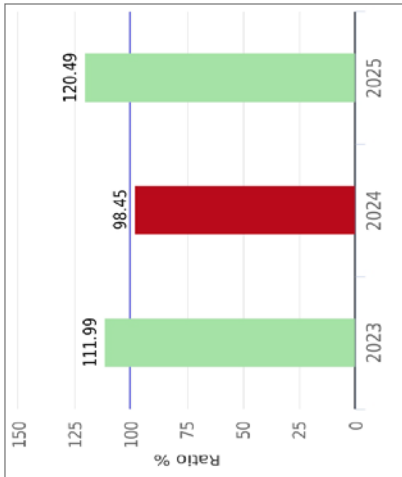
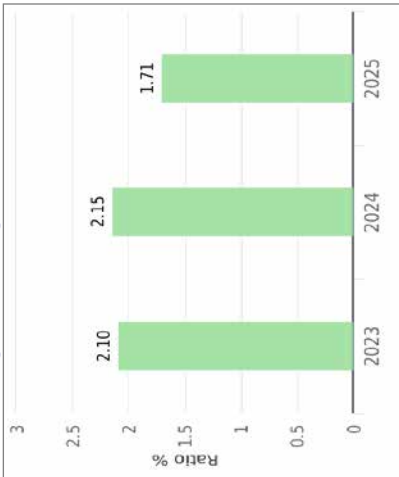
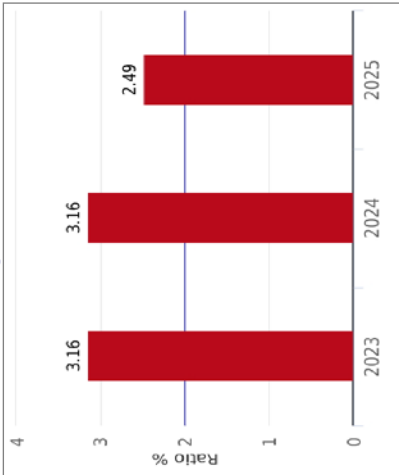
|  | Amounts<br>2025<br>\$ '000 | Indicator<br>2025 | Indicators<br>2024      2023 |         | Benchmark |
|--|----------------------------|-------------------|------------------------------|---------|-----------|
| Buildings and infrastructure renewals ratio                              |                            |                   |                              |         |           |
| Asset renewals <sup>1</sup>  | 12,193                     | 132.53%           | 177.17%                      | 400.79% | > 100.00% |
| Depreciation, amortisation and impairment                                | 9,200                      |                   |                              |         |           |
| Infrastructure backlog ratio   |                            |                   |                              |         |           |
| Estimated cost to bring assets to a satisfactory standard                | 12,074                     | 2.49%             | 3.16%                        | 3.16%   | < 2.00%   |
| Net carrying amount of infrastructure assets                             | 484,553                    |                   |                              |         |           |
| Asset maintenance ratio  |                            |                   |                              |         |           |
| Actual asset maintenance   | 11,397                     | 120.49%           | 98.45%                       | 111.99% | > 100.00% |
| Required asset maintenance   | 9,459                      |                   |                              |         |           |
| Cost to bring assets to agreed service level                             |                            |                   |                              |         |           |
| Estimated cost to bring assets to an agreed service level set by Council | 12,074                     | 1.71%             | 2.15%                        | 2.10%   |           |
| Gross replacement cost   | 707,943                    |                   |                              |         |           |

(\*) 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.

Edward River Council

Report on infrastructure assets as at 30 June 2025

| <b>Buildings and infrastructure renewals ratio</b>   |         | <b>Asset maintenance ratio</b>   |         | <b>Cost to bring assets to agreed service level</b>   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
|--|---------|--|---------|---|--------|------|--------|------|--------|--|--|------|---------|------|--------|------|-------|------|--------|--|--|------|---------|------|------|------|------|------|------|
|  <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2023</td><td>400.79</td></tr><tr><td>2024</td><td>177.17</td></tr><tr><td>2025</td><td>132.53</td></tr></table>   |         | Year   | Ratio % | 2023  | 400.79 | 2024 | 177.17 | 2025 | 132.53 |  <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2023</td><td>111.99</td></tr><tr><td>2024</td><td>98.45</td></tr><tr><td>2025</td><td>120.49</td></tr></table> |  | Year | Ratio % | 2023 | 111.99 | 2024 | 98.45 | 2025 | 120.49 |  <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2023</td><td>2.10</td></tr><tr><td>2024</td><td>2.15</td></tr><tr><td>2025</td><td>1.71</td></tr></table> |  | Year | Ratio % | 2023 | 2.10 | 2024 | 2.15 | 2025 | 1.71 |
| Year   | Ratio % |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2023   | 400.79  |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2024   | 177.17  |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2025   | 132.53  |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| Year   | Ratio % |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2023   | 111.99  |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2024   | 98.45   |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2025   | 120.49  |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| Year   | Ratio % |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2023   | 2.10    |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2024   | 2.15    |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2025   | 1.71    |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Buildings and infrastructure renewals ratio</b>   |         | <b>Asset maintenance ratio</b>   |         | <b>Cost to bring assets to agreed service level</b>   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.  |         | Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing. |         | This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship. |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Commentary on result</b><br>24/25 ratio 132.53%<br>Council's buildings and infrastructure renewals ratio continues to be above the >100% benchmark.   |         | <b>Commentary on result</b><br>24/25 ratio 120.49%<br>Council invested enough funds into the maintenance of assets during the year.                              |         | <b>Commentary on result</b><br>24/25 ratio 1.71%<br>Council continues to invest to achieve the agreed service levels.                                     |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Infrastructure backlog ratio</b>  |         |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
|  <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2023</td><td>3.16</td></tr><tr><td>2024</td><td>3.16</td></tr><tr><td>2025</td><td>2.49</td></tr></table>  |         | Year   | Ratio % | 2023  | 3.16   | 2024 | 3.16   | 2025 | 2.49   |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| Year   | Ratio % |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2023   | 3.16    |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2024   | 3.16    |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| 2025   | 2.49    |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.   |         |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Commentary on result</b><br>24/25 ratio 2.49%<br>Council's infrastructure backlog ratio was higher than the benchmark due to higher levels of work required after the major flooding event in 2023FY, mostly affecting road infrastructure. The ratio is trending downwards from 2023FY as council catches up on the backlog. |         |  |         |   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Source of benchmark: Code of Accounting Practice and Financial Reporting</b>  |         | <b>Source of benchmark: Code of Accounting Practice and Financial Reporting</b>  |         | <b>Source of benchmark: Code of Accounting Practice and Financial Reporting</b>   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Benchmark: — &gt; 100.00%</b>   |         | <b>Benchmark: — &gt; 100.00%</b>   |         | <b>Benchmark: — &lt; 2.00%</b>  |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Ratio achieves benchmark</b>  |         | <b>Ratio achieves benchmark</b>  |         | <b>Ratio achieves benchmark</b>   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |
| <b>Ratio is outside benchmark</b>  |         | <b>Ratio is outside benchmark</b>  |         | <b>Ratio is outside benchmark</b>   |        |      |        |      |        |  |  |      |         |      |        |      |       |      |        |  |  |      |         |      |      |      |      |      |      |

Edward River Council

Report on infrastructure assets as at 30 June 2025

| Infrastructure asset performance indicators (by fund)                    |              |         |            |      |            |           |
|--|--------------|---------|------------|------|------------|-----------|
| \$ '000  | General fund |         | Water fund |      | Sewer fund |           |
|  | 2025         | 2024    | 2025       | 2024 | 2025       | 2024      |
| <b>Buildings and infrastructure renewals ratio</b>                       |              |         |            |      |            |           |
| Asset renewals <sup>1</sup>  | 150.43%      | 193.56% | 75.49%     |      | 63.82%     |           |
| Depreciation, amortisation and impairment                                |              |         | 10.68%     |      | 116.44%    |           |
|  |              |         |            |      |            | > 100.00% |
| <b>Infrastructure backlog ratio</b>                                      |              |         |            |      |            |           |
| Estimated cost to bring assets to a satisfactory standard                | 1.34%        | 2.00%   | 3.09%      |      | 15.43%     |           |
| Net carrying amount of infrastructure assets                             |              |         | 2.92%      |      | 14.19%     |           |
|  |              |         |            |      |            | < 2.00%   |
| <b>Asset maintenance ratio</b>   |              |         |            |      |            |           |
| Actual asset maintenance   | 126.40%      | 95.48%  | 94.70%     |      | 110.69%    |           |
| Required asset maintenance   |              |         | 98.92%     |      | 129.32%    |           |
|  |              |         |            |      |            | > 100.00% |
| <b>Cost to bring assets to agreed service level</b>                      |              |         |            |      |            |           |
| Estimated cost to bring assets to an agreed service level set by Council | 0.96%        | 1.43%   | 1.85%      |      | 7.47%      |           |
| Gross replacement cost   |              |         | 1.72%      |      | 8.17%      |           |

(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.

