

Central Darling Shire Council

Annual Report 2021-2022



About Central Darling Shire

Central Darling Shire is the largest Local Government Area (LGA) in New South Wales.

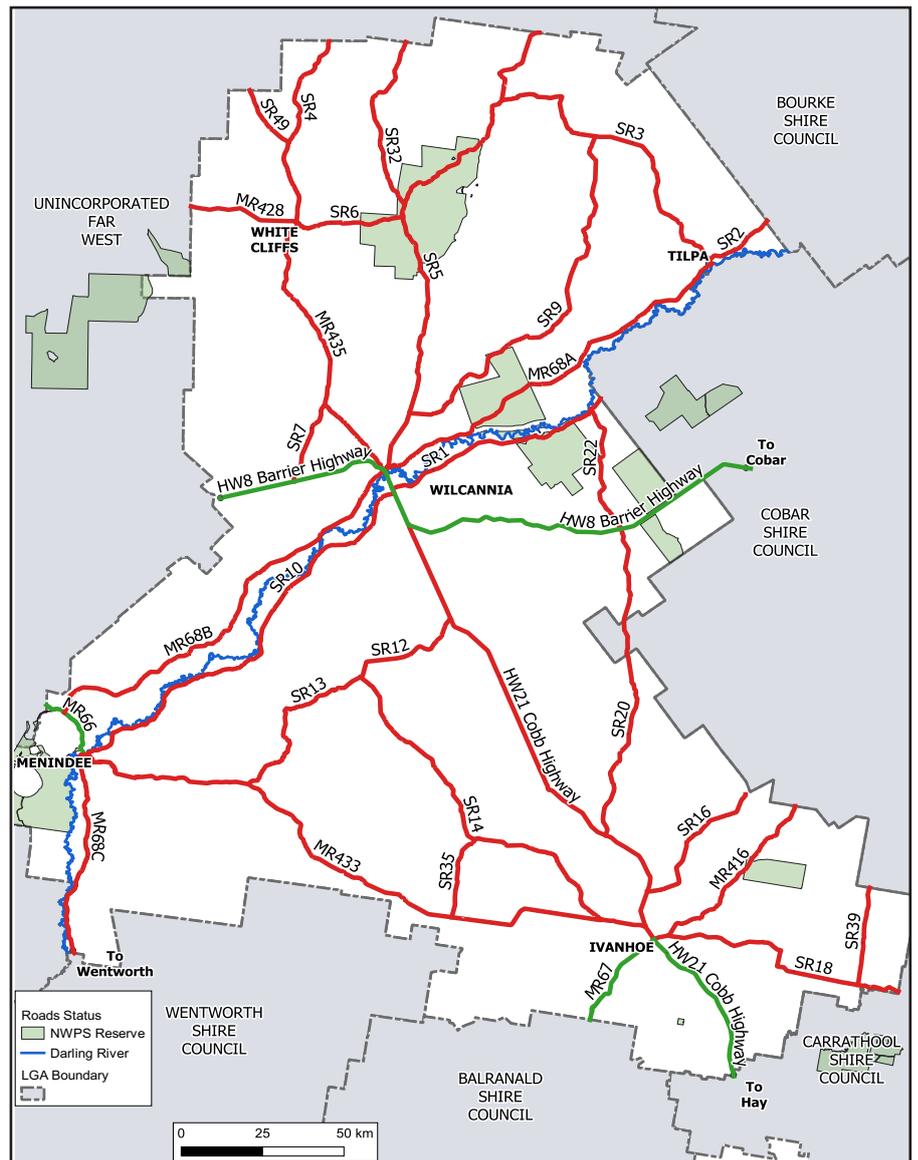
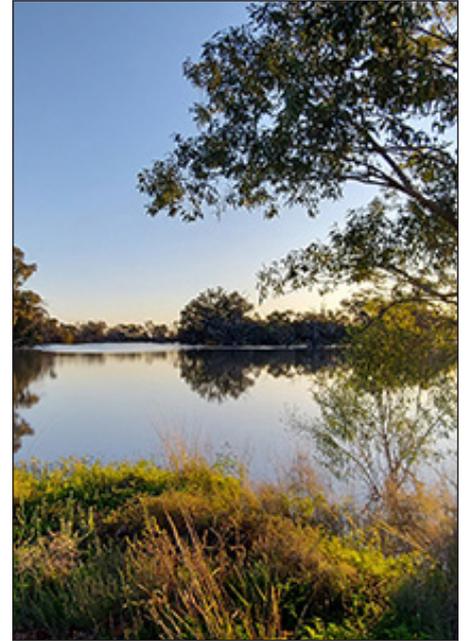
Geographically the Central Darling Shire stretches more than 53,000 square kilometers. It covers an area about the size of Tasmania.

Population figures for the Shire are the lowest in the state with 1,837 residents living in the towns of Ivanhoe, Menindee, Wilcannia and White Cliffs, the localities of Darnick, Mossgiel, Sunset Strip and Tilpa and surrounding pastoral areas.

The main economic activities within the Shire include pastoral, horticulture, agriculture, mining and tourism. Rural grazing properties represent the largest land use within the shire, accounting for about 97 per cent of the entire area.

Central Darling Shire is bounded by the Shires of Bourke, Cobar, Carrathool, Balranald and Wentworth and the Unincorporated Area.

The closest major service centre for residents is Broken Hill which is some 200 kilometres away.



Message from Council Administrator

Central Darling Shire Council is punching above its weight when it comes to getting things done with a limited rate base and geographical isolation among the challenges. In the reporting period the Council has seen some major projects come to fruition – many of these being supported by Australian Government and/or State Government funding.

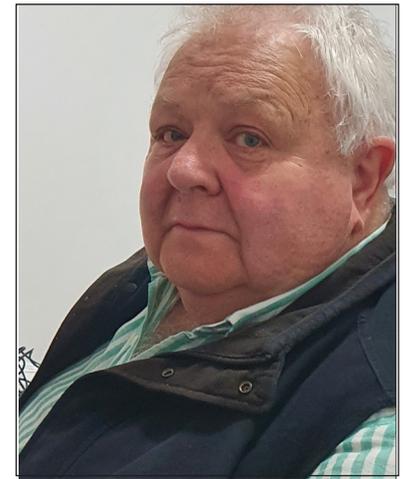
It was pleasing to see the Community Strategic Plan and Long-Term Financial Plan approved. The Long-Term plan is an important blue print for the Council moving forward and it also demonstrates Council's sound position and progressive thinking moving forward.

After the drought – which we're still dealing with lingering effects from – the shire was declared a Natural Disaster area on two occasions (November and January) because of torrential rain and flooding. This resulted in damage to infrastructure and severely impacted shire roads. Because the vast majority of roads are unsealed these were frequently closed. The repair work required is beyond the scope of the Council rate base and budget.

Covid-19 created challenges but council was also up to the task of assisting with the administration side of things and helped coordinate assistance from a number of government and volunteer organisations. During the pandemic Council set up a food distribution centre in Wilcannia. From Resilience NSW

ten food pallets and five hygiene pallets were all distributed in August to the Wilcannia Community. Wilcannia also received a lot of donated fresh produce and hygiene products. Our shire is geographically isolated and without the shopping options enjoyed by bigger cities. However, the local grocery stores in each of the locations managed to offer essential items to residents during the pandemic, and Council is thankful for their efforts. There were also a number of click and collect services set up by local volunteers to provide a service to the elderly. Council held discussions with Coles and Woolworths to organise deliveries to Wilcannia and White Cliffs. Council arranged transportation through Resilience NSW and Transport NSW covered the costs of the transportation of the deliveries. Additional police and the Australian Defence Force assisted healthcare workers with testing facilities and vaccination clinic including going door to door. The Royal Flying Doctor Service was among those to hold pop-up vaccination clinics. From a Council staffing situation, Covid also resulted in worker shortages. At one stage most of the engineering staff were in isolation.

The Local Emergency Management Committee worked together in a collaborative and supportive manner during the Covid pandemic and during the floods. The committee was able to provide invaluable expertise in dealing with both issues. With the various members expertise



Central Darling Shire Council Administrator Bob Stewart.

proving extremely beneficial in supporting the community.

The Council continues to strive for community engagement and to lobby on behalf of residents on issues including water issues, tourism, infrastructure, housing and roads. Central Darling Shire enjoys a good working relationship with the Australian and State Governments and continues to work with our partners on a variety of important projects including the new water treatment plants for White Cliffs, Wilcannia and Ivanhoe. In recent months we did have Boil Water alerts for Wilcannia and Ivanhoe highlighting the need for these important projects.

I would like to congratulate Council on the year's achievements and ability to face challenges and overcome difficulties in a professional manner with a focus on community engagement.

**Regards
Bob Stewart**



About our Council

Central Darling Shire Council was constituted in 1953 under the Local Government Act.

Located 950 kilometres west of Sydney, it encompasses a land mass of more than 53,000 square kilometres. It is also one of the least populated with around 2,000 permanent residents.

The challenges faced by communities within this vast area are significant. Our towns and villages are remote, separated by considerable distances and many of our connecting roads are unsealed and impassable following rain. In addition, the loss of the Darling River, the lack of dependable drinking water supplies, inadequate

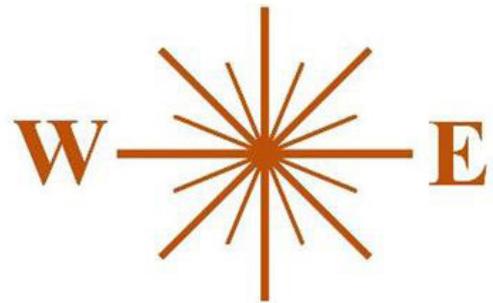
telecommunications infrastructure, insufficient housing and the high costs of goods and services are just some of the hardships that our communities continue to endure.

The Administration Centre for Central Darling Shire is Wilcannia, with offices located in Ivanhoe and Menindee. White Cliffs, 98 kilometres north of Wilcannia is serviced by the Wilcannia office.

Since 2014 Central Darling Shire Council has been under Administration. The current Administrator is Robert (Bob) Stewart. Mr Stewart is a Ministerial Appointment and took up the role in January 2019.



Wilcannia Post Office Building.



Organisation

Central Darling Shire Council has a budget staff load of 63.23 full-time equivalent with an actual staff load on 54.23 full-time equivalent. Vacant positions sit across the organisation at a range of skill levels. Attracting staff to Central Darling Shire Council has always been challenging. Management continues to work on a recruitment marketing strategy to attract suitably skilled applicants from outside the region.

Staff are located throughout the Shire and the increased availability of technology has seen an increase in remote worker appointments in specialist areas. This is primarily in Governance and Finance where positions are not dependent on front face interaction to complete roles.



Management

Central Darling Shire works on three business divisions:

- Governance - headed by the General Manager.
- Business Services - headed by a Director.
- Shire Services - headed by a Director.

General Manager - Greg Hill

Director Business Services - Gordon Seeto

Director Shire Services - Reece Wilson

Message from the General Manager

Central Darling Shire enjoyed a year of achievements with a number of important projects coming to fruition. However, there were also some challenges from Covid-19 and floods with the Shire Declared a Natural Disaster area on two occasions.

We end the year in a good financial position. Over the past 12 months Council has continued working on consolidating its financial position, including continuing to implement reporting procedures. Council adopted its Long-Term Financial Plan (2023 – 2032) using a ten-year financial model to secure Council's financial sustainability. The plan highlights the ongoing sustainability of Council into the future and this is further enhanced by asset management plans and strategies that are being implemented.

Our communities and Council staff have demonstrated resilience as the Shire dealt with the lasting impacts of drought, Covid-19 and flooding. Floods in the first half of 2022 caused difficulties for the Shire with road projects delayed due to the weather. Dedicated staff are to be commended for striving to bring projects back on track. Because most of the Shire roads are unsealed because of flooding it meant during frequent periods of wet weather Council was forced to close roads, often for extended periods causing widespread disruptions for residents and visitors. Council kept people informed about road closures via its' website and

social media. Timely reporting procedures for road closures, and the sharing of SES and Water NSW flood information, was well received by residents and visitors to the Shire.

Employment is a priority for Council. During the year we saw jobs created from major projects within the Shire. This included the construction of the Multi-purpose Administration building at Ivanhoe which is estimated to have supported 15 direct, full-time equivalent jobs, and 25 indirect, full-time jobs. Ongoing it is expected to provide two full-time jobs.

Being a remote Council some 1000 kilometres from Sydney we continue to face challenges geographically including limited housing availability and the ability to attract staff. As an example, in the last 12-months Council has been unable to attract a plumber for Wilcannia. Where it is feasible and as necessary Council is using technology to employ specialist staff as remote workers. This has proved a successful way of Council doing business with essential skills becoming a standard part of Council's workforce.

Our governance systems worked well during the year and the implementation of the electronic document management system means Council is now much better placed to meet expectations and statutory obligations. We are continuing to develop and implement policies and plans in line with



local government and community expectations.

Council is also working to meet objectives outlined in its Operational Plan this includes; improved community services and facilities; improved infrastructure across the Shire; safe and reliable water supplies and road networks for Shire communities; improved infrastructure across the Shire and improved town entrances and streetscapes.

The year also saw Council sign off on the streetscape improvement project and work has started on revitalising streetscapes to benefit local residents and visitors to each community.

I would like to take this opportunity to thank Council staff for all their hard work during the year as we all strive to service our Shire residents to the best of our abilities. I would also like to make mention of Martin Bass who has provided most of the images used in our annual report. I am pleased to commend the 2021-2022 Annual report to you.

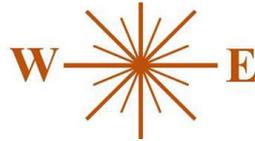


Planning for future of our towns

Among the highlights for the year, was the adoption of the Community Strategic Plan 2022 - 2032 for Central Darling Shire.

The plan was the result of over 12 months of work and close collaboration between the Council and local communities.

It is important to note that it is not a council plan. While Council co-ordinated the process to develop the plan, it is owned by communities of the Central Darling Shire. It provides a comprehensive account of resident's long-term goals, aspirations and priorities for the future of their towns and village and the shire as a whole.



The plan was developed to provide pathways for action in planning and delivering services to Central Darling communities.

Along with a detailed account of the long-term goals expressed by our communities, it lists actions required to achieve them and identifies state, federal and non-government agencies with responsibilities in this regard. The Central Darling Shire Community Strategic Plan addresses issues and priorities across the shire as a whole at the highest level.

Because Central Darling Shire is so vast in geographical area and its communities so remote and different from each other, an Improvement Plan for each town and surrounding district was also developed in the year to address the specific issues and needs of each community.

Because Central Darling Shire has a small rate base and covers a large geographical area it cannot afford to do all the work that the community might expect. Council will rely on funding support from federal and state governments to achieve the goals identified.

These plans are available on Council's website.



Proud history of our towns

Tilpa

It is in the vicinity of Tilpa that the Darling River floods up to 70 kilometres wide in major floods. In fact the origin of the name Tilpa can be found in the Barkindji word 'Thulpa' which means flood waters.

The village of Tilpa came into existence in 1876 when Arthur

Cotton opened a store. James Buckley built the WeeWattah Hotel where the Tilpa Trading Post is now located in the same year.

By 1894, Cotton's store was owned by David Jones & Co. who sold it to Edmond Perrott who turned it into a hotel named the

Royal. This is the existing Tilpa Hotel. In 1880 a postal receiving office was opened in the store. Tilpa had a school from 1896 until it closed in 1945.

A punt served as the only means of crossing the Darling River at Tilpa until the bridge was completed in December 1963.

Proud history of our towns

Sunset Strip



Sunset Strip was gazetted in 1965 as a village within the Central Darling Shire, 20 kilometres north of Menindee, situated on the northern shore of Lake Menindee. A unique outback take on a

holiday by the sea, Sunset Strip is a home away from home for many Broken Hill residents needing a weekend escape. Sunset Strip has its own Post Office and community hall with

boating, fishing, golf and tennis being some of the activities available. Sunset Strip Progress Association is an organisation focussing on economic and social development in the town.

Wilcannia



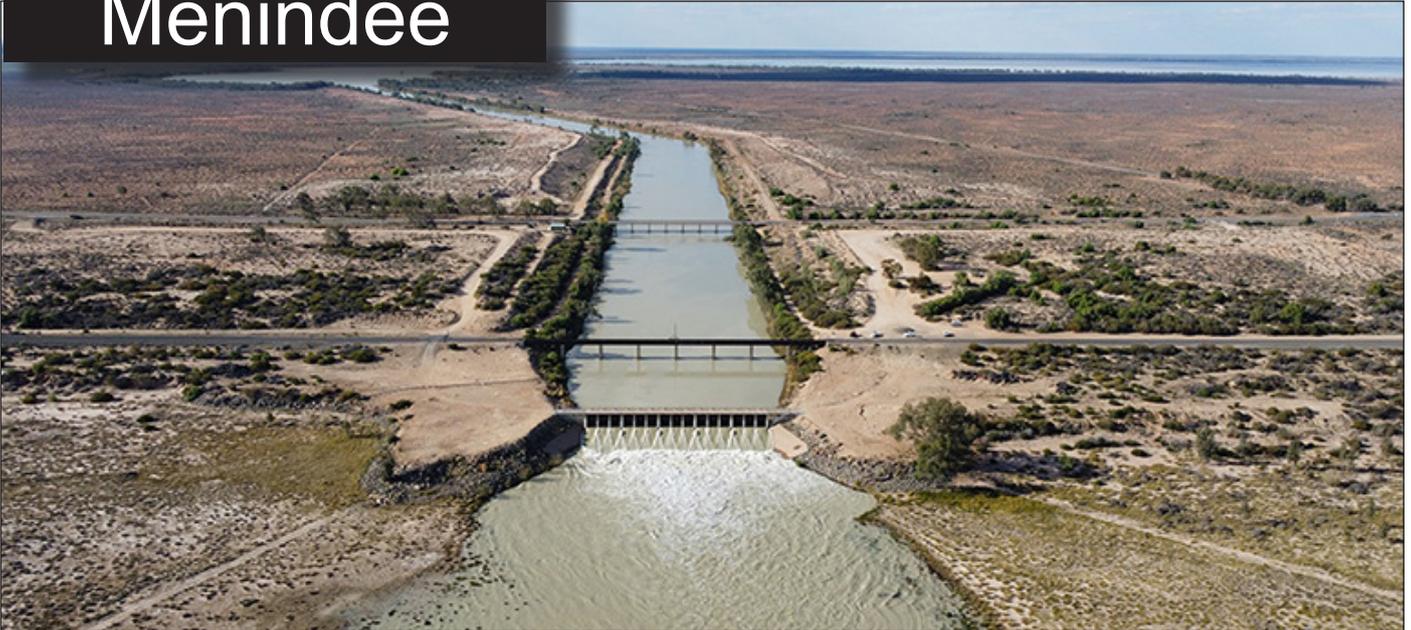
Wilcannia has a rich and vibrant history. Once known as the 'Queen City of West', it was the third largest shipping port in Australia. In the boom years of the 1880s,

sandstone was quarried locally for the beautiful buildings that stand today as a reminder of those historic days. A short drive or walk around the town will reveal the great

sandstone buildings, historic centre Loft Bridge and old warf that handled all that cargo many years ago. Wilcannia is home to a large Aboriginal community.

Proud history of our towns

Menindee



Menindee is an oasis in the outback. A beautiful spot to soak up the outback atmosphere with the convenience of modern services at your fingertips. Dubbed the first town on the Darling river, Menindee has a rich Indigenous and European history.

Menindee is located close to Kinchega National Park where visitors can enjoy spectacular views of the Menindee Lakes and the Darling River, as well as close encounters with local wildlife. Menindee is associated with bold explorers of the outback, Burke

and Wills, Mitchell and Sturt and the pastoral tradition of wool production and labouring paddle steamers transporting bales to market. Many travellers today are surprised to find the Lakes that Major Mitchell originally named 'Laidley's Ponds.'

White Cliffs



White Cliffs is unique. Precious seam opal was discovered in White Cliffs in the 1890s and opal from this field was the first to be marketed overseas (giving White Cliffs the distinction of being known as Australia's first commercial opal field.

To escape the high summer temperatures, early miners soon began to live in their working mines enjoying the constant underground temperature in the mid-twenties all year round. These were known as 'dugouts' and became home for many

miners. Today modern dugout homes provide a unique housing style for many White Cliffs residents with the conveniences of any modern home being environmentally friendly, little heating or cooling is required.

Proud history of our towns

Ivanhoe



Ivanhoe is situated on the Cobb Highway 180 kilometres south east of Wilcannia.

The township of Ivanhoe is home to approximately 196 people and also people on remote properties within the surrounding district. Visitors to Ivanhoe can enjoy a break to their journey in an

outback pastoral community. Friendly people, clean amenities, landscaped recreational areas and a self-guided Heritage Trail, enable visitors to enjoy a short break and gain an insight into the towns' interesting heritage. You can retrace the exploits of bush-rangers, the journeys of

Cobb & Co and the advent of the railways as you follow the Ivanhoe Heritage Trail. Through tough times and good, flood and devastating drought, towns like Ivanhoe are resilient and inspiring. Ivanhoe has earned its place in Australian history.

Making News in the Shire

Water Treatment Plant Contract Awarded

Membrane Systems Australia was awarded the contract to construct new water treatment plants in Wilcannia, White Cliffs and Ivanhoe.

The offer was endorsed at the June ordinary meeting of Council after a lengthy and comprehensive tender process.

The Wilcannia and Ivanhoe Water Treatment Plant upgrades are 100% funded by the NSW State Government's Safe and Secure Water Program.

The White Cliffs Water Treatment Plant upgrade

is part of a \$5.5M project 100 per cent funded by the NSW State Government's INSW Restart Water Security for Regions Program.

Membrane Systems Australia was one of seven tenderers for the project, which was overseen by external consultants City Water Technology Pty Ltd.

The construction schedule was developed, taking into account the possibility of COVID related restrictions.

- Published on 07 July 2021



Central Darling Shire has some stunning landscapes and enjoys welcoming visitors to the LGA.

Statutory Reporting

Public interest disclosures

Council is committed to the objectives of the Public Interest Disclosures Act 1994 (the PID Act) and encourages the reporting of any allegations of suspected wrongdoing, including instances of corrupt conduct, maladministration, serious and substantial waste and government information contravention. Council has in place a framework to support staff who report suspected wrongdoing.

For the reporting period ending 30 June 2022, Central Darling Shire Council received one (1) disclosure made under the PID Act.

Rates or charges written off

The amount of rates or charges that have been written off during the year for 2021-22 was \$106,393.05.

Activities undertaken to implement EEO management plan

We have not done anything this financial year, so nothing to report.

Annual labour statistics - Council

Permanent Part-time: 0
Permanent Full-time: 43
Casual: 18
Fixed Term: 8
Senior Staff: 1 (General Manager)
Contractors/Agency: 1
Apprentices/Trainees: 0

Capital expenditure reviews

No capital expenditure reviews were submitted during the reporting period.

Inspections private swimming pools

Number of inspections that:

- Were of tourist and visitor accommodation: 0
- Were of premises with more than two dwellings: 1 lot with more than 2 dwellings (police station barracks)
- Resulted in issuance a certificate of compliance under s22D of the SP Act: 0
- Resulted in issuance a certificate of non-compliance under cl 21 SP Reg: 0

Statutory Reporting

Companion animals

Council's activities during the year in relation to enforcing, and ensuring compliance with, the provisions of the Companion Animals Act 1988 (CA Act) and the Companion Animal Regulation 2018.

Survey Information

- You can update and save details progressively.
- Once you have confirmed the details at the end of the financial year please click 'Submit and Close' to finalise this data.
- Details will not be able to be modified once they are finally submitted.

SURVEY OF COUNCIL SEIZURES OF CATS AND DOGS 2021/2022

Council Name	Central Darling Shire Council	Facility Manager's Name:	Geoff Laan	Comments: During this period CDSC had no acting ranger and limited was taken in the seizure of cats and dogs, and no records have been forthcoming .
Council/Facility Name:	Central Darling Shire Council	Facility Contact Name:	Leah Dougherty	
Council owned and operated facility?:	YES	Facility Contact Phone:	0880838928	
Location of Animal Care Facility:	Wilcannia	Facility Contact Fax:		
		Facility Contact E-mail:	laang@centraldarling.nsw.gov.au	

bottom

COUNCIL SEIZURE ACTIVITY	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total				
	Cat	Dog	Cat	Dog																									
Seized																													
Returned to Owner																											0	0	
Transferred to Council's Facility																												0	0
Check (Zero)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

ANIMALS IN AND ARRIVING AT COUNCIL'S FACILITY	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total					
	Cat	Dog	Cat	Dog																										
Animals In Council's Facility (Start of Month)																														
Abandoned or Stray																												0	0	
Surrendered																													0	0
Animals transferred from Seizure Activities																													0	0
Total Incoming Animals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

ANIMALS LEAVING COUNCIL'S FACILITY	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total						
	Cat	Dog	Cat	Dog																											
Released to owners																													0	0	
Sold																														0	0
Released to Organisations for Rehoming																														0	0
Died at Council's Facility (other than euthanased)																														0	0
Stolen from Council's Facility																														0	0
Escaped from Council's Facility																														0	0
Other (reason if entered)																														0	0
Euthanased																														0	0
Restricted Dogs	0		0		0		0		0		0		0		0		0		0		0		0		0		0	0	0	0	
Dangerous Dogs	0		0		0		0		0		0		0		0		0		0		0		0		0		0	0	0	0	
Owners Request																														0	0
Due to Illness/Disease or Injury																														0	0
Feral/Infant Animal																														0	0
Unsuitable for rehoming																														0	0
Unable to re-home																														0	0
Total Euthanased	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Outgoing Animals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total In Council's Facility (End of Month)																															

(Total Outgoing Animals = Total Incoming Animals - Animals in Council's Facility end of month)

Details will not be able to be modified once they are submitted. Button available after end of financial year only, 2022

Survey has been Completed

top

Statutory Reporting

Awarded Contracts 2021/2022

Name of Contractor	Goods/Services	Amount
Fulton Hogan	Spray Sealing Services	\$3,935,594
Wardle Builders	Building Services	\$620,661
Stabilised Pavements Australia	Road Stabilisation Services	\$1,478,901
Rocla	Supply and Delivery of precast drainage products	\$1,483,295
Jaws Earthworks	Gravel Crushing Services	\$1,547,915
Diesel Repairs professionals	Supply and Deliver 3 new Skid Steer Loaders	\$340,034
Uniplan Group	Supply and Deliver 3 new Transportable buildings	\$407,191
Membrane Systems Australia	Design and Construct 3 new Water Treatment plants	\$2,693,903

General Manager remuneration package

GM Annual Remuneration Package	Current as at 01 Jul 2021	Effective as at 14 May 2022
Annual Base Salary	\$ 177,339	\$ 181,769
Superannuation @ 10%	17,734	18,177
Total Salary inc Superannuation	\$ 195,073	\$ 199,946
Motor Vehicle	21,000	21,000
Housing	9,000	9,000
Total Annual Remuneration Package	\$ 225,073	\$ 229,946

Statutory Reporting

Government Information about access applications

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

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

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

Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

Statutory Reporting

* A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications	
Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0

Statutory Reporting

Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about <u>authorised</u> transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about <u>authorised</u> transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

Central Darling Shire Council - Annual Report 2021 - 2022 - Page 12

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Statutory Reporting

Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	N/A
Decided after 35 days (by agreement with applicant)	N/A
Not decided within time (deemed refusal)	N/A
Total	N/A

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	0	0	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)	
	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Statutory Reporting

DIAP Annual Reporting Template

Instructions for Disability Inclusion Officer: Use this template to gather feedback from the sections of council which have actions assigned to them under your DIAP. Please collate these results into a single DIAP report for your council.

Council name:

<p>1. Please provide an update on the progress your area has made in the four focus areas listed below during 2020-21. Include:</p> <ul style="list-style-type: none">• What actions were you undertaking? Focus on 2020-2021 actions.• What progress has been made?.
<p>i. Developing positive community attitudes and behaviours</p>
<p>Central Darling Shire Council has reviewed the Disability Inclusion Action Plan. This review was conducted to include consultation with the community which occurred over a six-month period. The Central Darling Shire community engaged with this consultation, with 20% of the community participating.</p>
<p>ii. Creating liveable communities</p>
<p>Central Darling Shire Council will continue to provide both soft and hard disability infrastructure through the implementation of capital projects. Such projects include identifying and implementing measures to improve the accessibility of public toilets throughout the Shire, improving accessible paths of travel (parking, footpaths and kerb ramps) in our town and village centres to key destinations such as local services, recreation spaces and community facilities, and promoting and supporting access to local services and activities for children and young people with disabilities.</p>
<p>iii. Supporting access to meaningful employment</p>
<p>Council is dedicated to inclusivity and will continue to include and encourage people with disabilities by engaging them in meaningful employment. Council has and will continue to support existing employees with disabilities, by providing the appropriate technology to be successful in their work. Council will also continue to liaise with other government agencies, local communities, and businesses to promote and support employment opportunities for people with disabilities.</p>
<p>iv. Improving access to mainstream services through better systems and processes</p>
<p>Council is a provider of live better services at our Ivanhoe service outlet, and will continue to ensure that Council publications are accessible, as well as monitor and update Council's website to ensure access standards are addressed and incorporate captioning for video content on our website. Council will continue to raise awareness in the community about local access issues through including information about access in our promotional material and signage, promoting accessibility upgrades to all services and facilities within the Shire and including information about access on Council's website. Council will further ensure access considerations are included in all projects in our annual Capital Works program, include assessment of disability access when collecting information and data about our assets, and include ideas received from people with disability on plans for Council services, facilities and Activities.</p>

Statutory Reporting

2. How have you determined that you're meeting the needs of people with disability?

- What engagement or feedback have you had from people with disability?
- How has this been incorporated into your current and future planning?

Council has reviewed its Disability Inclusion Action Plan, with 20% of the community participating in consultation over a six-month period. Council is also in the process of improving access to the Menindee Post Office and IGA public toilets by applying for funding via Round five of the Stronger Countries Community Fund. Disability Access is also highlighted in Council's Town and Village Plans.

3. Describe your challenges and successes in delivering on your parts of the DIAP

In addressing delivery of the Disability Inclusion Action Plan, Council has contended with a lack of funding and appropriate funding streams to build disability access infrastructure. With no prescribed funding for disability access, the cost of implementing the Disability Inclusion Action Plan needs to be withdrawn from other mainstream funding sources.

Council is, however, pleased to report that any capital improvements to community infrastructure incorporate Australian standards for disability access.

4. Is there anything else you're doing or planning for the future to contribute to greater outcomes for people with disability?

NB: Include new actions that your area will be undertaking and should be added to the DIAP

Council is developing a working partnership with Maari Ma Aboriginal Health Corporation to provide a new health facility at Wilcannia, as well as working with not-for-profit organisations in providing affordable housing for low SES communities.

Additional information and comments about the information provided (include any contentious issues)

Central Darling Shire obtains 50% First Nations peoples in a population of two-thousand, with a vast topography spread over a large area and a wide demographic of people that Council will continue to try and provide for.

Statutory Reporting

Shire Services

Drinking Water Quality Testing

Health	
Performance Requirement	Assessment
Undertake water samples (microbiology) for potable water supplies	Samples taken weekly/fortnightly
Undertake water samples (microbiology) for swimming pools	Taken monthly during swimming season
Undertake routine chlorine residual readings	Weekly
Undertake blue-green algae sampling along river	As required

Sampling of drinking water quality is carried out within the towns of Wilcannia, Ivanhoe and White Cliffs. The frequency of sampling is different in each town however the sample parameters are the same, with most samples tested for microbiology and chemistry. The below tables demonstrate the sampling pattern, the number of samples collected and the number of non-compliant results identified.

Town	Frequency	No of Sites Sampled	Samples Collected
Wilcannia	Fortnightly	6	<ul style="list-style-type: none"> • Microbiology • Chemistry – biannually
Ivanhoe	Fortnightly	5	<ul style="list-style-type: none"> • Microbiology • Chemistry – biannually
White Cliffs	Fortnightly	2	<ul style="list-style-type: none"> • Microbiology • Chemistry – biannually
Wilcannia Aboriginal Water and Sewage Program including Mallee and Warrali precincts	Monthly	2	<ul style="list-style-type: none"> • Microbiology- Ongoing • Chemistry -Finished • Radiological- Finished • Pesticide-Finished

No of Samples Collected	Microbiology	Chemistry
Wilcannia	77	2
Ivanhoe	23	2
White Cliffs	27	2
<u>% of Non-Compliant Results</u>	<u>Microbiology</u>	<u>Chemistry</u>

Statutory Reporting

Wilcannia	2.6% Free Chlorine, 1.32% Temperature, 6.49% Turbidity	50% Aluminum, 50% Turbidity
Ivanhoe	8.7% Total Chlorine, 4.35% Total Coliform	0%
White Cliffs	3.7% E. coli, 29.63% Free Chlorine, 3.7% Total Chlorine, 14.81% Total Coliform, 14.81% Turbidity	0%

Food Inspections

Food Inspections	
Performance Requirement	Assessment
To provide level of services as per Category B	Ongoing task
To implement food premises inspections to Category B level	Completed in 4 th Quarter
To investigate complaints to Category B level	Ongoing task

Central Darling Shire Council is classified as Category B under the Food Regulation Partnership as per agreements with NSW Food Authority. Under this arrangement food premises are inspected annually.

The following table demonstrates Council food premises activities over the past 12 months. During the reporting period no business required a second inspection. Premises were low risk and complied with the *Food Act 2003* and *Food Regulation 2010* at time of inspection

No of inspections undertaken	No of food outlets	No of non-compliance	No of food business requiring re-inspection
20	12	0	0

PUBLIC ORDER AND SAFETY

Swimming Pools

Details of inspections of private swimming pools.

Swimming Pools	
Performance Requirement	Number of Inspections
(i) Number of inspections of tourist and visitor accommodation	1
(ii) Number of inspections of premises with more than two dwellings	0

Statutory Reporting

(iii) Number of inspections that resulted in issuance a certificate of compliance under Section 22D of the <i>Swimming Pools Act 1992</i>	0
(iv) Number of inspections that resulted in issuance of certificate o non-compliance under Clause 21 of the <i>Swimming Pools Regulation 2018</i>	0

Companion Animals

Companion Animals	
Performance Requirement	Assessment
To implement companion animal control measures	Ongoing task
To encourage registrations and micro chipping	Ongoing task
To assist with de-sexing clinics and education programs as required	De-sexing clinic

Animal Control in Central Darling is an ongoing issue. Constant monitoring and control measures are needed to deal with roaming and straying animals including both dogs and cats.

Other activities Council has undertaken to assist animal control within the Shire include provision of dog and cat traps to local residents (on a loan basis) to capture roaming animals, assist residents to surrender animals and rehome/remove as required, tend to injured animals and seek veterinary care as required through RSPCA in Broken Hill.

Council has lodged relevant returns to the Office of Local Government as required being pound data collection returns and dog attack data. The amount of funding spent relating to companion animal management and activities was \$123,510. At this stage it has not be deemed necessary to allocate specific off leash areas within any Shire towns.

Animal Control Statistics for 2021/22								
Month	Seized and Impounded	Rehomed	Returned to Owner	Euthanised	Registrations	Microchipped	Penalty Notices	In Pound at End of Month
July 2021	-	-	-	-	-	-	-	-
Aug 2021	-	-	-	-	-	-	-	-
Sept 2021	-	-	-	-	-	-	-	-
Oct 2021	-	-	-	-	-	-	-	-

Statutory Reporting

Nov 2021	-	-	-	-	-	-	-	-
Dec 2021	-	-	-	-	-	-	-	-
Jan 2022	17 DOGS	15 DOGS	1 DOGS	0 DOGS	2DOG	9 DOGS	-	-
Feb 2022	-	-	-	-	-	-	-	-
Mar 2022	-	-	-	-	-	-	-	-
April 2022	-	-	-	-	-	-	-	-
May 2022	12 DOGS	4 DOGS	6 DOGS	-	-	-	-	-
June 2022	5 DOGS	5 DOGS	5 DOGS	-	-	-	-	-
Total	34 DOGS	24 DOGS	12 DOGS	0DOGS	2 DOGS	9 DOGS	0	0

BUSHFIRE HAZARD REDUCTION

Hazard Reduction Programs

The Central Darling Bush Fire Management Committee has a significant role to play in the development of hazard reduction activities and funding priorities and holds regular meetings to discuss any issues or concerns.

Hazard reduction work carried out in the Central Darling Shire over the past year included mechanical works, such as grading and slashing, as well as a number of prescribed burns. The priority for works will be around villages and towns.

Hazard Reduction Works

NSW Rural Fire Service – Far West Team (Incorporating Central Darling District)

- Asset protection zones maintained around all townships and villages, including Wilcannia, Ivanhoe, Tilpa, White Cliffs, Menindee, as well as small communities such as Sunset Strip and Copi Hollow
- Asset protection zones implemented around the two Wilcannia discreet Aboriginal communities
- Fire trail maintenance works within the Mallee Bush Fire Prevention Scheme area and other registered fire trails

A total of \$32,483 of external hazard reduction funds were sought and allocated through the Rural Fire Service

Central Darling Shire Council

- Roadside slashing
- Maintained asset protection zone around Central Darling Waste depots
- Fire breaks

Statutory Reporting

National Parks

- Reserve fire trail maintenance
- Strip burning along strategic fire trails

Fire Safety Awareness

Community awareness activities are carried out as part of the NSW Rural Fire Service community education program; this is updated annually with community events, media activities and other activities carried out in accordance with service protocols. Some examples include:

- School and community groups visits
- Brigade open day activities.

PROPERTIES AND COMMUNITY AMENITIES

Properties

Environmental	
Performance Requirement	Assessment
Issue temporary licences for Crown Land as required	No temporary licences were issued in reporting period
Submit financial statements for Crown Land as required	Financial statements to be submitted
Support National Tree Day through tree allocations to local communities	Tree Day was not held in all Shire communities this year
Maintain all public parks, sporting facilities and public toilets to an acceptable community standard	All amenities maintained as per budgetary allocations
Manage Local Heritage Funding Program pending funding support from NSW Heritage Office	Continuing program with four projects funded in reporting period

Crown Land – Council is Trust Manager of a large portfolio of Crown Land within the Central Darling Local Government Area. This land has been gazetted for many differing purposes of use. At this stage, Council is responsible for 52 Crown land parcels scattered across all towns, villages and localities.

Crown Land Properties Managed by Council in 2021/22 – facility and purpose of use			
<u>Reserve/Facility</u>	<u>Reserve Number</u>	<u>Location</u>	<u>Purpose of use</u>
Burke and Wills Park	28962	Menindee	Oval, Swimming Pool
Burke Park	630012	Wilcannia	Showground
Crick Park	82520	Menindee	Public Recreation
Darnick Community Reserve	230084	Darnick	Community Purposes

Statutory Reporting

Emmdale Emergency Reserve	1001363	Emmdale	Airstrip
Ivanhoe Aerodrome	85153	Ivanhoe	Aviation
Ivanhoe Bushfire Brigade	83244	Ivanhoe	Bushfire Brigade
Ivanhoe Recreation Grounds	83596	Ivanhoe	Recreation
Ivanhoe Regeneration Reserve	85989	Ivanhoe	Regeneration
Ivanhoe Rubbish Depot	84487	Ivanhoe	Rubbish Depot
Ivanhoe Water Supply	78333	Ivanhoe	Water Supply
Lake Menindee Plantation Res	86859	Sunset Strip	Plantation, Tourism Purposes
Menindee Aerodrome	230056	Menindee	Aviation
Menindee Common Reserve	64609	Menindee	Camping, Access
Menindee Common Reserve	64899	Menindee	Addition – Commonage
Menindee Common Reserve	71522	Menindee	Common
Menindee Fire Brigade	78117	Menindee	Fire Station
Menindee Racecourse	84041	Menindee	Racecourse
Menindee Regeneration Res	88474	Menindee	Regeneration
Tilpa Reserve	1004528	Tilpa	Cemetery
Menindee Reserve	13524	Menindee	Works Depot
Wilcannia Reserve	19334	Wilcannia	Common
White Cliffs Reserve	24554	White Cliffs	Cemetery
Menindee Reserve	28978	Menindee	Cemetery
White Cliffs Reserve	38958	White Cliffs	Not Known
Ivanhoe Reserve	3966	Ivanhoe	Plantation and Cemetery
Ivanhoe Reserve	3967	Ivanhoe	Not Known
Menindee Reserve	87753	Menindee	Rubbish Depot
Ivanhoe Reserve	87826	Ivanhoe	Trucking and Stockyards
Tilpa Reserve	88701	Tilpa	Public Recreation
White Cliffs Reserve	91119	White Cliffs	Rubbish Depot

Statutory Reporting

Menindee Rubbish Depot	90833	Menindee	Rubbish Depot
White Cliffs Rubbish Depot	97755	White Cliffs	Rubbish Depot
Wilcannia Rubbish Depot	90899	Wilcannia	Rubbish Depot
Sturt Park Reserve	630016	Wilcannia	Recreation
Sunset Strip Bushfire Brigade	230091	Sunset Strip	Bushfire Brigade Purposes
Sunset Strip Rubbish Depot	97736	Sunset Strip	Rubbish Depot
Tilpa Airport	96846	Tilpa	Aviation
Trida Public Hall	85640	Trida	Public Hall
Victory Park Caravan Park	1004988	Wilcannia	Recreation
White Cliffs Aerodrome	86808	White Cliffs	Aviation Purposes
White Cliffs Gymkhana Res	30642	White Cliffs	Racecourse
White Cliffs Regeneration Res	89857	White Cliffs	Regeneration
White Cliffs Water Supply	97857	White Cliffs	Water Supply
Wilcannia Common Reserve	77322	Wilcannia	Commonage
Wilcannia Effluent Ponds	91299	Wilcannia	Sanitary Purpose
Wilcannia Golf Course	87463	Wilcannia	Golf Course
Wilcannia Public Recreation Res	85567	Wilcannia	Recreation
Wilcannia Regeneration Res	87409	Wilcannia	Regeneration
Wilcannia Septic Tank Pumpout	90900	Wilcannia	Sanitary Depot
Wilcannia Urban Services	230082	Wilcannia	Fire Brigade
William Murray Memorial Park		Menindee	Recreation

Public Buildings/Council Owned or Managed Facilities – Council owns many buildings across the Shire primarily related directly to its operations and staff accommodation. There are 214 buildings and structures in total. These buildings consist of houses, flats, work depots, administration buildings, Rural Transaction Centres, Community Halls, bushfire sheds and buildings, SES buildings, public toilets, sporting ovals, swimming pool amenities, roadside shelters, animal pounds, filtration plants and various other sheds.

Council Owned or Managed Facilities

Statutory Reporting

<u>Facility Type</u>	<u>Number of Buildings</u>	<u>Locations</u>
Staff Houses and Flats	18	Wilcannia
Community Housing	6	Menindee
Community Halls	7	Darnick, Wilcannia, Ivanhoe, Menindee, White Cliffs, Sunset Strip, Tilpa
ATCOs	3	Wilcannia, Menindee, Ivanhoe
SES Sheds	4	Wilcannia, Menindee, Ivanhoe, White Cliffs
Bushfire Brigade	6	Wilcannia, Ivanhoe, Menindee, White Cliffs, Sunset Strip, Tilpa
Rural Transaction Centres	1	Menindee
Multiservice Outlets	1	Ivanhoe
Administration Buildings	1	Wilcannia (Council Chambers – heritage listed)
Customer Service Centre	1	Wilcannia
Works Depots	4	Menindee, Wilcannia, Ivanhoe and White Cliffs
Athenaeum	1	Wilcannia
Heritage Buildings/Sites	3	Wilcannia (Post Office, Knox and Downs, Council Chambers)
Caravan Parks	2	Wilcannia and White Cliffs
Public Toilets	6	Wilcannia, Menindee, Ivanhoe
Ovals, sports grounds	4	Wilcannia, Menindee, Ivanhoe, Tilpa
Swimming Pools	4	Wilcannia, Menindee, Ivanhoe and White Cliffs
Cemeteries	5	White Cliffs, Tilpa, Menindee, Ivanhoe and Wilcannia
Water Filtration Plants	3	Wilcannia, White Cliffs and Ivanhoe
Waste Depots	7	White Cliffs, Tilpa, Ivanhoe, Wilcannia, Menindee, Sunset Strip and Copi Hollow

The above list is not exhaustive and does not include smaller buildings attached or associated with these main facilities. Three of the above listed items notably the Old Wilcannia Post Office, the Wilcannia Council Chambers and the Knox and Downs building are heritage listed sites within Wilcannia.

The Old Wilcannia Post Office building has had some renovations undertaken to the exterior of the building, including verandah restoration works, and inside the main front room, however still requires extensive works to the residential section and to the yard. Funding to continue the works is required

Statutory Reporting

and Council has been successful in obtaining additional funding of which works are in progress. The building is currently being utilised for Post Office purposes as intended.

CARAVAN PARKS

Victory Park Caravan Park, Wilcannia



Situated on the banks of the Darling River at Wilcannia is Victory Park Caravan Park, set amongst majestic gum trees. During the 2021/22 this caravan park was managed by Council.

Opal Pioneers Caravan Park, White Cliffs

Situated in the opal mining town of White Cliffs is Central Darling Shire Council's Opal Pioneer Caravan Park. The park has had upgrades to its power system and a dump point has been installed due to the increase in tourism numbers. The park has modern amenities. Rainwater tanks have also been installed at various locations within the grounds. This park is managed by a Section 355 Committee of White Cliffs Association.



Council being the Community

Heritage

Council is actively involved in preservation of heritage items and assisting owners of local heritage items to retain and conserve buildings and items of heritage significance on a regular basis. Council has a Heritage Strategy that includes the provision of a Heritage Advisory Service and a Local Heritage Fund. Council receives funding from the NSW Heritage Office for these programs.

During 2021/2022, Council's Heritage Advisor, Liz Vines, visited the Shire and met with interested local residents on a number of occasions at no cost to the residents.

Statutory Reporting

SWIMMING POOLS

Council owns, manages and operates four public swimming pool facilities across the Shire. These facilities are located in Wilcannia, Menindee, Ivanhoe and White Cliffs. Within each facility are a large pool and a small toddlers wading pool, apart from White Cliffs which only has one large pool operational. Council's public swimming pools are relatively aged and require ongoing works to keep operational. White Cliffs has the newest pool being constructed in late 2012. Council employs Casual Pool Lifeguards each year to supervise its swimming pools. These employees are trained in First Aid and Bronze Medallion. Extensive works have been undertaken to manage risks at our pools in the areas of signage and supervisory activities.

Council is mindful of the extensive summer heat and has installed large shade sails over its pools in all locations. The amenities are all in average condition including Ivanhoe which received extensive works to bring the facility up to basic standard.

The pools are open from November to March/April each year. The hours of operation are limited to 3.00pm to 6.00pm on school days, and 3pm to 7pm on weekends and school holidays. Unsupervised swimming pools will be investigated to enable access to the facilities during daylight hours.



Statutory Reporting

TOWN PLANNING

Development Applications

Council receives a number of Development Applications (DAs) each year for a wide range of development varying from residential, commercial, health facilities, community facilities and Infrastructure projects.

Council receives in the vicinity of 15- 20 applications for development, including development applications, complying development applications and Review of Environmental Factor applications per year. In the 2021/22 reporting period Council has received 11 Development applications. Council also received a number of Complying Development applications and a number of Review of Environmental Factor applications. Council also received Section 68 applications, where construction certificates are not permitted.

The table below provides a breakdown on the types of Development applications received, and the total value of these three main categories of development. Development in the Central Darling Local Government Area is mainly in the townships of Wilcannia and Menindee; however development in the other towns and in rural settings has occurred as well.

The majority of development applications lodged with Council are for non residential development, however, this includes several applications for the installation of manufactured structures used as temporary staff accommodation. Council has received a number of large commercial and other type of applications in the last financial year.

Council supports Complying Development Certificates when possible. As part of the development and construction process Council has also issued Construction Certificates ,Occupation Certificates and Section 68 Certificates.

DA Categories and Values for 2021/22 Reporting Period		
Development Category	Number of Development applications Related to this Category	Total Value of Category
Residential	0	\$0
Commercial and other development	9	Total – \$15,226,238.00
Rural	1	\$45,000.00
Signs	1	\$142,000.00,
Total	11	\$15,413,238.00

Information About Planning Agreements

Council has not entered into any planning agreements for the reporting period.

Section 67 – Work Carried Out on Private Land

Central Darling Shire council has had no Section 67 works completed for the reporting period.

Statutory Reporting

ENVIRONMENT

Climate Change

Over recent years increased focus is being placed on climate change and what this means for the local environment and local communities. To date, Council has had minimal input into climate change and the possible effects on the local area and the operations of Council, due to lack of funding and resources.

DOMESTIC WASTE MANAGEMENT

Waste Management

S428(2)(b) Asset Management	
Performance Requirement	Assessment
Continue to improve all Waste Depots	In progress
Source contracts through NetWaste for sale of recyclables	Contracts updated.

Council manages and operates seven waste depots across the Shire. Each waste depot consists of a landfill, with Wilcannia, Menindee and Ivanhoe also having broader recycling streams. Council's waste depots are located in Wilcannia, Menindee, Ivanhoe, Sunset Strip, White Cliffs and Tilpa. Council's Landfills are unmanned and open 24 hours. The larger recycling streams provide for separation of large wastes, such as scrap metal, tyres, green waste, timber products, and concrete products. It is often difficult to keep these lines defined, as many dumpers do not segregate their waste, and often the wrong materials end up in the wrong areas. This is an ongoing challenge for Council.

Future recycling opportunities are very difficult to secure due to distance and freight costs. The option to further refine recycling lines into glass, plastic, cans and other streams is not currently viable.

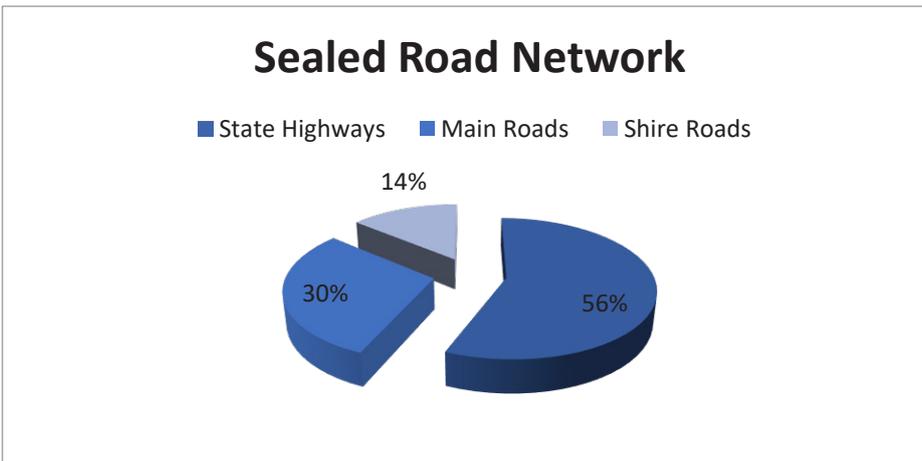
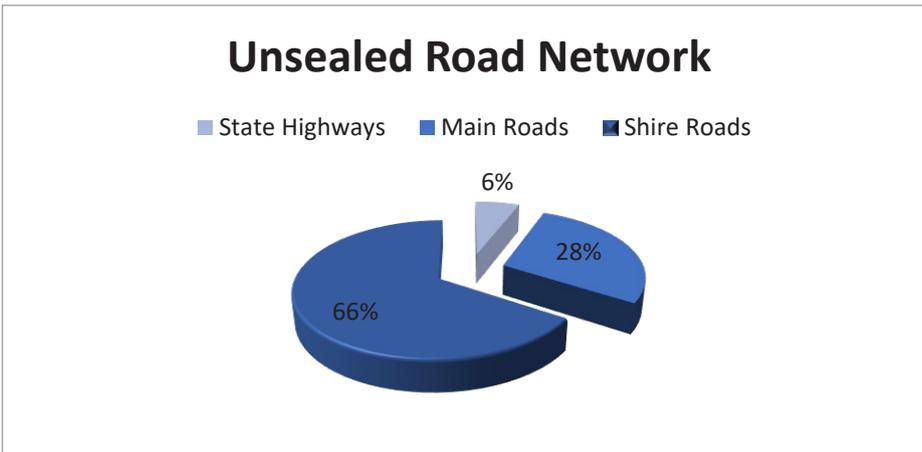
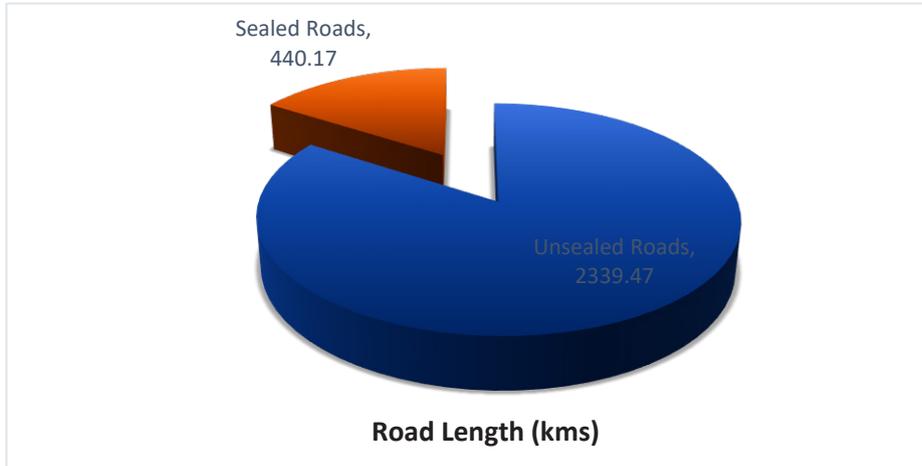
Council provides kerbside collection services to the towns of Wilcannia, Menindee and Ivanhoe. Collection is via 240L wheelie bins and garbage trucks and is provided to 795 residential and commercial properties.

Council has assisted Cleanaway Pty Ltd with the possible appointment of an operator to manage an Over the Counter – Container Deposit Scheme to enable residents to recycle cans/bottles etc.

Statutory Reporting

ROADS AND BRIDGES

Public Road Network



Asset Management	
Performance Requirement	Assessment

Statutory Reporting

Ensure all roads within the Shire are maintained	Ongoing maintenance grading program reviewed monthly
Acquit grant funds as required	Funds acquitted with Transport NSW
Maintain Routine Maintenance Council Contract	Ongoing with Transport NSW

The following is a summary of the works undertaken on the State, Regional and Shire road network with the Shire in the 2021/2022 financial year.

State Highways

Under Council's Routine Maintenance Council Contract (RMCC), Council is responsible for 387km of State Highway which includes both sealed and unsealed sections. The majority of funding was expended on construction, reseals, heavy patching, new grids and approaches, formation grading and re-sheeting.

Report on RMCC Work 2021/22

Total paid to Council for RMCC ordered work: \$6,006,853

- **NOTE: Value of Ordered Works and Total Paid to council may vary due to projects extending over two financial years**

Total paid to Council for RMCC routine work: \$1,502,500

List of jobs done under this routine work:

- Routine inspection
- Pothole repair
- Edgebreak repair
- Formation grading
- Shoulder grading
- Litter and debris removal
- Ground vegetation control
- Control saplings within clear zone
- Stock grids and races maintenance
- Stockpile sites maintenance
- Rest area – Service
- Rest area – Repair
- Clean culverts
- Minor repair culverts
- Minor repair headwalls and/or wingwalls
- Guide post maintenance
- Replace minor signs
- Maintain major signs

Statutory Reporting



Culvert installation Rosewood South Initial Seal Project, Cobb Highway

Regional Roads

Council maintains 790km of Regional (or Main) Roads within the Shire. Funding received included \$2,808,000 from Regional Road Block Grant, \$8,500,000 from Federal and State Governments for Pooncarie Rd and \$400,000 from Regional Roads Repair Program

Expenditure of the Block Grant included maintenance grading works, gravel resheeting and resealing works.

The Pooncarie Rd received program funding to complete initial sealing works on the 61km of unsealed section. 16km of unsealed road was reconstructed and sealed in the reporting period.

3.0km of initial seal works were commenced on the Ivanhoe-Menindee Rd, 35km west of Ivanhoe. Rain delays will see the project completed in the second quarter of 2022.

Reseals were carried out in this financial year in the following locations:

MR435 Opal Miners Way

MR68B Wilcannia-Menindee West Rd

Statutory Reporting



New Seal Section, Pooncarie Road

Statutory Reporting

Local Roads

Council maintains 1600km of Local Roads within the Shire. Funding expended from Federal Assistance Grant (Roads Component totalled \$1,612,000 and an additional \$695,670 from Roads to Recovery funding).

The majority of local road expenditure included maintenance grading works, resealing works and gravel resheeting works.

Roads to Recovery allocation was utilised on the Trida Road, Moolah-Trida Road and Woore Street, Wilcannia

Town Street routine maintenance works are ongoing and include kerb and gutter cleaning on a weekly basis, tree and ground vegetation maintenance, street sweeping and sign maintenance.

Bridges

Routine maintenance carried out on Council owned bridges included visual inspections, vegetation control and minor repairs. Recent bridge replacements have seen 50% of Council owned bridges replaced within the Shire, as per Councils Asset Management Plan, all dilapidated timber bridges have now been replaced.

Works on Private Land

Contract Grading works were completed for Cobar Shire Council to the value of \$2,122,827

WATER, SEWER AND STORMWATER

Asset Management	
Performance Requirement	Assessment
Maintain consistency of primary treated water to town of White Cliffs	Ongoing
Maintain consistency of potable and raw water supplies to Ivanhoe and Wilcannia	Ongoing
Ensure that the current standard of sewerage collection is maintained	Ongoing

Major Activities

Wilcannia Water Supply and Sewerage Services continue to benefit from the Aboriginal Communities Water Supply and Sewerage Program and the Water Securities, Restart Program funded by the Commonwealth Government and Safe and Secure Program funded by the State Government

The federally funded Aboriginal Communities Water Supply and Sewerage Program continues to provide funding for ongoing operational support for the Mallee and Warrali Aboriginal Estates in the amount of \$105k for routine maintenance and repairs. These funds are implemented in accordance with the Service Agreement between Council and the DPI Water.

Capital funding for the White Cliffs Water Supply Augmentation had been previously secured from the now redundant Country Towns Water Supply and Sewerage Program (Backlog Works) up to \$5.5M. The funding will be utilized for new Water Treatment Plant and Reticulation network.

Capital funding from the State Government for new water treatment plants at Wilcannia and Ivanhoe has also been successful for \$3.5M and \$2.5M respectively.

Statutory Reporting



Works commence at the new White Cliffs Water Treatment Plant Site

Water

Potable (treated) and raw (untreated) water supplies continued to be provided to the townships of Wilcannia and Ivanhoe in accordance with NSW Office of Water and Department of Health regulations and guidelines in conjunction with a testing regime undertaken by Council operators in consultation with these government agencies.

Wilcannia and Ivanhoe Water Supply is sourced from a combination of river and bore supplies. In the past year, Wilcannia was serviced predominately from Darling River flows and Ivanhoe has been serviced from Morrisons Lake Reservoir fed from Willandra Creek.

White Cliffs is serviced by a reticulated non-potable filtered water supply and is sourced from surface runoff collected in large off-line ground tanks. Typical operational issues are reticulation leakage from agricultural grade poly pipe network and low pressure issues. Main leakages are repaired as they arise. Water pressure issues are predominantly the responsibility of householders at White Cliffs where a header tank is to be provided by each dwelling/dugout.

Early rainfall in 2022 filled White Cliffs Wakefield Tank providing 12 months supply and Willandra Creek flow in early 2022 captured at Willandra Creek Weir filled Morrisons Tank providing up to 2 years supply for Ivanhoe.

Environmental flow within the Darling River during early 2022 filled the Darling River Weir Pool at Wilcannia and has been the primary source for Wilcannia's water supply during 2022.

Menindee water supply is managed by Essential Water pursuant *Water Management (General) Regulation 2011* and related to the establishment of the now redundant Broken Hill Water Board.

Sewer

Wilcannia sewerage services is comprised of a Common Effluent Collection System which collects domestic sewage from connected properties and discharges to the Wilcannia Sewerage Treatment

Statutory Reporting

Plant (Oxidation Ponds). The recent Civil Works upgrades included the sewer systems in the Aboriginal precincts of Mallee and Waralli being converted to full gravity sewer systems. The two existing pump stations at Warralli were replaced with one single pump station and two new lift wells were installed in the Mallee.

Ivanhoe, Menindee and White Cliffs residents manage generated sewerage with on-site facilities.

Stormwater

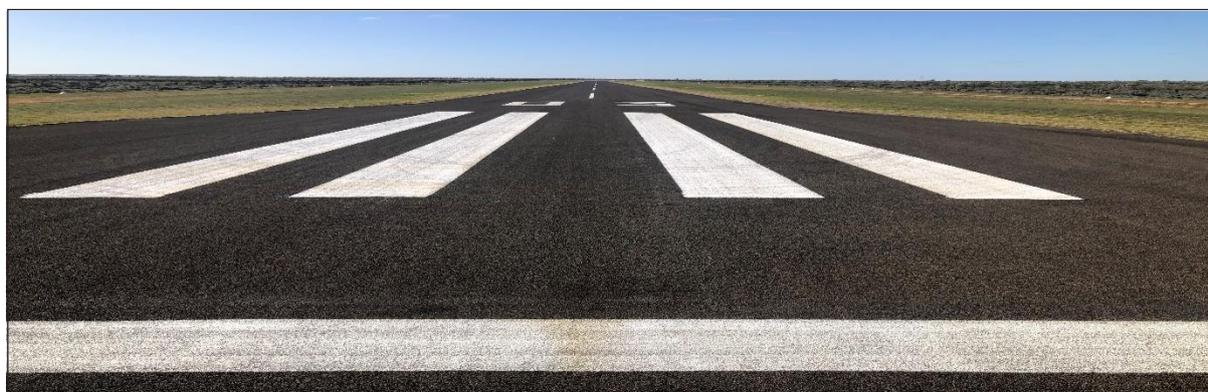
Stormwater infrastructure throughout the townships of Wilcannia, Ivanhoe, Menindee and White Cliffs were maintained including cleaning of the gross pollutant traps in Wilcannia and Menindee. Council is investigating funding opportunities to replace the stormwater outlets into the Darling River at Wilcannia (which have structurally failed).

AERODROMES

Council maintains six airstrips within the Shire being Wilcannia, White Cliffs, Tilpa, Emmdale, Menindee and Ivanhoe.

\$180,635 was expended on Pavement M&R, Buildings, toilets, fences, lighting, grounds M&R and energy costs.

The Remote Aerodrome Upgrade Program (RAUP) provided funding to reseal and linemark the Wilcannia Aerodrome \$243,406 was expended with Council funding 50% of project costs.



New aerodrome reseal and linemarking Wilcannia

BOAT RAMPS

Council maintains two boat ramps completed in Menindee 2012/13 and Tilpa 2014/15.

Additional small grant funding is being applied for to improve recreation facilities at both locations.

FOOTPATHS, KERBS, AND GUTTERING

Footpaths

The townships of Wilcannia, Ivanhoe and Menindee have extensive footpath networks. The footpath network in the urban areas are predominantly concrete but also is comprised of gravel and in-situ earth sections. \$20,331 was expended on footpath repairs in townships and villages

The extent of the concrete footpath network in each township is summarised below:

Statutory Reporting

- Wilcannia 4,895m
- Ivanhoe 2,189m
- Menindee 1,312m

Kerb and Gutter

The townships of Wilcannia, Ivanhoe and Menindee's extensive kerb and gutter infrastructure was maintained.

The heritage Kerbing around the Post Office in Wilcannia was removed and relaid to improve drainage in the area.

New kerb and gutter was installed in Woore Street, Wilcannia between Field and McIntyre Streets. The project was funded through the federally funded Roads to Recovery Program. \$279,156 was expended on the project

PLANT AND EQUIPMENT

Capital plant replacements included

- Two portable toilets \$12,200
- Vermeer Hydro Vacuum Unit \$87,305
- Three new skid steer loaders \$340,034
- Two Godwin Hushpac Pump units and trailers \$136,105

Various running costs are attributed to plant maintenance throughout the year. The following is a breakdown of that expenditure which totals \$993,894.

- Fuel \$226,511
- Repairs and maintenance \$210,158
- Tyres \$18,761
- Parts & Oil \$32,806
- Registration & Insurance \$29,931
- GPS Tracking \$36,298
- Leasing Costs \$436,901
- Miscellaneous \$2,528

Statutory Reporting



New Bobcat Skid Steer Loaders



New Godwin Hushpac Pump Unit and Trailer

Financial Statements

Central Darling Shire Council

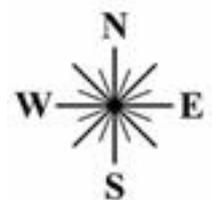
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2022



Central Darling Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2022



Central Darling Shire Council

General Purpose Financial Statements

for the year ended 30 June 2022

Contents	Page
Understanding Council's Financial Statements	3
Statement by Councillors and Management	4
Primary Financial Statements:	
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	80
On the Financial Statements (Sect 417 [3])	83

Overview

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

21 Reid Street
Wilcannia NSW 2836

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.centraldarling.nsw.gov.au.

Central Darling Shire Council

General Purpose Financial Statements

for the year ended 30 June 2022

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

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

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Central Darling Shire Council

General Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 28 September 2022.



Robert Stewart
Administrator
28 September 2022



Greg Hill
General Manager
28 September 2022



Kevin Smith
Acting Responsible Accounting Officer
28 September 2022

Central Darling Shire Council

Income Statement

for the year ended 30 June 2022

Original unaudited budget 2022	\$ '000	Notes	Actual 2022	Actual 2021
Income from continuing operations				
2,432	Rates and annual charges	B2-1	2,321	2,396
9,388	User charges and fees	B2-2	12,223	9,632
382	Other revenues	B2-3	734	821
8,644	Grants and contributions provided for operating purposes	B2-4	12,507	13,677
16,084	Grants and contributions provided for capital purposes	B2-4	18,530	7,021
93	Interest and investment income	B2-5	56	51
–	Other income	B2-6	145	33
–	Net gain from the disposal of assets	B4-1	114	63
37,023	Total income from continuing operations		46,630	33,694
Expenses from continuing operations				
5,532	Employee benefits and on-costs	B3-1	5,706	5,646
8,437	Materials and services	B3-2	15,443	16,506
52	Borrowing costs	B3-3	10	29
4,139	Depreciation, amortisation and impairment of non-financial assets	B3-4	4,524	4,299
2,596	Other expenses	B3-5	448	1,111
20,756	Total expenses from continuing operations		26,131	27,591
16,267	Operating result from continuing operations		20,499	6,103
16,267	Net operating result for the year attributable to Council		20,499	6,103
183	Net operating result for the year before grants and contributions provided for capital purposes		1,969	(918)

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

Central Darling Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Net operating result for the year – from Income Statement		20,499	6,103
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	<u>2,765</u>	<u>248</u>
Total items which will not be reclassified subsequently to the operating result		2,765	248
Total other comprehensive income for the year		2,765	248
Total comprehensive income for the year attributable to Council		23,264	6,351

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

Central Darling Shire Council

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	13,610	8,727
Receivables	C1-3	3,382	7,268
Inventories	C1-4	395	257
Total current assets		17,387	16,252
Non-current assets			
Receivables	C1-3	131	–
Infrastructure, property, plant and equipment (IPPE)	C1-5	196,158	174,720
Right of use assets	C2-1	340	433
Investments accounted for using the equity method	D2-1	932	1,140
Total non-current assets		197,561	176,293
Total assets		214,948	192,545
LIABILITIES			
Current liabilities			
Payables	C3-1	3,700	1,696
Income received in advance	C3-1	131	109
Contract liabilities	C3-2	1,002	4,327
Lease liabilities	C2-1	253	308
Borrowings	C3-3	–	150
Employee benefit provisions	C3-4	1,084	1,064
Total current liabilities		6,170	7,654
Non-current liabilities			
Lease liabilities	C2-1	106	133
Employee benefit provisions	C3-4	25	27
Provisions	C3-5	1,369	717
Total non-current liabilities		1,500	877
Total liabilities		7,670	8,531
Net assets		207,278	184,014
EQUITY			
Accumulated surplus	C4-1	147,507	127,008
IPPE revaluation reserve	C4-1	59,771	57,006
Council equity interest		207,278	184,014
Total equity		207,278	184,014

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

Central Darling Shire Council

Statement of Changes in Equity
for the year ended 30 June 2022

\$ '000	Notes	2022			2021		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		127,008	57,006	184,014	120,905	56,758	177,663
Net operating result for the year		20,499	–	20,499	6,103	–	6,103
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	–	2,765	2,765	–	248	248
Other comprehensive income		–	2,765	2,765	–	248	248
Total comprehensive income		20,499	2,765	23,264	6,103	248	6,351
Closing balance at 30 June		147,507	59,771	207,278	127,008	57,006	184,014

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

Central Darling Shire Council

Statement of Cash Flows

for the year ended 30 June 2022

Original unaudited budget 2022	\$ '000	Notes	Actual 2022	Actual 2021
Cash flows from operating activities				
<i>Receipts:</i>				
2,432	Rates and annual charges		2,316	2,864
9,200	User charges and fees		15,305	7,519
93	Interest received		120	164
24,728	Grants and contributions		28,620	24,065
–	Other		1,259	1,027
<i>Payments:</i>				
(5,740)	Payments to employees		(5,511)	(5,816)
(10,371)	Payments for materials and services		(15,496)	(17,430)
(12)	Borrowing costs		(10)	(29)
–	Other		(29)	(1,078)
20,330	Net cash flows from operating activities	G1-1	26,574	11,286
Cash flows from investing activities				
<i>Receipts:</i>				
–	Proceeds from sale of IPPE		161	63
<i>Payments:</i>				
(20,956)	Payments for IPPE		(21,344)	(9,902)
(20,956)	Net cash flows from investing activities		(21,183)	(9,839)
Cash flows from financing activities				
<i>Payments:</i>				
(153)	Repayment of borrowings		(150)	(156)
(480)	Principal component of lease payments		(358)	(339)
(633)	Net cash flows from financing activities		(508)	(495)
(1,259)	Net change in cash and cash equivalents		4,883	952
7,775	Cash and cash equivalents at beginning of year		8,727	7,775
6,516	Cash and cash equivalents at end of year	C1-1	13,610	8,727

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

Central Darling Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2022

A About Council and these financial statements	12
A1-1 Basis of preparation	12
B Financial Performance	14
B1 Functions or activities	14
B1-1 Functions or activities – income, expenses and assets	14
B1-2 Components of functions or activities	15
B2 Sources of income	16
B2-1 Rates and annual charges	16
B2-2 User charges and fees	17
B2-3 Other revenues	18
B2-4 Grants and contributions	19
B2-5 Interest and investment income	22
B2-6 Other income	22
B3 Costs of providing services	23
B3-1 Employee benefits and on-costs	23
B3-2 Materials and services	24
B3-3 Borrowing costs	25
B3-4 Depreciation, amortisation and impairment of non-financial assets	26
B3-5 Other expenses	27
B4 Gains or losses	28
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	28
B5 Performance against budget	29
B5-1 Material budget variations	29
C Financial position	31
C1 Assets we manage	31
C1-1 Cash and cash equivalents	31
C1-2 Restricted and allocated cash, cash equivalents and investments	32
C1-3 Receivables	34
C1-4 Inventories	36
C1-5 Infrastructure, property, plant and equipment	37
C2 Leasing activities	42
C2-1 Council as a lessee	42
C2-2 Council as a lessor	45
C3 Liabilities of Council	46
C3-1 Payables	46
C3-2 Contract Liabilities	47
C3-3 Borrowings	48
C3-4 Employee benefit provisions	50
C3-5 Provisions	52

Central Darling Shire Council

Contents for the notes to the Financial Statements for the year ended 30 June 2022

C4 Reserves	54
C4-1 Nature and purpose of reserves	54
D Council structure	55
D1 Results by fund	55
D1-1 Income Statement by fund	55
D1-2 Statement of Financial Position by fund	56
D2 Interests in other entities	57
D2-1 Interests in joint arrangements	57
E Risks and accounting uncertainties	59
E1-1 Risks relating to financial instruments held	59
E2-1 Fair value measurement	62
E3-1 Contingencies	67
F People and relationships	70
F1 Related party disclosures	70
F1-1 Key management personnel (KMP)	70
F1-2 Councillor and Mayoral fees and associated expenses	71
F2 Other relationships	72
F2-1 Audit fees	72
G Other matters	73
G1-1 Statement of Cash Flows information	73
G2-1 Commitments	74
G3-1 Events occurring after the reporting date	75
G4 Statement of performance measures	76
G4-1 Statement of performance measures – consolidated results	76
G4-2 Statement of performance measures by fund	77
H Additional Council disclosures (unaudited)	79
H1-1 Council information and contact details	79

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 28 September 2022. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

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

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

Council is a not for-profit entity.

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

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain 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 C3-5.
- (iii) employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

- (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note C1-3.

Monies and other assets received by Council

The Consolidated Fund

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

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

- General purpose operations
- Water service
- Sewerage service

A1-1 Basis of preparation (continued)

The Trust Fund

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

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

Goods and Services Tax (GST)

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

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

Volunteer Services are considered to be not material.

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

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

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

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

Going concern

Council has been under administration since 23 December 2013 due to its poor financial position.

Since that time Council has operated on an altered business model by reducing staff and contractors and tightly controlling expenditure.

Central Darling Shire received Ministerial approval under section 410 of the *Local Government Act 1993*, to allow Council to continue utilising restricted cash reserves to cover operational shortfalls until 30 June 2022, at which time any such outstanding funds must be restored.

The financial statements for the 2022 financial year have been prepared on a going concern basis and demonstrate that Council now has a much improved financial position and no longer requires the use of restricted cash to cover operational expenditure.

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2022.

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.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Functions or activities										
Governance	3	–	286	259	(283)	(259)	–	–	–	–
Administration	515	309	612	3,186	(97)	(2,877)	90	–	6,587	10,956
Public order and safety	313	188	578	664	(265)	(476)	150	102	13,689	13,767
Environment	646	617	532	919	114	(302)	–	–	1,554	740
Community services and education	87	38	283	146	(196)	(108)	56	2	1,876	2,085
Housing and community amenities	1,519	1,458	1,173	1,609	346	(151)	1,000	1,382	7,569	6,908
Water supplies	1,786	1,165	1,515	1,920	271	(755)	697	–	19,858	27,344
Sewerage services	403	782	208	321	195	461	–	300	6,742	5,303
Recreation and culture	884	1,570	1,197	915	(313)	655	1,381	1,556	3,887	5,094
Transport and communications	28,265	19,066	16,509	15,275	11,756	3,791	18,644	11,320	152,643	119,760
Economic affairs	2,771	1,578	3,238	2,377	(467)	(799)	451	–	543	588
General purpose income	9,438	6,923	–	–	9,438	6,923	8,568	6,036	–	–
Total functions and activities	46,630	33,694	26,131	27,591	20,499	6,103	31,037	20,698	214,948	192,545

B1-2 Components of functions or activities

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

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosures (e.g. GIPA) and legislative compliance.

Administration

Includes corporate support, executive services, shire services and any other Council policy compliance.

Public order and safety

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

Health

Includes immunisations, food control and health clinics.

Environment

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

Community services and education

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration, youth services; aged and disabled services and children's services.

Housing and community amenities

Includes public cemeteries; public conveniences; street lighting; town planning; and other community amenities

Water supplies

Supply of water services to W ilcannia, Menindee, White Cliffs and Ivanhoe.

Sewerage services

Supply of sewerage services to W ilcannia.

Recreation and culture

Includes community centres and halls, sporting grounds, venues, swimming pools, parks and gardens, and other sporting, recreational and cultural services.

Transport and communications

Includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic affairs

Includes camping areas and caravan parks, tourism and area promotion, and other business undertakings.

General purpose income

Includes grant funding not directly attributable to the above categories.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2022	2021
Ordinary rates		
Residential	340	352
Farmland	474	473
Business	48	45
Less: pensioner rebates (mandatory)	(15)	(15)
Rates levied to ratepayers	847	855
Pensioner rate subsidies received	8	8
Total ordinary rates	855	863
Annual charges		
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>		
Domestic waste management services	491	515
Water supply services	624	656
Sewerage services	256	271
Waste management services (non-domestic)	104	101
Less: pensioner rebates (mandatory)	(20)	(22)
Annual charges levied	1,455	1,521
Pensioner subsidies received:		
– Water	2	3
– Sewerage	1	1
– Domestic waste management	8	8
Total annual charges	1,466	1,533
Total rates and annual charges	2,321	2,396

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

Accounting policy

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

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

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

B2-2 User charges and fees

\$ '000	Timing	2022	2021
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Water supply services	2	438	457
Total specific user charges		438	457
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Building regulation	2	17	–
Private works – section 67	2	2,438	1,256
Regulatory/ statutory fees	2	1	–
Section 10.7 certificates (EP&A Act)	2	13	6
Section 603 certificates	2	8	10
Town planning	2	37	27
Total fees and charges – statutory/regulatory		2,514	1,299
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Caravan park	2	54	58
Cemeteries	2	11	13
Community centres	2	8	12
Multipurpose centre	2	15	36
Transport for NSW works (state roads not controlled by Council)	2	9,120	7,746
Swimming centres	2	4	3
Waste disposal tipping fees	2	57	7
Water connection fees	2	2	1
Total fees and charges – other		9,271	7,876
Total other user charges and fees		11,785	9,175
Total user charges and fees		12,223	9,632
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		–	–
User charges and fees recognised at a point in time (2)		12,223	9,632
Total user charges and fees		12,223	9,632

Accounting policy

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases 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 Other revenues

\$ '000	Timing	2022	2021
Fines – other	2	1	2
Legal fees recovery – rates and charges (extra charges)	2	16	22
Legal fees recovery – other	2	5	5
Commissions and agency fees	2	136	104
Diesel rebate	1	10	24
Insurance claims recoveries	2	11	52
Sales of inventories	2	98	123
Sales – general	2	35	46
Aboriginal communities water & sewer scheme	2	142	239
Other	1	280	204
Total other revenue		734	821
Timing of revenue recognition for other revenue			
Other revenue recognised over time (1)		444	569
Other revenue recognised at a point in time (2)		290	252
Total other revenue		734	821

Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

Other revenues are recognised as revenue when the service has been provided, or when the penalty has been applied, whichever occurs first.

B2-4 Grants and contributions

\$ '000	Timing	Operating 2022	Operating 2021	Capital 2022	Capital 2021
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	2,494	2,120	–	–
Financial assistance – local roads component	2	883	795	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	3,829	2,268	–	–
Financial assistance – local roads component	2	1,362	853	–	–
Amount recognised as income during current year		8,568	6,036	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Water supplies	2	–	–	1,397	400
Bushfire and emergency services	2	150	102	–	–
Community care	2	46	–	–	–
Economic development	2	–	–	441	–
Employment and training programs		90	–	–	–
Heritage and cultural	2	18	21	–	10
Recreation and culture	1	27	10	–	45
Storm/flood damage		90	2,125	793	–
Airport	2	–	–	150	76
Youth	1	10	2	–	–
Street lighting	1	8	8	–	–
Crown Land Administration	2	212	–	–	–
Transport (roads to recovery)	2	390	2,115	–	–
Transport (other roads and bridges funding)	2	–	–	14,413	3,788
Other specific grants	2	80	50	–	2,402
Previously contributions:					
Recreation and culture		–	–	1,336	–
Transport for NSW contributions (regional roads, block grant)	2	2,808	3,208	–	–
Sewerage (excl. section 64 contributions)	2	–	–	–	300
Tourism		10	–	–	–
Total special purpose grants and non-developer contributions – cash		3,939	7,641	18,530	7,021
Total special purpose grants and non-developer contributions (tied)		3,939	7,641	18,530	7,021
Total grants and non-developer contributions		12,507	13,677	18,530	7,021
Comprising:					
– Commonwealth funding		480	8,151	2,638	1,409
– State funding		12,027	5,526	15,892	4,897
– Other funding		–	–	–	715
		12,507	13,677	18,530	7,021

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Operating 2022	Operating 2021	Capital 2022	Capital 2021
Total grants and contributions	12,507	13,677	18,530	7,021
Timing of revenue recognition for grants and contributions				
Grants and contributions recognised over time (1)	45	6,056	-	45
Grants and contributions recognised at a point in time (2)	12,462	7,621	18,530	6,976
Total grants and contributions	12,507	13,677	18,530	7,021

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

\$ '000	Operating 2022	Operating 2021	Capital 2022	Capital 2021
Unspent grants and contributions				
Unspent funds at 1 July	–	–	4,327	60
Add: Funds received for the provision of goods and services	3,939	13,677	19,533	11,248
Less: Funds received in the current period and now spent	(3,504)	(13,677)	(16,818)	(6,921)
Less: Funds received in prior year but revenue recognised and funds spent in current year	–	–	(4,327)	(60)
Unspent funds at 30 June	435	–	2,715	4,327

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement but include the provision of goods or services or the achievement of milestone deliverables. 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.

Other grants and contributions

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

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

B2-5 Interest and investment income

\$ '000	2022	2021
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	55	49
– Cash and investments	1	2
Total interest and investment income (losses)	56	51
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	22	19
General Council cash and investments	1	6
Restricted investments/funds – external:		
Water fund operations	29	23
Sewerage fund operations	4	3
Total interest and investment income	56	51

Accounting policy

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

B2-6 Other income

\$ '000	Notes	2022	2021
Reversal of impairment losses on receivables			
Rates and annual charges		108	–
Total reversal of impairment losses on receivables	C1-3	108	–
Rental income			
Other lease income			
Leaseback fees - council vehicles		3	3
Other		34	30
Total other lease income		37	33
Total rental income	C2-2	37	33
Total other income		145	33

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2022	2021
Salaries and wages	4,727	4,582
Employee leave entitlements (ELE)	547	458
Superannuation	427	433
Workers' compensation insurance	249	216
Fringe benefit tax (FBT)	(1)	27
Protective clothing	-	3
Other	116	155
Total employee costs	6,065	5,874
Less: capitalised costs	(359)	(228)
Total employee costs expensed	5,706	5,646
Number of 'full-time equivalent' employees (FTE) at year end	44	44

Accounting policy

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

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

\$ '000	Notes	2022	2021
Raw materials and consumables		12,820	13,432
Contractor and consultancy costs		394	556
Administrator fees and associated expenses	F1-2	160	227
Advertising		22	21
Audit Fees	F2-1	75	143
Bank charges		14	5
Cleaning		15	47
Computer software charges		220	182
Cost of sales		71	86
Electricity and heating		254	289
Fire control expenses		103	101
Insurance		580	532
Office expenses (including computer expenses)		297	195
Postage		2	4
Printing and stationery		37	48
Street lighting		11	17
Subscriptions and publications		63	42
Telephone and communications		105	202
Travel expenses		56	40
Valuation fees		17	53
Training costs (other than salaries and wages)		79	86
Other expenses		4	4
Legal expenses:			
– Legal expenses: debt recovery		37	187
Expenses from short-term leases		7	7
Total materials and services		15,443	16,506
Total materials and services		15,443	16,506

Accounting policy

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

B3-3 Borrowing costs

\$ '000	2022	2021
(i) Interest bearing liability costs		
Interest on leases	8	9
Interest on loans	2	20
Total interest bearing liability costs	10	29
Total interest bearing liability costs expensed	10	29
Total borrowing costs expensed	10	29

Accounting policy

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

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

\$ '000	Notes	2022	2021
Depreciation and amortisation			
Plant and equipment		246	191
Furniture and fittings		1	1
Infrastructure:	C1-5		
– Buildings – non-specialised		850	826
– Other structures		307	262
– Roads		1,915	1,858
– Stormwater drainage		24	25
– Water supply network		689	668
– Sewerage network		98	97
Right of use assets	C2-1	369	358
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-5	25	13
Total gross depreciation and amortisation costs		4,524	4,299
Total depreciation and amortisation costs		4,524	4,299
Total depreciation, amortisation and impairment for non-financial assets		4,524	4,299

Accounting policy

Depreciation and amortisation

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

Impairment of non-financial assets

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

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

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

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

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

B3-5 Other expenses

\$ '000	Notes	2022	2021
Impairment of receivables			
Other		–	655
Total impairment of receivables	C1-3	–	655
Net share of interests in joint ventures and associates using the equity method			
Joint arrangements		208	219
Total net share of interests in joint ventures and associates using the equity method	D2-1	208	219
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		211	140
– Other contributions/levies		18	86
Donations, contributions and assistance to other organisations (Section 356)		11	11
Total other		240	237
Total other expenses		448	1,111

Accounting policy

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

Impairment expenses are recognised when identified.

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

\$ '000	Notes	2022	2021
Gain (or loss) on disposal of property (excl. investment property)			
Proceeds from disposal – property		11	–
Less: carrying amount of property assets sold/written off		(7)	–
Gain (or loss) on disposal		4	–
Gain (or loss) on disposal of plant and equipment			
	C1-5		
Proceeds from disposal – plant and equipment		150	63
Less: carrying amount of plant and equipment assets sold/written off		(40)	–
Gain (or loss) on disposal		110	63
Net gain (or loss) from disposal of assets		114	63

Accounting policy

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

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 24/06/2021 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2022 Budget	2022 Actual	2022 ----- Variance -----	
Revenues				
Rates and annual charges	2,432	2,321	(111)	(5)% U
User charges and fees	9,388	12,223	2,835	30% F
Additional RMS works completed during the year, not included in Council's original budget.				
Other revenues	382	734	352	92% F
Additional revenues not anticipated in the original budget.				
Operating grants and contributions	8,644	12,507	3,863	45% F
The favourable variance is indicative of Council's conservative approach to estimating grants for the annual budget. Council did not take into account the advance payment of approximately 75% of Federal Assistance funding for the 2022/23 year.				
Capital grants and contributions	16,084	18,530	2,446	15% F
Additional unbudgeted grant income received for the Pooncarie Road project.				
Interest and investment revenue	93	56	(37)	(40)% U
Over-estimation of interest income to be received for the year, not taking into account interest free period due to Covid-19.				
Net gains from disposal of assets	-	114	114	∞ F
Council does not budget for the potential sale of plant.				
Other income	-	145	145	∞ F
Re-allocation of amounts due to implementing a new systems accounting approach.				

B5-1 Material budget variations (continued)

\$ '000	2022 Budget	2022 Actual	2022 ----- Variance -----		
Expenses					
Employee benefits and on-costs	5,532	5,706	(174)	(3)%	U
Materials and services	8,437	15,443	(7,006)	(83)%	U
Increase in expenditure due to additional unbudgeted RMS works together with works associated with additional grant funding. Also some actual expenditure budgeted for as other expenditure, included as materials and services.					
Borrowing costs	52	10	42	81%	F
Council took the opportunity to pay out its bank loan several months in advance. Interest expense budgeted for the entire year.					
Depreciation, amortisation and impairment of non-financial assets	4,139	4,524	(385)	(9)%	U
Other expenses	2,596	448	2,148	83%	F
Variance due to some actual expenditure originally budgeted for as other expenditure now treated as materials and services.					
Statement of cash flows					
Cash flows from operating activities	20,330	26,574	6,244	31%	F
Additional income from RMS works and additional grant funding not budgeted for.					
Cash flows from investing activities	(20,956)	(21,183)	(227)	1%	U
Cash flows from financing activities	(633)	(508)	125	(20)%	F
The value of leased plant and equipment less than budgeted for.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2022	2021
Cash assets		
Cash on hand and at bank	12,510	4,777
Cash equivalent assets		
– Short-term deposits	1,100	3,950
Total cash and cash equivalents	13,610	8,727

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	13,610	8,727
Balance as per the Statement of Cash Flows	13,610	8,727

Accounting policy

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

C1-2 Restricted and allocated cash, cash equivalents and investments

\$ '000	2022 Current	2022 Non-current	2022	2021 Current	2021 Non-current	2021
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(a) Externally restricted cash, cash equivalents and investments

Total cash, cash equivalents and investments

	13,610	–	13,610	8,727	–	8,727
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Less: Externally restricted cash, cash equivalents and investments

	(4,888)	–	(4,888)	(6,518)	–	(6,518)
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Cash, cash equivalents and investments not subject to external restrictions

	8,722	–	8,722	2,209	–	2,209
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External restrictions**External restrictions – included in liabilities**

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

Specific purpose unexpended grants – general fund	1,002	4,211
Specific purpose unexpended grants – sewer fund	–	116
External restrictions – included in liabilities	1,002	4,327

External restrictions – other

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

Specific purpose unexpended grants (recognised as revenue) – general fund	2,148	–
Water fund	–	1,213
Sewer fund	1,286	624
Domestic waste management	452	354
External restrictions – other	3,886	2,191
Total external restrictions	4,888	6,518

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

\$ '000	2022 Current	2022 Non-current	2022	2021 Current	2021 Non-current	2021
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(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions

	8,722	–	8,722	2,209	–	2,209
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Less: Internally restricted cash, cash equivalents and investments

	–	–	–	–	–	–
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Unrestricted and unallocated cash, cash equivalents and investments

	8,722	–	8,722	2,209	–	2,209
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C1-2 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2022 Current	2022 Non-current	2022	2021 Current	2021 Non-current	2021
(c) Unrestricted and unallocated						
Unrestricted and unallocated cash, cash equivalents and investments	8,722	–	8,722	2,209	–	2,209

C1-3 Receivables

\$ '000	2022		2021	
	Current	Non-current	Current	Non-current
Rates and annual charges	390	292	747	–
Interest and extra charges	59	94	221	–
User charges and fees	369	78	3,439	–
Government grants and subsidies	1,306	–	2,214	–
Net GST/PAYG receivable	1,678	–	1,524	–
Other debtors	16	–	6	–
Total	3,818	464	8,151	–
Less: provision for impairment				
Rates and annual charges	(270)	(202)	(650)	–
Interest and extra charges	(50)	(79)	(133)	–
User charges and fees	(116)	(52)	(100)	–
Total provision for impairment – receivables	(436)	(333)	(883)	–
Total net receivables	3,382	131	7,268	–
Externally restricted receivables				
Water supply				
– Rates and availability charges	128	–	690	–
– Other	42	–	–	–
Sewerage services				
– Rates and availability charges	14	–	94	–
– Other	–	–	17	–
Total external restrictions	184	–	801	–
Unrestricted receivables	3,198	131	6,467	–
Total net receivables	3,382	131	7,268	–

\$ '000	2022	2021
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	883	1,330
Movement in provisions recognised during the year	(114)	(447)
Balance at the end of the year	769	883

Accounting policy

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

Impairment

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

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

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

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

C1-3 Receivables (continued)

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

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

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

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

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

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

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

Rates and annual charges outstanding are secured against the property.

C1-4 Inventories

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Inventories at cost				
Stores and materials	395	-	257	-
Total inventories at cost	395	-	257	-
Total inventories	395	-	257	-

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

C1-5 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period							At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	6,911	–	6,911	3,733	345	–	–	(3,667)	–	–	7,322	–	7,322
Plant and equipment	4,568	(2,550)	2,018	–	567	(40)	(246)	–	–	–	4,809	(2,510)	2,299
Furniture and fittings	17	(1)	16	–	–	–	(1)	–	–	–	17	(2)	15
Land:													
– Operational land	1,207	–	1,207	–	6	(7)	–	–	–	–	1,206	–	1,206
– Community land	523	–	523	–	–	–	–	–	–	–	523	–	523
Infrastructure:													
– Buildings – non-specialised	34,673	(22,408)	12,265	–	358	–	(850)	243	–	1,849	40,706	(26,840)	13,866
– Other structures	9,279	(5,615)	3,664	–	–	–	(307)	510	–	97	10,073	(6,109)	3,964
– Roads, bridges, footpaths	152,545	(34,358)	118,187	7,253	9,775	–	(1,915)	2,914	–	7,805	183,736	(39,717)	144,019
– Stormwater drainage	1,379	(710)	669	–	–	–	(24)	–	–	49	1,486	(791)	695
– Water supply network	46,455	(21,095)	25,360	–	–	–	(689)	–	(8,116)	–	43,426	(26,871)	16,555
– Sewerage network	6,240	(2,388)	3,852	–	–	–	(98)	–	–	1,081	6,786	(1,952)	4,834
Reinstatement, rehabilitation and restoration assets - refer Note C3-5:													
– Tip assets	487	(439)	48	838	–	–	(25)	–	–	–	1,324	(464)	860
Total infrastructure, property, plant and equipment	264,284	(89,564)	174,720	11,824	11,051	(47)	(4,155)	–	(8,116)	10,881	301,414	(105,256)	196,158

(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)

By aggregated asset class	At 1 July 2020			Asset movements during the reporting period						At 30 June 2021		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000												
Capital work in progress	2,572	–	2,572	1,292	3,193	–	(146)	–	–	6,911	–	6,911
Plant and equipment	4,153	(2,525)	1,628	–	582	(191)	–	–	–	4,568	(2,550)	2,018
Furniture and fittings	17	–	17	–	–	(1)	–	–	–	17	(1)	16
Land:												
– Operational land	1,126	–	1,126	–	–	–	–	81	–	1,207	–	1,207
– Community land	523	–	523	–	–	–	–	–	–	523	–	523
Infrastructure:												
– Buildings – non-specialised	33,952	(21,582)	12,370	224	351	(826)	146	–	–	34,673	(22,408)	12,265
– Other structures	8,170	(5,354)	2,816	696	414	(262)	–	–	–	9,279	(5,615)	3,664
– Roads	149,859	(32,500)	117,359	2,686	–	(1,858)	–	–	–	152,545	(34,358)	118,187
– Stormwater drainage	1,379	(685)	694	–	–	(25)	–	–	–	1,379	(710)	669
– Water supply network	45,568	(20,234)	25,334	167	384	(668)	–	(81)	225	46,455	(21,095)	25,360
– Sewerage network	6,182	(2,270)	3,912	13	–	(97)	–	–	23	6,240	(2,388)	3,852
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):												
– Tip assets	488	(425)	63	–	–	(13)	–	–	–	487	(439)	48
Total infrastructure, property, plant and equipment	253,989	(85,575)	168,414	5,078	4,924	(3,941)	–	–	248	264,284	(89,564)	174,720

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

continued on next page ...

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

Accounting policy

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

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

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

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

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

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

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20	Swimming pools	50
Sealed roads: structure	50	Unealed roads	20
Unsealed roads	20	Other open space/recreational assets	20
Bridge: concrete	100	Other infrastructure	20
Bridge: other	50		
Road pavements	60		
Kerb, gutter and footpaths	40		

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

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

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.

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

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

Rural Fire Service assets

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

Council has assessed the value of the rural fire service plant and equipment "Red Fleet" and determined the value of these assets are not material and have not recognised them in the financial statements.

Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/22			as at 30/06/21		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Water supply						
WIP	3,052	–	3,052	–	–	–
Land						
– Operational land	81	–	81	81	–	81
Buildings	656	656	–	656	656	–
Infrastructure	43,426	26,871	16,555	46,455	21,095	25,360
Total water supply	47,215	27,527	19,688	47,192	21,751	25,441
Sewerage services						
WIP	608	–	608	601	–	601
Infrastructure	6,786	1,952	4,834	6,240	2,388	3,852
Total sewerage services	7,394	1,952	5,442	6,841	2,388	4,453
Domestic waste management						
Plant and equipment	874	601	273	874	554	320
Total domestic waste management	874	601	273	874	554	320
Total restricted infrastructure, property, plant and equipment	55,483	30,080	25,403	54,907	24,693	30,214

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over vehicles, and IT equipment. Information relating to the leases in place and associated balances and transactions are provided below.

Plant & Vehicles

Lease Number	Lessor	Asset Class / Type	Leased Asset	Lease Type	Payment frequency	Annual Amount \$
L0005	Toyota Fleet	Plant and equipment	RAV 4	Ordinary	monthly	7,195
L0010	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	821
L0011	Toyota Fleet	Plant and equipment	PRADO	Ordinary	monthly	6,658
L0012	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	1,268
L0013	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	1,619
L0014	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	9,583
L0015	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	9,652
L0016	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	11,779
L0017	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	13,410
L0018	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	12,649
L0019	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	6,149
L0020	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	12,233
L0021	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	11,404
L0022	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	17,069
L0024	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	6,786
L0025	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	6,786
L0026	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	6,786
L0027	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	20,940
L0028	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	25,632
L0029	Toyota Fleet	Plant and equipment	PRADO	Ordinary	monthly	26,916
L0030	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	25,752
L0031	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	27,783
L0032	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	21,456
L0033	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	22,200
L0034	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	10,554
L0035	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	20,353
L0036	Toyota Fleet	Plant and equipment	PRADO	Ordinary	monthly	9,184
L0037	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	3,640
L0038	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	3,808
L0039	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	4,589
L0040	Toyota Fleet	Plant and equipment	HILUX	Ordinary	monthly	7,874

Total Payment \$372,530

IT Equipment

Leases for IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 1 and 3 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage. Total Annual Lease payments is approximately \$26,000.

C2-1 Council as a lessee (continued)

(a) Right of use assets

\$ '000	Plant & Equipment	Ready to use	Total
2022			
Opening balance at 1 July	433	–	433
Additions to right-of-use assets	276	–	276
Depreciation charge	(369)	–	(369)
Balance at 30 June	340	–	340
2021			
Opening balance at 1 July	457	–	457
Additions to right-of-use assets	334	–	334
Depreciation charge	(358)	–	(358)
Balance at 30 June	433	–	433

(b) Lease liabilities

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Lease liabilities	253	106	308	133
Total lease liabilities	253	106	308	133

(c) (i) The maturity analysis

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

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2022					
Cash flows	253	106	–	359	359
2021					
Cash flows	308	133	–	441	441

(ii) Lease liabilities relating to restricted assets

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Total lease liabilities relating to unrestricted assets	253	106	308	133
Total lease liabilities	253	106	308	133

C2-1 Council as a lessee (continued)

(d) Income Statement

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

\$ '000	2022	2021
Interest on lease liabilities	8	9
Depreciation of right of use assets	369	358
Expenses relating to short-term leases	7	7
	384	374

(e) Statement of Cash Flows

Total cash outflow for leases	358	349
	358	349

Accounting policy

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

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

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

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

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

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

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

Exceptions to lease accounting

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

Leases at significantly below market value / Concessionary leases

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

C2-2 Council as a lessor

Operating leases

Council leases 1 vehicle only at a weekly amount of \$35 and also receives rental for staff accommodation.

\$ '000	2022	2021
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(i) Assets held as investment property

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

(ii) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	37	33
Total income relating to operating leases for Council assets	37	33

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

< 1 year	-	2
Total undiscounted lease payments to be received	-	2

Accounting policy

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

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

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

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

C3 Liabilities of Council

C3-1 Payables

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Payables				
Goods and services – operating expenditure	1,539	–	1,454	–
Goods and services – capital expenditure	1,628	–	97	–
Accrued expenses:				
– Salaries and wages	315	–	138	–
– Other expenditure accruals	–	–	5	–
Security bonds, deposits and retentions	–	–	2	–
Other	218	–	–	–
Total payables	3,700	–	1,696	–
Income received in advance				
Payments received in advance	131	–	109	–
Total income received in advance	131	–	109	–
Total payables	3,831	–	1,805	–

Payables relating to restricted assets

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Externally restricted assets				
Water	359	–	–	–
Sewer	279	–	–	–
Payables relating to externally restricted assets	638	–	–	–
Total payables relating to restricted assets	638	–	–	–
Total payables relating to unrestricted assets	3,193	–	1,805	–
Total payables	3,831	–	1,805	–

Accounting policy

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

Payables

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

C3-2 Contract Liabilities

\$ '000	Notes	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	1,002	-	4,327	-
Total grants received in advance		1,002	-	4,327	-
Total contract liabilities		1,002	-	4,327	-

Notes

(i) Council has received funding for the Local Roads & Community Infrastructure program which has not been fully expended at 30 June. The funds received are under an enforceable contract which requires Council to undertake approved works in accordance with the grant approval and the assets are under Council's control and recognised as part of Council's IPPE. The revenue is recognised over time as the works are completed, and the contract liability reflects the funds received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

Contract liabilities relating to restricted assets

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Externally restricted assets				
Sewer	-	-	116	-
Unspent grants held as contract liabilities (excl. Water & Sewer)	1,002	-	4,211	-
Contract liabilities relating to externally restricted assets	1,002	-	4,327	-
Total contract liabilities relating to restricted assets	1,002	-	4,327	-
Total contract liabilities	1,002	-	4,327	-

Significant changes in contract liabilities

The reduction in contract liabilities is primarily due to completion of major capital road project works during the year, with a reduction in carryover works funded by capital grants.

Accounting policy

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

C3-3 Borrowings

\$ '000	2022		2021	
	Current	Non-current	Current	Non-current
Loans – secured ¹	–	–	150	–
Total borrowings	–	–	150	–

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

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

(a) Changes in liabilities arising from financing activities

\$ '000	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	150	(150)	–	–	–	–	–
Lease liability (Note C2-1b)	441	(358)	276	–	–	–	359
Total liabilities from financing activities	591	(508)	276	–	–	–	359

\$ '000	2020		Non-cash movements				2021
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	306	(156)	–	–	–	–	150
Lease liability (Note C2-1b)	446	(339)	334	–	–	–	441
Total liabilities from financing activities	752	(495)	334	–	–	–	591

(b) Financing arrangements

\$ '000	2022	2021
Total facilities		
Credit cards/purchase cards	45	45
Total financing arrangements	45	45
Drawn facilities		
– Credit cards/purchase cards	8	8
Total drawn financing arrangements	8	8
Undrawn facilities		
– Credit cards/purchase cards	37	37
Total undrawn financing arrangements	37	37

Additional financing arrangements information

Breaches and defaults

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

Security over loans

Loans are secured over the general rating income of Council. Leased liabilities are secured by the underlying leased assets.

C3-3 Borrowings (continued)

Accounting policy

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

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

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

C3-4 Employee benefit provisions

\$ '000	2022 Current	2022 Non-current	2021 Current	2021 Non-current
Annual leave	618	–	545	–
Long service leave	466	25	519	27
Total employee benefit provisions	1,084	25	1,064	27

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

\$ '000	2022	2021
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	584	614
	584	614

C3-4 Employee benefit provisions (continued)

Description of and movements in provisions

\$ '000	ELE provisions		
	Annual leave	Long service leave	Total
2022			
At beginning of year	545	546	1,091
Additional provisions	319	–	319
Amounts used (payments)	(246)	(55)	(301)
Total ELE provisions at end of year	618	491	1,109
2021			
At beginning of year	560	550	1,110
Additional provisions	358	100	458
Amounts used (payments)	(373)	(104)	(477)
Total ELE provisions at end of year	545	546	1,091

Accounting policy

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

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

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

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

C3-5 Provisions

\$ '000	2022		2021	
	Current	Non-Current	Current	Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	1,369	–	717
Sub-total – asset remediation/restoration	–	1,369	–	717
Total provisions	–	1,369	–	717
Total provisions relating to unrestricted assets				
	–	1,369	–	717
Total provisions	–	1,369	–	717

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

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

Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
2022		
At beginning of year	717	717
Changes to provision:		
– Revised discount rate	652	652
Total other provisions at end of year	1,369	1,369
2021		
At beginning of year	715	715
Changes to provision:		
– Revised discount rate	2	2
Total other provisions at end of year	717	717

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council's landfills.

Accounting policy

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.

C3-5 Provisions (continued)

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.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

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

\$ '000	General 2022	Water 2022	Sewer 2022
Income from continuing operations			
Rates and annual charges	1,443	622	256
User charges and fees	11,784	438	1
Interest and investment revenue	23	29	4
Other revenues	592	–	142
Grants and contributions provided for operating purposes	12,507	–	–
Grants and contributions provided for capital purposes	17,833	697	–
Net gains from disposal of assets	114	–	–
Other income	145	–	–
Total income from continuing operations	44,441	1,786	403
Expenses from continuing operations			
Employee benefits and on-costs	5,706	–	–
Materials and services	14,668	699	76
Borrowing costs	10	–	–
Depreciation, amortisation and impairment of non-financial assets	3,737	689	98
Other expenses	287	127	34
Total expenses from continuing operations	24,408	1,515	208
Operating result from continuing operations	20,033	271	195
Net operating result for the year	20,033	271	195
Net operating result attributable to each council fund	20,033	271	195
Net operating result for the year before grants and contributions provided for capital purposes	2,200	(426)	195

D1-2 Statement of Financial Position by fund

\$ '000	General 2022	Water 2022	Sewer 2022
ASSETS			
Current assets			
Cash and cash equivalents	12,324	–	1,286
Receivables	3,198	170	14
Inventories	395	–	–
Total current assets	15,917	170	1,300
Non-current assets			
Receivables	131	–	–
Infrastructure, property, plant and equipment	171,028	19,688	5,442
Investments accounted for using the equity method	932	–	–
Right of use assets	340	–	–
Total non-current assets	172,431	19,688	5,442
Total assets	188,348	19,858	6,742
LIABILITIES			
Current liabilities			
Payables	3,062	359	279
Income received in advance	131	–	–
Contract liabilities	1,002	–	–
Lease liabilities	253	–	–
Employee benefit provision	1,084	–	–
Total current liabilities	5,532	359	279
Non-current liabilities			
Lease liabilities	106	–	–
Employee benefit provision	25	–	–
Provisions	1,369	–	–
Total non-current liabilities	1,500	–	–
Total liabilities	7,032	359	279
Net assets	181,316	19,499	6,463
EQUITY			
Accumulated surplus	134,542	10,522	2,443
Revaluation reserves	46,774	8,977	4,020
Council equity interest	181,316	19,499	6,463
Total equity	181,316	19,499	6,463

D2 Interests in other entities

\$ '000	Council's share of net assets	
	2022	2021
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint Arrangement	932	1,140
Total net share of interests in joint ventures and associates using the equity method – assets	932	1,140
Total Council's share of net assets	932	1,140

D2-1 Interests in joint arrangements

Net carrying amounts – Council's share

\$ '000	Place of business	Nature of relationship	Interest in ownership		2022		2021	
			2022	2021	2022	2021		
Far South West Joint Organisation			25.0%	25.0%	932		1,140	
Total carrying amounts – material joint ventures					932		1,140	

Material joint ventures

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

Summarised financial information for joint ventures

\$ '000	Far South West Joint Organisation	
	2022	2021
Statement of financial position		
Current assets		
Cash and cash equivalents	3,652	4,511
Other current assets	93	110
Current liabilities		
Other current liabilities	19	60
Net assets	3,726	4,561
Statement of comprehensive income		
Income	(801)	(860)
Profit/(loss) from continuing operations	(801)	(860)
Profit/(loss) for the period	(801)	(860)
Total comprehensive income	(801)	(860)
Share of income – Council (%)	25.0%	25.0%
Profit/(loss) – Council (\$)	(208)	(215)
Total comprehensive income – Council (\$)	(208)	(215)
Summarised Statement of cash flows		
Cash flows from operating activities	(801)	(860)
Net increase (decrease) in cash and cash equivalents	(801)	(860)

D2-1 Interests in joint arrangements (continued)

\$ '000	Far South West Joint Organisation	
	2022	2021
Reconciliation of the carrying amount		
Opening net assets (1 July)	4,578	5,438
Profit/(loss) for the period	(801)	(860)
Closing net assets	3,777	4,578
Council's share of net assets (%)	25.0%	25.0%
Council's share of net assets (\$)	932	1,140

Accounting policy

The council has determined that it has only joint ventures.

Joint ventures:

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

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

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

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

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

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2022	Carrying value 2021	Fair value 2022	Fair value 2021
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	13,610	8,727	13,610	8,727
Receivables	3,513	7,268	3,513	7,268
Total financial assets	17,123	15,995	17,123	15,995
Financial liabilities				
Payables	3,700	1,696	3,700	1,696
Loans/advances	–	150	–	150
Total financial liabilities	3,700	1,846	3,700	1,846

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

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

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

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

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

(a) Market risk – interest rate and price risk

\$ '000	2022	2021
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The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

Impact of a 1% movement in interest rates

– Equity / Income Statement	134	90
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Impact of a 10% movement in price of investments

(b) Credit risk

Pre-ambule

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees. Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

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

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors. There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	Not yet overdue	overdue rates and annual charges				Total
		< 5 years	1 - 2 years	2 - 5 years	≥ 5 years	
2022						
Gross carrying amount	(1)	683	–	–	–	682
2021						
Gross carrying amount	–	747	–	–	–	747

Receivables - non-rates and annual charges and contract assets

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

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

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2022						
Gross carrying amount	–	65	9	1	3,525	3,600
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	8.40%	8.23%
ECL provision	–	–	–	–	296	296
2021						

2021

continued on next page ...

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

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
Gross carrying amount	3,160	715	122	211	3,196	7,404
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	7.28%	3.14%
ECL provision	–	–	–	–	233	233

(c) Liquidity risk

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

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

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

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

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

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

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
2022							
Payables	0.00%	–	3,700	–	–	3,700	3,700
Total financial liabilities		–	3,700	–	–	3,700	3,700
2021							
Payables	0.00%	2	1,694	–	–	1,696	1,696
Borrowings	2.77%	–	150	–	–	150	150
Total financial liabilities		2	1,844	–	–	1,846	1,846

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
- Investment property
- Financial assets and liabilities

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

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

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

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

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

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
Recurring fair value measurements									
Infrastructure, property, plant and equipment C1-5									
Plant and equipment	30/06/2019	30/06/2019	2,299	2,018	–	–	2,299	2,018	
Furniture and fittings	02/06/2020	30/06/2020	15	16	–	–	15	16	
Operational land	01/07/2019	01/07/2019	1,206	1,207	–	–	1,206	1,207	
Community and crown land	01/07/2019	01/07/2019	–	–	523	523	523	523	
Buildings	30/06/2018	30/06/2018	13,866	12,265	–	–	13,866	12,265	
Other structures	30/06/2019	30/06/2019	–	–	3,964	3,664	3,964	3,664	
Roads, bridges and footpaths	30/06/2020	30/06/2020	–	–	144,019	118,187	144,019	118,187	
Stormwater drainage	30/06/2019	30/06/2019	–	–	695	669	695	669	
Water supply network	30/06/2022	30/06/2017	–	–	16,555	25,360	16,555	25,360	
Sewerage network	30/06/2022	30/06/2017	–	–	4,834	3,852	4,834	3,852	
Total infrastructure, property, plant and equipment			17,386	15,506	170,590	152,255	187,976	167,761	

E2-1 Fair value measurement (continued)

Valuation techniques

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

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

Infrastructure, property, plant and equipment (IPPE)

Stormwater drainage

The Stormwater Drainage asset class consists of Council's pits and Culverts. AssetVal Pty Ltd completed the valuation of these assets in 2019. The valuation methodology adopted was based on current replacement cost of the asset.

Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through professional judgement on behalf of AssetVal Pty Ltd, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, and pattern of consumption.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Valuation of Stormwater Drainage has been indexed at 30 June 2022, to account for increases in cost indices since the last comprehensive revaluation.

Other structures

Council's other structure assets comprise of fences, flagpoles, monuments and the like. AssetVal Pty Ltd completed the valuation of these assets in 2019.

Replacement costs (unit rate) and useful lives of Council's other structure assets were determined through professional judgement on behalf of AssetVal Pty Ltd, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on the assets location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life and pattern of consumption.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Valuation of Other Structures has been indexed at 30 June 2022, to account for increases in cost indices since the last comprehensive revaluation.

Buildings

Council engaged AssetVal Pty Ltd to value all buildings and shelters in 2018. The valuation methodology adopted was based on current replacement cost of the asset.

The valuation aspects are generally, but not limited to the location, size, condition, style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3. Valuation techniques remained the same for this reporting period.

Valuation of all Buildings has been indexed at 30 June 2022, to account for increases in cost indices since the last comprehensive revaluation.

Roads, bridges, footpaths and bulk earthworks

Council's roads & Bridges are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation.

The valuation of assets was completed by APV Valuers in June 2020.

The current replacement cost approach was adopted to value Council's assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of APV.

E2-1 Fair value measurement (continued)

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, and components.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Valuation of all Roads Infrastructure has been indexed at 30 June 2022, to account for increases in cost indices since the last comprehensive revaluation.

Water supply network

This asset category includes Dams & Weirs, Mains, Reservoirs and treatment plants.

The valuation of assets was completed by APV Valuers P/L effective 30 June 2022.

The current replacement cost approach was adopted to value Council's assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of APV.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, and components. Valuation techniques remained the same for this reporting period.

Sewerage network

This asset category includes Mains, Pumping stations and sewerage ponds.

The valuation of assets was completed by APV Valuers P/L effective 30 June 2022.

The current replacement cost approach was adopted to value Council's assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of APV.

Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, and components. Valuation techniques remained the same for this reporting period.

Community land

Assets within the "Community Land" class are Council owned land, and Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General 01/07/2019.

Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Operational land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993. Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General 01/07/2019.

Currently all Council assets in this asset class are based on a modelled market based valuation process, however, should Council have an asset in future for which this valuation process is not available, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Other structures	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Roads, bridges, footpaths and bulk earthworks	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Stormwater drainage	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Water supply network	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Sewerage network	Current replacement cost	Replacement cost Asset condition rating Remaining useful life
Community Land	Current replacement cost	Replacement cost Asset condition rating

E2-1 Fair value measurement (continued)

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

\$ '000	Crown / Community land		Other structures		Roads, bridges, footpaths		Stormwater drainage	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	523	523	3,664	2,816	118,187	117,359	669	694
Total gains or losses for the period								
Other movements								
Purchases (GBV)	-	-	510	1,110	19,942	2,686	-	-
Depreciation and impairment	-	-	(307)	(262)	(1,915)	(1,858)	(24)	(25)
Asset Revaluation	-	-	97	-	7,805	-	49	-
Rounding	-	-	-	-	-	-	1	-
Closing balance	523	523	3,964	3,664	144,019	118,187	695	669

\$ '000	Water supply network		Sewerage network		Total	
	2022	2021	2022	2021	2022	2021
Opening balance	25,360	25,333	3,852	3,912	152,255	150,637
Transfers from/(to) another asset class	-	(81)	-	-	-	(81)
Purchases (GBV)	-	551	-	14	20,452	4,361
Depreciation and impairment	(689)	(668)	(98)	(97)	(3,033)	(2,910)
Asset Revaluation	(8,116)	225	1,081	23	916	248
Rounding	-	-	(1)	-	-	-
Closing balance	16,555	25,360	4,834	3,852	170,590	152,255

Highest and best use

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

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

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

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

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

* For 180 Point Members, Employers are required to contribute 7.5% of salaries for year ending 30 June 2022 (increasing to 8.0% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million for 1 July 2019 to 31 December 2021 and \$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 2021. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

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

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

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

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

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

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2022 was \$4,501.72. The last valuation of the Scheme was performed by Richard Boyfield FIAA on 30 June 2021, and covers the period ended 30 June 2022.

The amount of additional contributions included in the total employer contribution advised above is \$11,963.64. Council's expected contribution to the plan for the next annual reporting period is \$17,482.08.

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

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

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

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

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

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

* Plus promotional increases

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

(ii) Statewide Limited

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

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

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

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

2. Other liabilities

E3-1 Contingencies (continued)

(i) Third party claims

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

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

(ii) 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.

(ii) Infringement notices/fines

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

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

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

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

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

\$ '000	2022	2021
Compensation:		
Short-term benefits	618	469
Post-employment benefits	61	45
Other long-term benefits	5	5
Total	684	519

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2022	2021
The aggregate amount of Administrator fees and associated expenses included in materials and services expenses in the Income Statement are:		
Administrator fee	138	200
Other Administrator expenses	22	27
Total	160	227

F2 Other relationships

F2-1 Audit fees

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

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

	75	143
Remuneration for audit and other assurance services	75	143

Total Auditor-General remuneration

	75	143
--	----	-----

Total audit fees

	75	143
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G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

\$ '000	2022	2021
Net operating result from Income Statement	20,499	6,103
Add / (less) non-cash items:		
Depreciation and amortisation	4,524	4,299
(Gain) / loss on disposal of assets	(114)	(63)
Unwinding of discount rates on reinstatement provisions	652	–
Share of net (profits)/losses of associates/joint ventures using the equity method	208	219
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	3,869	(3,760)
Increase / (decrease) in provision for impairment of receivables	(114)	(447)
(Increase) / decrease of inventories	(138)	198
Increase / (decrease) in payables	85	528
Increase / (decrease) in other accrued expenses payable	172	(64)
Increase / (decrease) in other liabilities	238	23
Increase / (decrease) in contract liabilities	(3,325)	4,267
Increase / (decrease) in employee benefit provision	18	(19)
Increase / (decrease) in other provisions	–	2
Net cash flows from operating activities	26,574	11,286

G2-1 Commitments

Capital commitments (exclusive of GST)

Council made no material forward commitments during the year, other than completion of major road improvements to Pooncarie Road which are largely funded by capital grants.

G3-1 Events occurring after the reporting date

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

G4 Statement of performance measures

G4-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2022	Indicator 2022	Indicator 2021	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	1,955	7.01%	(2.86)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	27,878			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	15,371	33.12%	38.46%	> 60.00%
Total continuing operating revenue ¹	46,408			
3. Unrestricted current ratio				
Current assets less all external restrictions	12,315	3.12x	3.29x	> 1.50x
Current liabilities less specific purpose liabilities	3,946			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	6,597	12.74x	6.81x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	518			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	234	9.08%	5.72%	< 10.00%
Rates and annual charges collectable	2,577			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	13,610	7.58 months	4.21 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	1,796			

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

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

G4-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2022	2021	2022	2021	2022	2021	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	8.69%	(0.67)%	(39.12)%	(64.81)%	48.39%	33.26%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	31.39%	35.62%	60.97%	100.00%	100.00%	61.59%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	3.12x	3.29x	2.26x	∞	0.34x	∞	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	11.66x	6.48x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	13.95%	(14.14)%	4.32%	29.00%	4.74%	4.13%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	7.17	3.51	0.00	10.09	141.58	37.31	> 3.00
Monthly payments from cash flow of operating and financing activities	months	months		months	months	months	months

(1) - (2) Refer to Notes at Note 25a above.

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

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Council information and contact details

Principal place of business:

21 Reid Street
Wilcannia NSW 2836

Contact details

Mailing Address:
PO Box 165
Wilcannia NSW 2836

Opening hours:

9:00am - 5:00pm
Monday to Friday

Telephone: 08 8083 8900

Facsimile: 08 8091 5994

Internet: www.centraldarling.nsw.gov.au

Email: council@centraldriling.nsw.gov.au

Officers

General Manager

Greg Hill

Acting Responsible Accounting Officer

Kevin Smith

Public Officer

Gordon Seeto

Auditors

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

Other information

ABN: 65 061 502 429



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Central Darling Shire Council

To the Administrator of Central Darling Shire Council

Opinion

I have audited the accompanying financial statements of Central Darling Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



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

18 November 2022
SYDNEY



Mr Bob Stewart
 Administrator
 Central Darling Shire Council
 PO Box 165
 WILCANNIA NSW 2836

Contact: Manuel Moncada
 Phone no: 02 9275 7333
 Our ref: D2224652/1711

18 November 2022

Dear Administrator

**Report on the Conduct of the Audit
 for the year ended 30 June 2022
 Central Darling Shire Council**

I have audited the general purpose financial statements (GPFS) of the Central Darling Shire Council (the Council) for the year ended 30 June 2022 as required by section 415 of the *Local Government Act 1993* (the Act).

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

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2022 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2022	2021	Variance
	\$m	\$m	%
Rates and annual charges revenue	2.3	2.4	4.2
Grants and contributions revenue	31.0	20.7	49.8
Operating result from continuing operations	20.5	6.1	236
Net operating result before capital grants and contributions	2.0	(0.9)	322

Rates and annual charges revenue (\$2.3 million) decreased by \$75,000 (4.2 per cent) in 2021–2022 due to reduced income from annual charges.

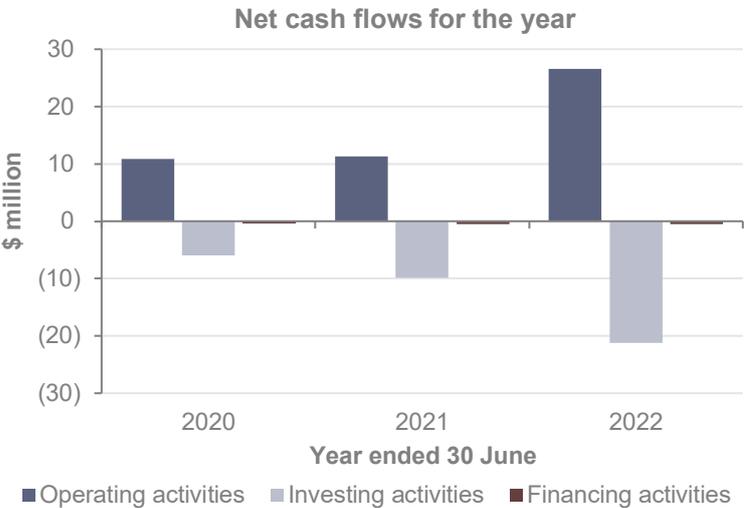
Grants and contributions revenue (\$31 million) increased by \$10.3 million (49.8 per cent) in 2021–2022 due to increased revenue for grant funded transport projects.

Council’s operating result (\$20.5 million including the effect of depreciation and amortisation expense of \$4.5 million) was \$14.4 million higher than the 2020–21 result. This was mainly due to the increase in capital grants and increased income from works on State roads and private works.

The net operating result before capital grants and contributions (\$2 million) was \$2.9 million higher than the 2020–21 result. This was due to increased income from works on State roads and private works.

STATEMENT OF CASH FLOWS

- The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year and reveals that cash increased by \$4.9 million to \$13.6 million at the close of the year.
- The increase can be attributed to the operating result for the year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2022	2021	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	13.6	8.7	<ul style="list-style-type: none"> • External restrictions include unspent specific purpose grants and domestic waste management charges, and sewerage funds • Council has not set aside any internally restricted funds
Restricted cash and investments:			
• External restrictions	4.9	6.5	
• Internal allocations	-	-	

Debt

After repaying borrowings of \$150,000, Council was debt free as at 30 June 2022.

PERFORMANCE

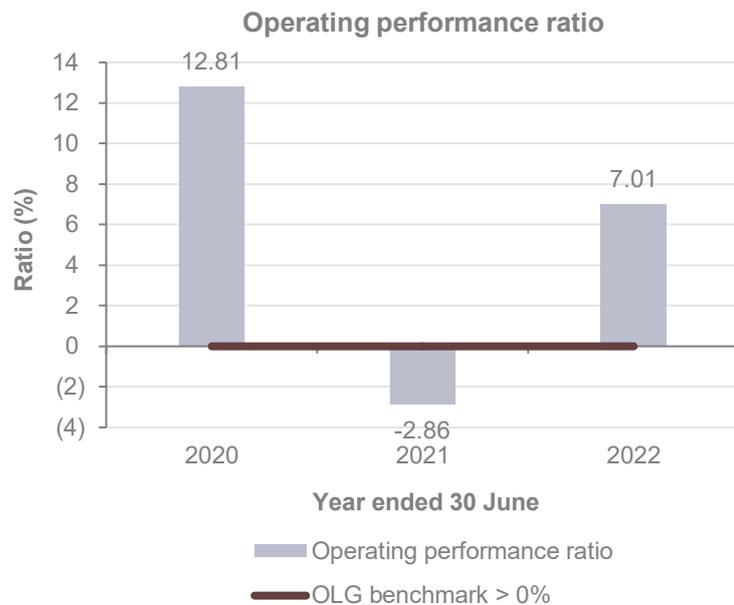
Performance measures

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

Operating performance ratio

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

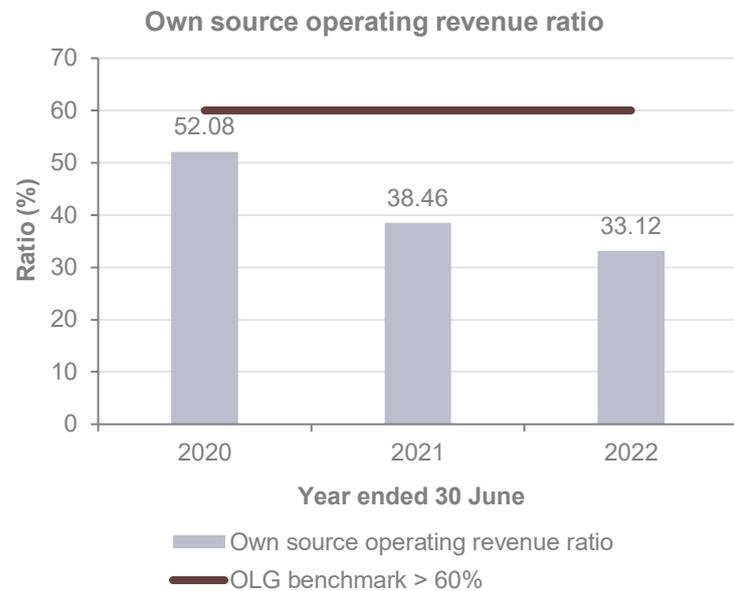
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

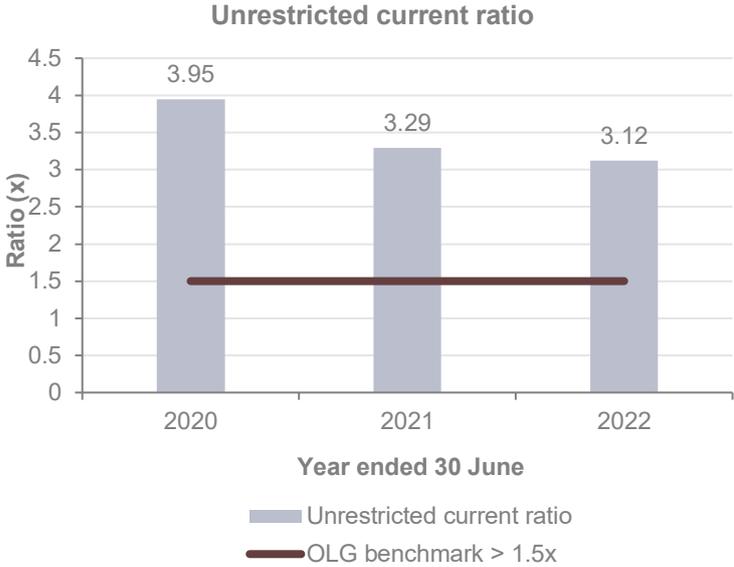
The Council did not meet the OLG benchmark for the current reporting period.

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



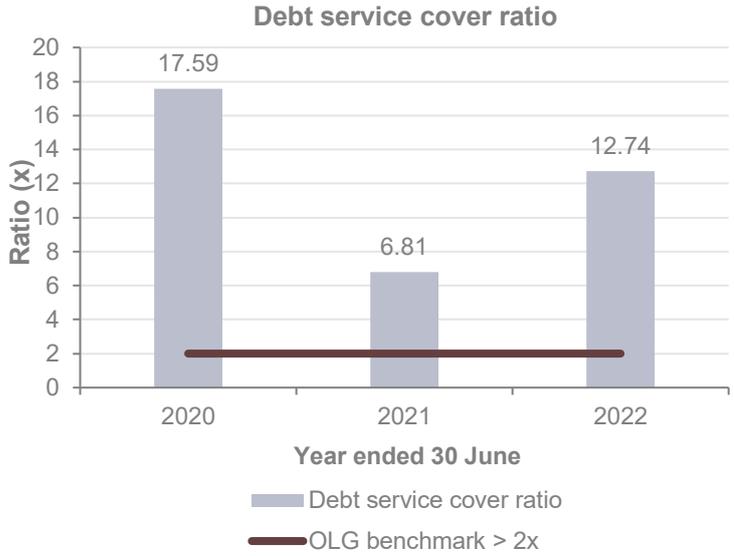
Unrestricted current ratio

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



Debt service cover ratio

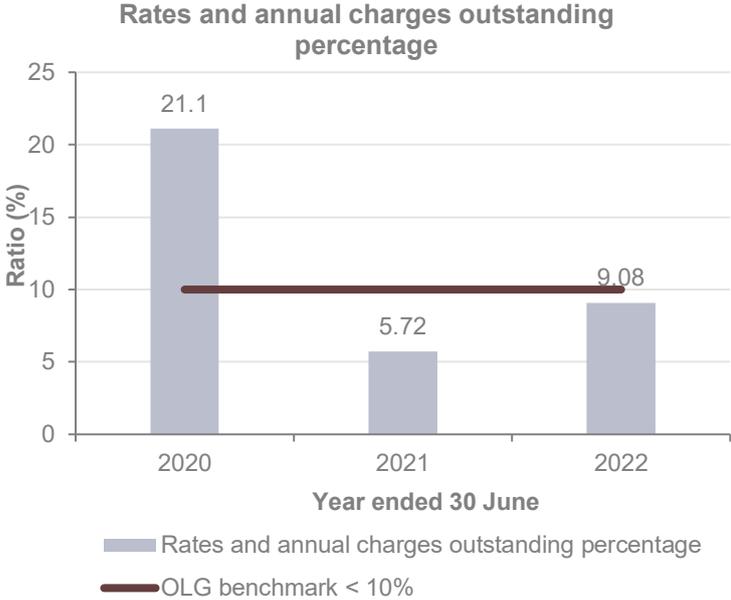
The Council met the OLG benchmark for the current reporting period. The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

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

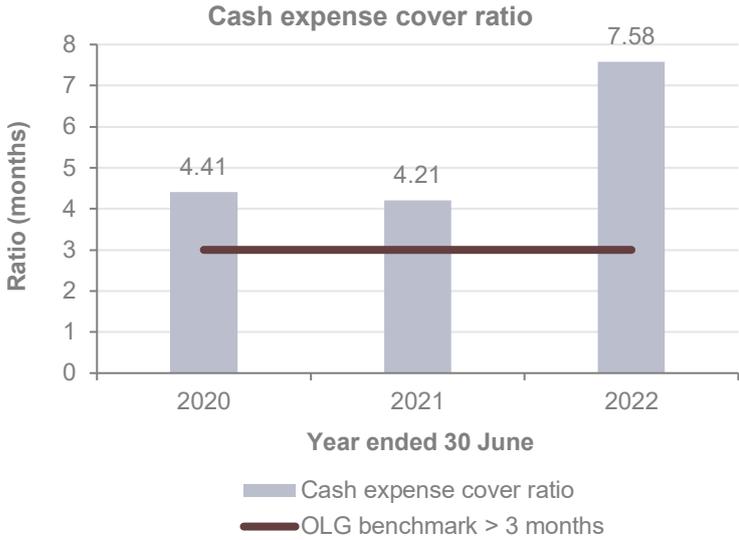
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent regional and rural councils.



Cash expense cover ratio

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

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



Infrastructure, property, plant and equipment renewals

- Council's asset renewal additions for the year were \$11.8 million compared \$5.1 million for the prior year
- The level of asset renewals during the year represented 281 percent of the total depreciation expense (\$4.2 million) for the year.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited

- staff provided all accounting records and information relevant to the audit.

The Council's:

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

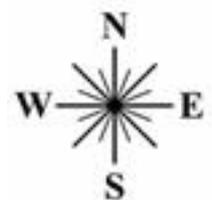
A handwritten signature in black ink, appearing to read 'Manuel Moncada', with a stylized flourish at the end.

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

Central Darling Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2022



Central Darling Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2022

Contents	Page
Statement by Councillors and Management	3
Special Purpose Financial Statements:	
Income Statement of water supply business activity	4
Income Statement of sewerage business activity	5
Statement of Financial Position of water supply business activity	6
Statement of Financial Position of sewerage business activity	7
Note – Significant Accounting Policies	8
Auditor's Report on Special Purpose Financial Statements	11

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).

Central Darling Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2022

Statement by Councillors and Management

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

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

- 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 28 September 2022.



Robert Stewart
Administrator
28 September 2022



Greg Hill
General Manager
28 September 2022



Kevin Smith
Acting Responsible Accounting Officer
28 September 2022

Central Darling Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2022

\$ '000	2022	2021
Income from continuing operations		
Access charges	622	653
User charges	438	457
Interest and investment income	29	23
Other income	-	32
Total income from continuing operations	1,089	1,165
Expenses from continuing operations		
Materials and services	699	659
Depreciation, amortisation and impairment	689	668
Other expenses	127	593
Total expenses from continuing operations	1,515	1,920
Surplus (deficit) from continuing operations before capital amounts	(426)	(755)
Grants and contributions provided for capital purposes	697	-
Surplus (deficit) from continuing operations after capital amounts	271	(755)
Surplus (deficit) from all operations before tax	271	(755)
Surplus (deficit) after tax	271	(755)
Plus accumulated surplus	10,251	11,006
Plus adjustments for amounts unpaid:		
Closing accumulated surplus	10,522	10,251
Return on capital %	(2.2)%	(3.0)%
Subsidy from Council	1,147	1,134
Calculation of dividend payable:		
Surplus (deficit) after tax	271	(755)
Less: capital grants and contributions (excluding developer contributions)	(697)	-
Surplus for dividend calculation purposes	-	-
Potential dividend calculated from surplus	-	-

Central Darling Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2022

\$ '000	2022	2021
Income from continuing operations		
Access charges	256	270
Fees	1	1
Interest and investment income	4	3
Other income	142	207
Total income from continuing operations	403	481
Expenses from continuing operations		
Materials and services	76	112
Depreciation, amortisation and impairment	98	97
Other expenses	34	112
Total expenses from continuing operations	208	321
Surplus (deficit) from continuing operations before capital amounts	195	160
Grants and contributions provided for capital purposes	–	300
Surplus (deficit) from continuing operations after capital amounts	195	460
Surplus (deficit) from all operations before tax	195	460
Less: corporate taxation equivalent (25%) [based on result before capital]	(49)	(42)
Surplus (deficit) after tax	146	418
Plus accumulated surplus	2,249	1,789
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	48	42
Closing accumulated surplus	2,443	2,249
Return on capital %	3.6%	3.6%
Subsidy from Council	4	–
Calculation of dividend payable:		
Surplus (deficit) after tax	146	418
Less: capital grants and contributions (excluding developer contributions)	–	(300)
Surplus for dividend calculation purposes	146	118
Potential dividend calculated from surplus	73	59

Central Darling Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2022

\$ '000	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	–	1,213
Receivables	170	690
Total current assets	170	1,903
Non-current assets		
Infrastructure, property, plant and equipment	19,688	25,441
Total non-current assets	19,688	25,441
Total assets	19,858	27,344
LIABILITIES		
Current liabilities		
Payables	359	–
Total current liabilities	359	–
Total liabilities	359	–
Net assets	19,499	27,344
EQUITY		
Accumulated surplus	10,522	10,251
Revaluation reserves	8,977	17,093
Total equity	19,499	27,344

Central Darling Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2022

\$ '000	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	1,286	740
Receivables	14	111
Total current assets	1,300	851
Non-current assets		
Infrastructure, property, plant and equipment	5,442	4,453
Total non-current assets	5,442	4,453
Total assets	6,742	5,304
LIABILITIES		
Current liabilities		
Contract liabilities	–	116
Payables	279	–
Total current liabilities	279	116
Total liabilities	279	116
Net assets	6,463	5,188
EQUITY		
Accumulated surplus	2,443	2,249
Revaluation reserves	4,020	2,939
Total equity	6,463	5,188

Note – Significant Accounting Policies

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

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

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

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993 (Act)*, the *Local Government (General) Regulation 2005 (Regulation)* and the Local Government Code of Accounting Practice and Financial Reporting.

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

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

Nil

Category 2

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

a. Combined Water Supply

The Central Darling Shire Water Supply comprises the operations and assets of Council's Water Supply System which services the towns of Wilcannia, Ivanhoe and White Cliffs.

b. Sewerage Services

The Central Darling Shire Sewerage Service comprises the whole of the operations and assets of Council's Sewerage Reticulation and Treatment System servicing the township of Wilcannia.

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):

Note – Significant Accounting Policies (continued)

Notional rate applied (%)

Corporate income tax rate – 25%

Land tax – the first \$822,000 of combined land values attracts 0%. For the combined land values in excess of \$822,001 up to \$5,026,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$5,026,000 a premium marginal rate of 2.0% applies.

Payroll tax – 4.85% on the value of taxable salaries and wages in excess of \$850,000.

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

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a ‘dividend for taxation equivalent’, may be applied for any purpose allowed under the *Local Government Act, 1993*.

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

Income tax

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

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

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

Income tax is only applied where a gain/ (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 the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

Note – Significant Accounting Policies (continued)

Operating result before capital income + interest expense

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.66% at 30/6/22.

(iii) Dividends

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

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 2022 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
Central Darling Shire Council

To the Administrator of Central Darling Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Central Darling Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2022, the Statement of Financial Position of each Declared Business Activity as at 30 June 2022 and the Significant accounting policies note.

The Declared Business Activities of the Council are:

- Water Supply
- Sewerage

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's Declared Business Activities as at 30 June 2022, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2021–22 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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



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

18 November 2022
SYDNEY

Central Darling Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2022



Central Darling Shire Council

Special Schedules

for the year ended 30 June 2022

Contents	Page
Special Schedules:	
Permissible income for general rates	3
Report on infrastructure assets as at 30 June 2022	7

Central Darling Shire Council

Permissible income for general rates

\$ '000	Notes	Calculation 2021/22	Calculation 2022/23
Notional general income calculation ¹			
Last year notional general income yield	a	857	884
Plus or minus adjustments ²	b	5	(1)
Notional general income	c = a + b	862	883
Permissible income calculation			
Or rate peg percentage	e	2.00%	0.70%
Or plus rate peg amount	i = e x (c + g)	17	6
Sub-total	k = (c + g + h + i + j)	879	889
Plus (or minus) last year's carry forward total	l	-	(6)
Sub-total	n = (l + m)	-	(6)
Total permissible income	o = k + n	879	883
Less notional general income yield	p	884	885
Catch-up or (excess) result	q = o - p	(6)	(2)
Carry forward to next year ³	t = q + r + s	(6)	(2)

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) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Central Darling Shire Council

To the Administrator of Central Darling Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Central Darling Shire Council (the Council) for the year ending 30 June 2023.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2021–22 (LG Code) and is in accordance with the books and records of the Council.

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2022'.

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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

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

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

18 November 2022
SYDNEY

Central Darling Shire Council

Report on infrastructure assets as at 30 June 2022

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard \$ '000	Estimated cost to bring the agreed level of service set by Council \$ '000	2021/22 Required maintenance ^a \$ '000	2021/22 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings	2,085	–	–	–	13,866	40,706	5.0%	65.0%	25.0%	5.0%	0.0%
	Buildings – non-specialised	420	–	116	123	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Buildings – specialised	80	–	–	30	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Community Services	1,150	–	80	113	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Council Housing	2,290	–	70	83	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Water	380	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Economic Activity	700	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Transport	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Amenities / Toilets	50	–	10	171	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total		7,155	–	276	520	13,866	40,706	5.0%	65.0%	25.0%	5.0%
Other structures	Other structures	–	–	28	76	2,915	5,333	20.0%	0.0%	80.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	28	76	2,915	5,333	20.0%	0.0%	80.0%	0.0%	0.0%
Roads	Roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads	810	–	1,557	462	55,587	74,322	15.0%	50.0%	20.0%	15.0%	0.0%
	Unsealed roads	7,370	–	1,665	4,290	60,139	64,143	5.0%	50.0%	25.0%	20.0%	0.0%
	Bridges	280	–	–	–	14,599	21,618	0.0%	100.0%	0.0%	0.0%	0.0%
	Footpaths	550	–	35	20	1,090	1,994	0.0%	25.0%	50.0%	25.0%	0.0%
	Other road assets	270	–	–	–	2,494	5,219	0.0%	50.0%	50.0%	0.0%	0.0%
	Bulk earthworks	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Kerb and Gutter	270	–	100	103	2,497	3,864	5.0%	60.0%	20.0%	15.0%	0.0%
	Aerodromes	260	–	–	179	7,613	12,576	75.0%	25.0%	0.0%	0.0%	0.0%
	Other road assets (incl. bulk earth works)	–	–	42	29	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	9,810	–	3,399	5,083	144,019	183,736	13.1%	54.1%	19.2%	13.6%	0.0%
	Water supply network	3,320	–	200	170	5,286	21,043	0.0%	0.0%	25.0%	50.0%	25.0%
	Other	–	–	9	43	662	1,116	100.0%	0.0%	0.0%	0.0%	0.0%
Treatment Plants	5,690	–	40	291	742	3,534	0.0%	0.0%	0.0%	50.0%	50.0%	
Bores	50	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%	

continued on next page ...

Central Darling Shire Council

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

Asset Class	Asset Category	Estimated cost				Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard \$ '000	to bring to the agreed level of service set by Council \$ '000	2021/22 Required maintenance ^a \$ '000	2021/22 Actual maintenance \$ '000			1	2	3	4	5
Water supply network	Weirs, Storage Tanks, Dams	8,280	–	–	16	9,052	15,509	0.0%	0.0%	0.0%	0.0%	100.0%
	Pump Station	605	–	–	22	813	2,224	0.0%	0.0%	0.0%	100.0%	0.0%
	Sub-total	17,945	–	249	542	16,555	43,426	2.6%	0.0%	12.1%	33.4%	51.9%
Sewerage network	Sewerage network	458	–	–	9	1,246	2,097	0.0%	0.0%	0.0%	100.0%	0.0%
	Other	165	–	–	21	390	544	0.0%	0.0%	0.0%	100.0%	0.0%
	Pumping Station	620	–	20	26	802	962	0.0%	0.0%	0.0%	100.0%	0.0%
	Treatment Plants	120	–	20	20	2,396	3,183	0.0%	0.0%	0.0%	100.0%	0.0%
	Sub-total	1,363	–	40	76	4,834	6,786	0.0%	0.0%	0.0%	100.0%	0.0%
Stormwater drainage	Stormwater drainage	80	–	165	324	695	1,486	0.0%	0.0%	50.0%	50.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Box Culverts	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Pipes	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Pits	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Outlets	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Gross Pollutant Traps	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	80	–	165	324	695	1,486	0.0%	0.0%	50.0%	50.0%	0.0%
Open space / recreational assets	Swimming pools	600	–	140	159	1,049	4,740	0.0%	35.0%	0.0%	0.0%	65.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Recreation	320	–	21	213	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	920	–	161	372	1,049	4,740	0.0%	35.0%	0.0%	0.0%	65.0%
Total – all assets		37,273	–	4,318	6,993	183,933	286,213	9.9%	44.6%	19.5%	17.2%	9.0%

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

Central Darling Shire Council

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

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

Central Darling Shire Council

Report on infrastructure assets as at 30 June 2022

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2022	Indicator 2022	Indicator 2021	Benchmark
Buildings and infrastructure renewals ratio				
Asset renewals ¹	10,986	282.93%	135.92%	>= 100.00%
Depreciation, amortisation and impairment	3,883			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	37,273	19.49%	20.98%	< 2.00%
Net carrying amount of infrastructure assets	191,255			
Asset maintenance ratio				
Actual asset maintenance	6,993	161.95%	129.82%	> 100.00%
Required asset maintenance	4,318			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	–	0.00%	0.00%	
Gross replacement cost	286,213			

(*) 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.

Central Darling Shire Council

Report on infrastructure assets as at 30 June 2022

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2022	2021	2022	2021	2022	2021	
Buildings and infrastructure renewals ratio							
Asset renewals ¹							
Depreciation, amortisation and impairment	354.84%	164.86%	0.00%	25.00%	0.00%	13.40%	>= 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	10.58%	12.21%	108.40%	68.31%	28.20%	29.24%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	158.23%	154.11%	217.67%	45.42%	190.00%	40.00%	> 100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

(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.