Central Darling Shire Council

Annual Report 2023-2024



Council Mission Statement

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- To promote the Central Darling Shire area by encouraging development through effective leadership, community involvement and facilitation of services.

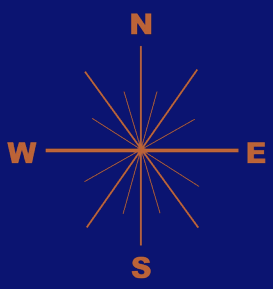
Central Darling Shire

Central Darling Shire is the largest Local Government Area in New South Wales. Geographically the Shire stretches more than 53,000 square kilometres. It covers an area about the size of Tasmania.
While geographically the Shire covers a large area the reverse is true for the population with 1725 residents.
The major towns are Ivanhoe, Menindee, Wilcannia and White Cliffs, and the localities of Darnick, Mossgiel, Sunset Strip, Tilpa and surrounding pastoral areas.

The main economic activities include 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 the Administrator

This report sets out the achievements of your Council over the last 12 months.

The year has been one of delivering on the many projects across our shire whilst preparing for the return of an elected governing body to bring Council out of an extended period of administration.

I recently drove the completed Pooncarie Menindee Road and this project will deliver opportunities for our regional communities.

To our volunteers who have given up their time and expertise in support of their communities and organisations thank you.

Local government elections are held every four years and were conducted on the 14th of September 2024. With no early formal advice from the government it was necessary to:

- Review the ward boundaries to ensure compliance with legislation.
- Engage through a contract the NSW Electoral Commission to conduct the elections.

The Government's announcement of a new model of governance for Central Darling as a Rural and Remote Council provides the opportunity for the return of elected Councillors supported by appointed skilled Councillors.

As part of the move to an elected Council and to facilitate this the period of administration and my appointment has been extended to March 2024. At this time I will submit a End of Term Report that will cover the administration period.

There is still much to do to ensure the financial sustainability of the council. The new body is charged with working with the government to develop this important and critical component of the new model.

At the time of writing, whilst we await the necessary legislation to pass through Parliament to give effect to the model we have commenced planning for the return of the elected body. We have negotiated a funding package, and this will enable information sessions to be held, purchase of the necessary infrastructure for Councillors and important training and induction on roles and responsibilities.

The many achievements listed in this report link directly to actions identified in the Community Strategic



Plan. These are only able to be delivered by accessing grants from either the State or Federal Governments.

I acknowledge the ongoing support of our Federal and State members of Parliament. To Mark Coulton on your retirement our forever appreciation is given for your tireless efforts in representing our area. We wish you and your wife Robyn well.

To our volunteers who have given up their time and expertise in support of their communities and organisations Thank you. To the General Manager and his staff thank you for your ongoing commitment and expertise as we faced the many challenges that come with running a organisation like Central Darling.
Kind regards Bob Stewart.



About Our Council

Central Darling Shire Council is strongly focused on its Community Plan documents. The suite of documents includes operational, long-term, strategic and community plans.

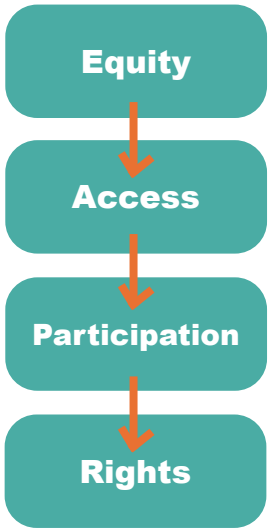
Our residents face significant challenges and these documents are important in setting the direction of Council as it strives to address the identified community issues and concerns outlined in the various planning documents.

The challenges faced by residents in Central Darling relate to being a remote shire with towns and villages separated by large distances. Many connecting roads are unsealed and impassable following rain.

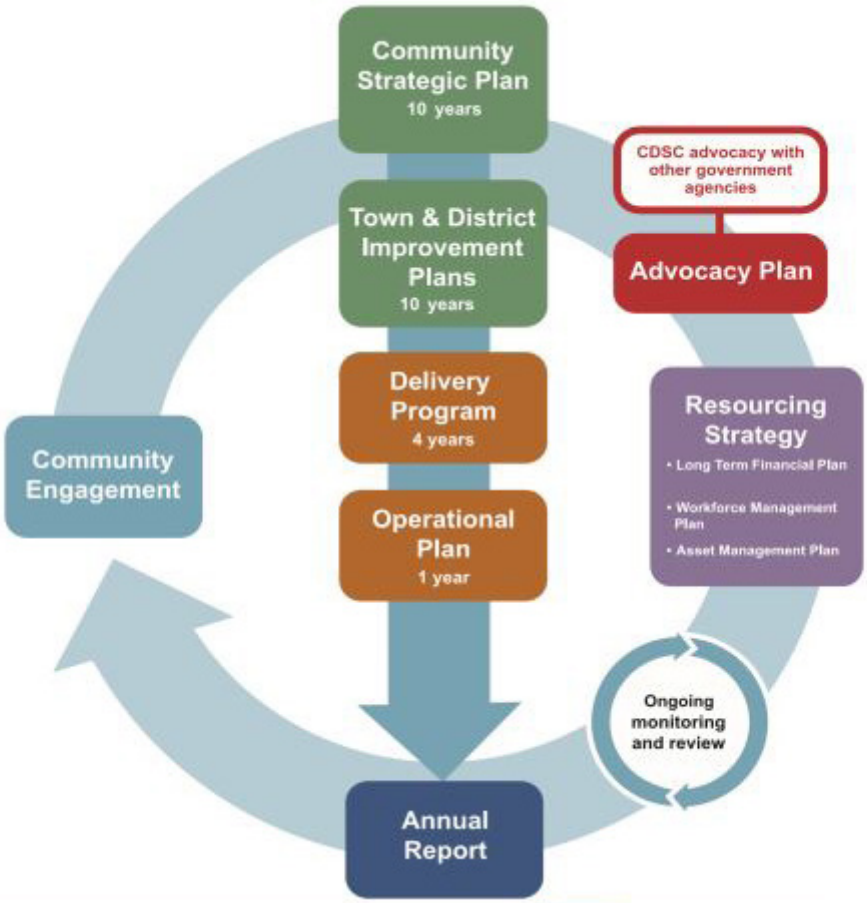
The lack of dependable drinking water supplies, inadequate telecommunications infrastructure, insufficient housing and the high costs of goods and services are just some of the hardships that our communities continue to endure.

Council continues to make progress on addressing identified issues to help improve the lives of our residents.

It's a difficult task and relies on grant support from State and Federal governments because the small population and subsequent low rate base mean it is an impossible task for Council to fund all that is required to meet expectations.



Pictured above the Community Strategic Plan observes four social justice principles.



The above diagram identifies the various components of Central Darling Shire's Integrated Planning and Reporting framework and how they are linked to each other.

Message from the General Manager

There's always important infrastructure work occurring in Central Darling Shire and 2023 – 2024 was no different with a variety of projects being undertaken. Central Darling is remote, covering a massive geographical area, about the size of Tasmania, with a small population and low-rate base. However, despite challenges our communities are seeing a wide range of improvements including infrastructure, amenities and streetscapes.

We welcomed progress on long-term projects. After three years of work, a great achievement has been seen with the Pooncarie Road sealing project all but finished. While locals and visitors have been enjoying watching progress on the building of the $9.5 million Baaka Cultural Centre. This is a regionally significant project at Wilcannia. The new $7-million Maari Ma Health Aboriginal Corporation Community Health and Wellbeing Facility opened its doors and work progressed on town water treatment plants.

Decision making continues to be guided by the Council Operation, Long-Term, Financial and Community Strategic Plans. We value the vision statement in the Community Strategic Plan. Respecting our country, culture, people, and river by building a better future for all generations.

Central Darling residents are resilient and steadfast against issues including tyranny of distance and economic challenges. I am always proud to fly the flag for our Shire both locally and when travelling to represent the Council and lobbying governments or businesses on behalf of residents.

We continue to say, and it remains the case, that Central Darling would be a shadow of itself and struggle to meet basic community expectations without financial support from the NSW and Australian Governments this is because of our remote location, large geographical area, small population and low rate base. Into the future the Shire will continue to rely on governments and other grants to maintain essential services and continue economic development.

"Respecting our country, culture, people, and river by building a better future for all generations."

Community Strategic Plan Vision statement

Nature caused some difficulties during the year.



A storm that occurred in February 2023 caused $1.3 million in damages and was originally deemed not eligible for Natural Disaster assistance. This was despite significant damage to the northern areas of the shire, including White Cliffs. The situation highlighted that Central Darling Shire Council was at a disadvantage when applying the Natural Disaster assistance because of the assessment criteria, which considers emergency services involvement. The Council Administrator and I lobbied for a rethink on the matter.

During the year Council also started preparations for a return to an elected council after more than ten years in Administration. A considerable amount of work has been undertaken to ensure council is prepared and has everything in place for the return of Councillors.

Special thanks to all the team for their hard work during the year.

Kind Regards Greg Hill.



Our Towns



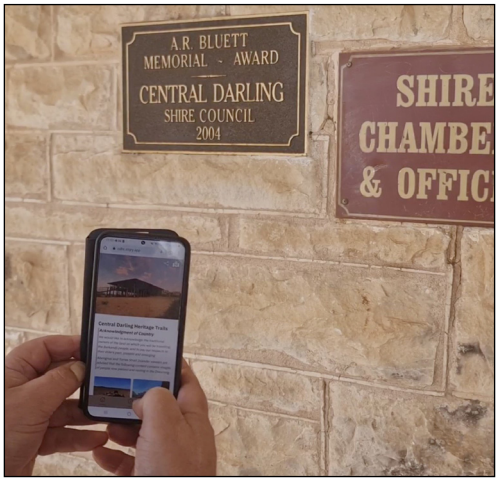
Central Darling Shire is home to 1,725 people. The Local Government Area is about the size of Tasmania. Our Far West communities include: **Wilcannia, Menindee, Sunset Strip, Tilpa, Ivanhoe, White Cliffs, Darnick, Copi Hollow and Mossgiel.**



Located in the NSW Far West we are a popular tourist destination. Perfect for nature lovers, fishing and camping. Home to the Darling River, Menindee Lakes, national parks, opal mining, underground living and more.







Tourism is a Community Priority identified in the **Community Strategic Plan (2022 -2032) The** need to increase visitor numbers to the shire is highlighted in the plan.
The Shire is rich in history. Many visitors to the Shire are experiencing our history via the Central Darling Heritage Trail app, which is free to download and provides walking and driving tours. The app was commissioned by Council.

2023 - 2024
Year in Review



COMMUNITY PRIORITY - Water



Work at the White Cliffs Water Treatment Plant.



Pictured left - Additional funding was announced for the water treatment plants in May 2024.

Work Starts on water treatment plants

In the financial year Council commenced construction works on the White Cliffs water treatment plant.
In May 2024 Central Darling Shire Council welcomed Australian and NSW Government funding of $10 million which secured work on new water treatment plants at White Cliffs, Ivanhoe and Wilcannia, and the installation of new potable water reticulation system at White Cliffs.

In July 2023 the construction of much-needed new water treatment plants for Ivanhoe and Wilcannia was put in doubt because of a funding shortfall.
The $10 million for the works was additional funding to the $11.5 million Council received some time ago, for the redevelopment of the water treatment plants and installation of a new reticulation system for White Cliffs.

Drinking Water is a community priority in the **Community Strategic Plan (2022 - 2032).**
This includes Identifying and securing funding to upgrade and improve water treatment plants within the Shire.
In the Community Strategic plan our long-term goal for drinking water is for Communities across the shire to have access to clean, reliable supplies of potable water.

COMMUNITY PRIORITY - Roads

Pooncarie Road

During the financial year the Pooncarie Road project came close to completion. Virtually all the sealing work was finished in the three-year road sealing project.

The Pooncarie Road project sees 61 kilometers of road sealed between Menindee and Pooncarie.

It is a $39.6 million project with the Australian government having committed $27.1 million and the NSW government $12.5 million for the works.





The Community Strategic Plan (2022 - 2032) identifies roads as a key issue for our community.

The long-term goal for local and regional roads is for the road network to enable safe and reliable access between local and regional population centers.

There is also a focus to ensure ongoing funding to provide road maintenance and upgrade services across the shire In partnership with neighbouring councils. The plan notes the need to advocate for additional funding for the sealing of priority roads throughout the shire and the region according to the Regional Transport Plan.

White Cliffs Road works

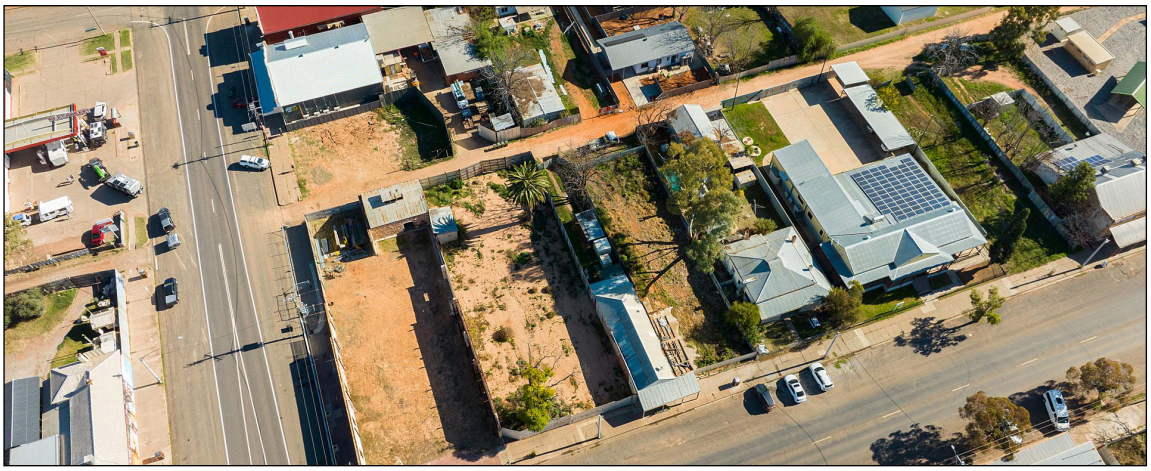
In October 2023 a long-term road sealing project was completed at Smiths Hill and Turleys Hill, White Cliffs.

The project makes a big difference to residents who regularly use the road and for tourists visiting the White Cliffs district.

The Smiths Hill project ($1,860,000) was funded by the Fixing Local Roads Program. The Turleys Hill project ($1,584,000) was funded by the Local Roads and Community. Infrastructure Program.



COMMUNITY PRIORITY - Housing



Housing is a big issue

Housing supply is identified as an important issue for Central Darling Shire in the Community Strategic Plan.

Summary of Primary Issues and Challenges

During discussions with communities of Central Darling Shire, the following responses were provided by participants to describe the primary issues impacting the wellbeing of communities in the shire:

Housing

• Insufficient housing stock to rent or buy in Wilcannia, Menindee and Ivanhoe

• Chronic overcrowding in many houses with a significant number of houses are dilapidated and uninhabitable and/or in urgent need of repairs

• Inadequate mix of housing to reflect the needs, constraints and living situations of families and individuals — from granny flats and small houses to larger family homes

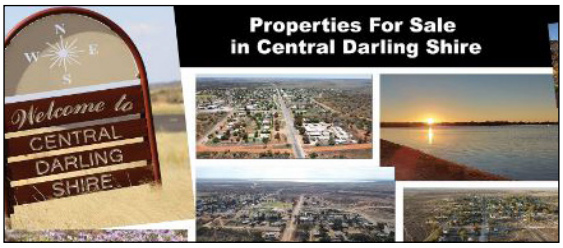
• Very low rates of home ownership and little or no prospect of ownership

• Disproportionately high property rental prices in comparison to value of home

• Difficulties in securing loans based on post-code.

Our long-term goal for housing:

There is an adequate supply of diverse, well-built and well-maintained housing across the shire that is appropriate for local environmental conditions and reflects the needs of our communities.



Facebook page

Residents and Council have another way to sell their properties with a Facebook page. At the July 2023 Council meeting a report was adopted for Council to develop and manage the page.

This is a much-needed service for reasons including that there are no real estate agents in the Shire. Also, because property values in the Shire are not generally high, it can be cost prohibitive to sell properties because there is very little return to the owner after costs.

Wilcannia Motel

In the financial year plans for a Wilcannia Motel reached another milestone. The business case report for the project was completed. The construction and development of the proposed 30-room motel would result in financial and community benefits. At the October Council meeting the preferred location for the motel and supporting facilities was adopted. Funding is being sought to progress the project. Further information about the project is on Council's website under Projects in the Shire.

COMMUNITY PRIORITY - Housing

Freeing up houses and land in Shire



In the reporting period the Department of Planning, Housing and Infrastructure NSW made a legal amendment to the Central Darling Local Environmental Plan 2012 to reclassify 232 Council owned lots from community land to operational land. This brings to a close what has been a long-standing matter.

Council with the assistance of the Department of Planning, Housing and Infrastructure NSW started the planning proposal process in May 2022, to reclassify the 232 Council owned lots.

As part of the process there was a statutory requirement for the exhibition of the planning proposal for a minimum of 28 days and a public hearing. Council prepared a report on the outcome of the public hearing and there were no submissions received.

The council owned community land that has been reclassified does not include public reserves or parks.

The community land reclassified as operational land is for council depots, sewerage and water treatment plants, water storage, multi dwelling housing, council offices, a caravan park and residential lots.

The reclassification rectifies past issues with council owned land such as the council depot and water treatment infrastructure being classified community land, where the land was operational land.

The residential lots that council obtained for non-payment of rates is now classified as operational land. This enables the residential land to be used for residential purposes.

At the Council meeting the General Manager told the Council that over time there has been various expressions of interest by private developers looking to purchase land.

The need to Identify land areas in Wilcannia, Menindee and Ivanhoe for new housing development is highlighted in community plan documents. There is a need to ensure the Local Environment Plan is developed to reflect local housing needs and this land reclassification is an important step in the

COMMUNITY PRIORITY - Communications

In August 2023 Central Darling Shire was recognised at the Local Government Week Awards. Council's printed resident newsletter won the RH Dougherty Events and Communications Awards - Excellence in Communication. Division A (population 0 - 30,000 people).

Communications in Central Darling is identified as an issue of concern.

In the **Community Strategic Plan (2022 - 2032)** Telecommunications is highlighted. Issues include poor Internet service, poor and unreliable mobile phone reception, expensive services and data, lack of access to the NBN, only one provider — no choice or competition, poor and limited television and radio reception.

These issues combined with limited media services and being a remote Shire mean it is difficult to provide information to residents. A way to overcome this situation was the creation of the printed newsletter which is distributed Shire wide.

COMMUNITY PRIORITY
- Accommodation & Tourism



Since the caravan park opened with a new amenities block there has been an increase in the number of visitors to the park.

Caravan Park improvements

In the Central Darling Shire **Community Strategic Plan (2022 - 2032)** among the long-term goals for tourism are:

• Increasing the number of visitors to the Shire.

•Identifying future infrastructure needs to accommodate an increase in the number of visitors to the shire.

In March 2024 major improvement works at the Victory Caravan Park at Wilcannia were completed. Visitors to the caravan park are enjoying new and modern facilities following the major works valued at about $800,000.

The improvement works include a new amenities block, an accessible bathroom, family bathroom and laundry, male and female accessible showers, and toilets.

Work also included new concrete footpaths surrounding the amenity block, a new roof, storm water drains and **upgrades to the electrical, water and Sewerage systems.**



Work started on the caravan park amenities block in April 2023 and the project was completed in March 2024.

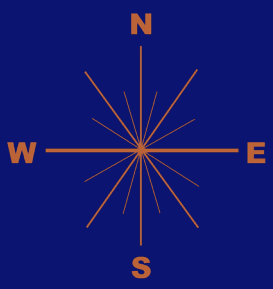
Since the works have been completed there is anecdotal evidence that the new amenities are helping to boost tourism in the region with the new and improved caravan park facilities encouraging visitors to stay longer and spend more time in the area.

The work was jointly funded with grant money.

• $489,665 Murray Darling Basin Economic Development Program.

• $320,000 The Local Government Recovery Grants program.

Council appreciates the grant support without which the project would not have been possible.



COMMUNITY PRIORITY - Events

In the Central Darling Shire **Community Strategic Plan (2022 - 2032)** one of the primary issues and challenges listed is boredom in children and young people
• Lack of services to support the mental and physical wellbeing of children and young people.
• Lack of recreation opportunities for children and young people.
• Lack of sport and recreation facilities.
• Loss of organised sports.
• Local playgrounds and equipment in disrepair.
Our long-term goal includes holding a range of well-organised community events across the Shire.
Indicators of progress:
• Increase in the number and range of community events within the shire.
• Increase in leadership and participation of public, private and non-government agencies in organising and/or sponsoring community events.
• Increase in participation in community events.

Our strategies to achieve our goal include sourcing grants and providing financial and other assistance for community events in the shire.
Providing support to shire communities in seeking grants and funding to organise community events. Identifying opportunities to establish community events
Provide shire communities with administrative and other assistance in organising and managing community events.

Enjoying town pump tracks

In a boost for outdoor recreational activities in the Shire three Pump Tracks have were completed at Menindee, White Cliffs, and Ivanhoe.
A modular and fit-for-purpose track was installed in each of the towns. The new tracks provide opportunities for young people to play outdoors with the focus on a low cost, publicly accessible recreational activity.
The project was funded under the Stronger Country Communities Fund.



Menindee, White Cliffs, and Ivanhoe. are enjoying new pump tracks.

Movie nights

Community Movie Nights were held during April with a free screening of the Movie Wonka in the towns of Ivanhoe, Wilcannia, White Cliffs and Menindee.
Residents gathered to enjoy a family night with a movie, barbecue and more, including face painting.
The community movie nights would not have been possible without grant funding from the NSW Government, and support from other organisations including Outdoor Movies Australia, Maari Ma Health, Ivanhoe P&C, White Cliffs P&C, Menindee CWA, White Cliffs Public School, and the Uniting Family Connect and Support Program.
For more photos see Council's website under Projects in the Shire.



COMMUNITY PRIORITY
- Delivery & Operational Plan

Grounds Upgrade

Council staff adhere to Delivery of the Operational Plan.
Among the items listed in the plan was the Ivnahoe Sports Ground.
The Ivanhoe sports ground club rooms are now upgraded and accessible to the Ivanhoe community. Installation of irrigation system at Ivanhoe sports ground Irrigation system is installed and



Outdoor Gym Equipment

Sports field management and maintenance is listed int he Delivery and Operational Plan. As part of this Outdoor gym equipment is installed and accessible to communities across the shire.



Community Service Awards

Council organises Community Service Awards which are presented on Australia Day each year. These awards are listed as an ongoing action in the Delivery and Operational Plan. It is an opportunity to acknowledge outstanding contributions by publicly thanking award winners in a spirit of community pride.



Meeting Requirements

Council staff have produced a report on legislative statutory and regulatory requirements and is meeting all legislative, statutory and regulatory requirements.





Council has been a big supporter of the Baaka Cultural Centre project. Once complete it will be community owned and operated.

Baaka Cultural Centre

During the financial year residents and visitors have been watching the $9.5 million Baaka Cultural Centre take shape.
It is under construction at Wilcannia and is a regionally significant project.

The project met criteria to be independently assessed and approved by the Western Regional Planning Panel before going to Council for endorsement in September 2022.
The Baaka Cultural Centre project will accommodate a range of activities (public exhibitions, performances, workshop, training and events) while also functioning as a visitor information center, and meeting/gathering place for the community and a keeping place for artefacts.

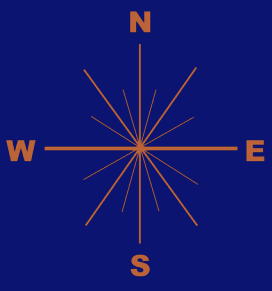
Health &Wellbeing Centre

In April 2024 the Maari Ma Health Aboriginal Corporation chair Des Jones officially opened Wilcannia's new Health and Wellbeing Centre. Construction on a new Community Health and Wellbeing Facility, at a cost of more than $7 million, for Maari Ma Health Aboriginal Corporation met criteria to be independently assessed and approved by the Western Regional Planning Panel before going to Council for endorsement in September 2022.
The health a wellbeing center is delivering primary health care services from the purpose-built and community-controlled facility. It is meeting a need within the town and surrounding district and has been well received since the doors opened earlier this year.



The Maari Ma Health and Wellbeing Centre is a welcome addition to the Wilcannia Community. Council congratulates everyone involved with this important project for our Shire.

2023 - 2024
Statutory Reporting



Include particulars of any environmental upgrade agreement entered into by the council.

Nil Environmental upgrade agreements.

Summary of the amounts incurred by the council in relation to legal proceedings including:
Amounts incurred by council in relation to proceedings taken by or against council including out of court settlements (other than those which are not be disclosed).
Summary of the state of the progress of each legal proceeding and (if finalised) the result.

Nothing to report.

Include resolutions made concerning work carried out on private land, including:
Details or a summary of any resolutions made under section; and
Details or summary of any work carried out, where the charge is less than the approved fee, the proposed fee to be charged and the total amount subsidized by council.

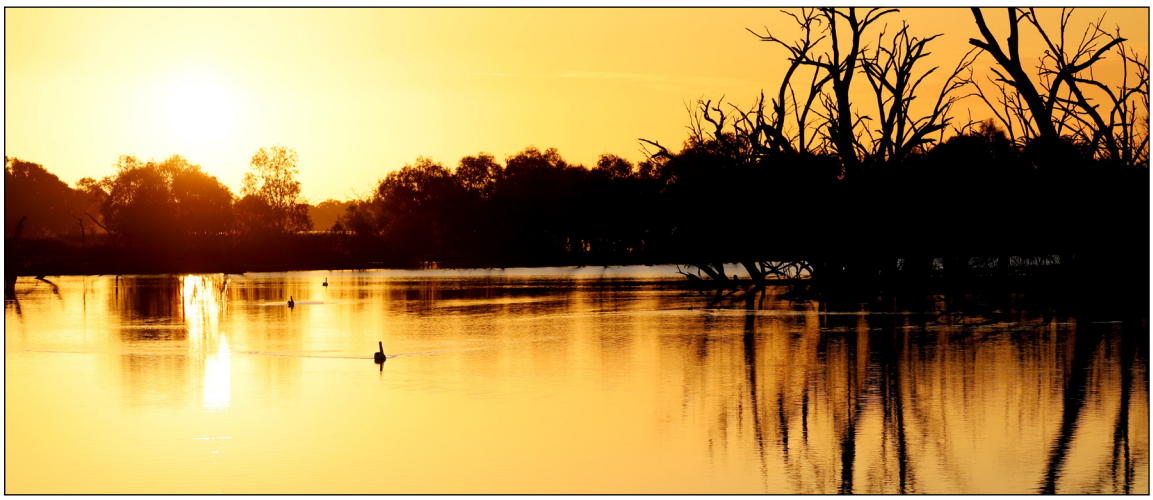
Nil works carried out on private land.

Disclosure of how development contributions and development levies have been used or expended under each contributions plan.

N/A no development contribution plan was in place in the reporting period.

A statement detailing the storm water management services provided (if an annual charge is levied).

Nil, Council does not levy charges for storm water.



Sunset Strip, near Menindee, is a popular tourist destination.

Annual Report Checklist

Detailed statement, prepared in accordance with such guidelines as may be issued by the Secretary from time to time, of the 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, including:

- **Lodgement of pound data collection returns with OLG**
- **Lodgement of data about dog attacks with OLG, if no known attacks in the year a nil return is required in annual statement**
- **Amount of funding spent on companion animal management and activities**
- **Community education programs carried out and strategies the council has in place to promote and assist the desexing of dogs and cats**
- **Strategies in place for complying with the requirement under s 64 of the CA Act to seek alternatives to euthanasia for unclaimed animals**
- **Off leash areas provided in the council area**
- **Detailed information on how fund money was used for managing and controlling companion animals in their area.**

• $169,204 Council funds spent on companion animal management. The funds were spent on wages, vehicle costs, traps, animal food, impounding expenses, pound maintenance, microchips and uniform.

•The program in April 2024 was funded by the federal Department of Agriculture, Fisheries and Forestry (DAFF) allowing RSPCA NSW and DPI to deliver the program. Community education had a focus on understanding peoples awareness about the new disease Ehrlichia canis, information about tick prevention, as well as general health care, and information to prevent dog bites like how to approach a dog.

RSPCA's education team visited the local schools- St Theresa's Parish Community School K-Y2 (16 kids), Y3-6 (18 kids) and Wilcannia Central School Y4-6 (8 kids) and Y9-10 (5 kids)

Over 75 people attended the Healthy Pet Days, with 108 dogs owned by 58 people receiving services. Each animal was given a health-check, vaccination for Parvovirus, microchip, parasite prevention consisting of a Seresto collar for longer term tick prevention, pet food, and a collar and lead if required. Forty-nine dogs and 16 cats were also desexed.

Two local people were also employed to assist prior and during the program.

The total cost of the program, including 108 Seresto collars was approx. $48,000.

Council work together with RSPCA, LLS and DPI to source funding for free desexing clinics in our Communities

• Strategies in place for the euthanasia of unclaimed animals to be provided

Council staff visit welfare agencies to drop off pound animals - Cobar, Mildura.

• Nil off leash areas within the LGA

• Pound data (on next page)



Central Darling Shire is a vast shire about the size of Tasmania.

Survey of Council seizures of cats and dogs

Council Name	Central Darling Shire Council	Facility Manager's Name:	Peter Murphy
Council/Facility Name:	Central Darling Shire Council	Facility Contact Name:	Central Darling Shire
Council owned and operated facility?:	YES	Facility Contact Phone:	0880838802
Location of Animal Care Facility:	Wilcannia	Facility Contact Fax:	0880915045
		Facility Contact E-mail:	29811

Comments:

Print | Download Survey Data | Menu

Council Seizure Activity	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total	
	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog
Seized		5		4		2		2		3		3				2		7		14		14		8	0	64
Returned to Owner												2						1		4		4		2	0	13
Transferred to Council's Facility		5		4		2		2		3		1				2		6		10		10		6	0	51
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

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	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog
Animals In Council's Facility (Start of Month)		3	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	4	0	0	0	0		
Abandoned or Stray																									0	0
Surrendered																									0	0
Animals transfered from Seizure Activities		5		4		2		2		3		1				2		6		10		10		6	0	51
Total Incoming Animals	0	8	0	4	0	2	0	2	0	3	0	3	0	0	0	2	0	6	0	14	0	10	0	6		

Animals Leaving Council's Facility	Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		Jun		Total	
	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog
Released to owners												2						1		4					0	7
Sold																									0	0
Released to Organisations for Rehoming		8		4		2		2								1		1		10		10		3	0	41
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	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog	Cat	Dog
Restricted Dogs	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
Owners Request										1		1				1								3	0	6

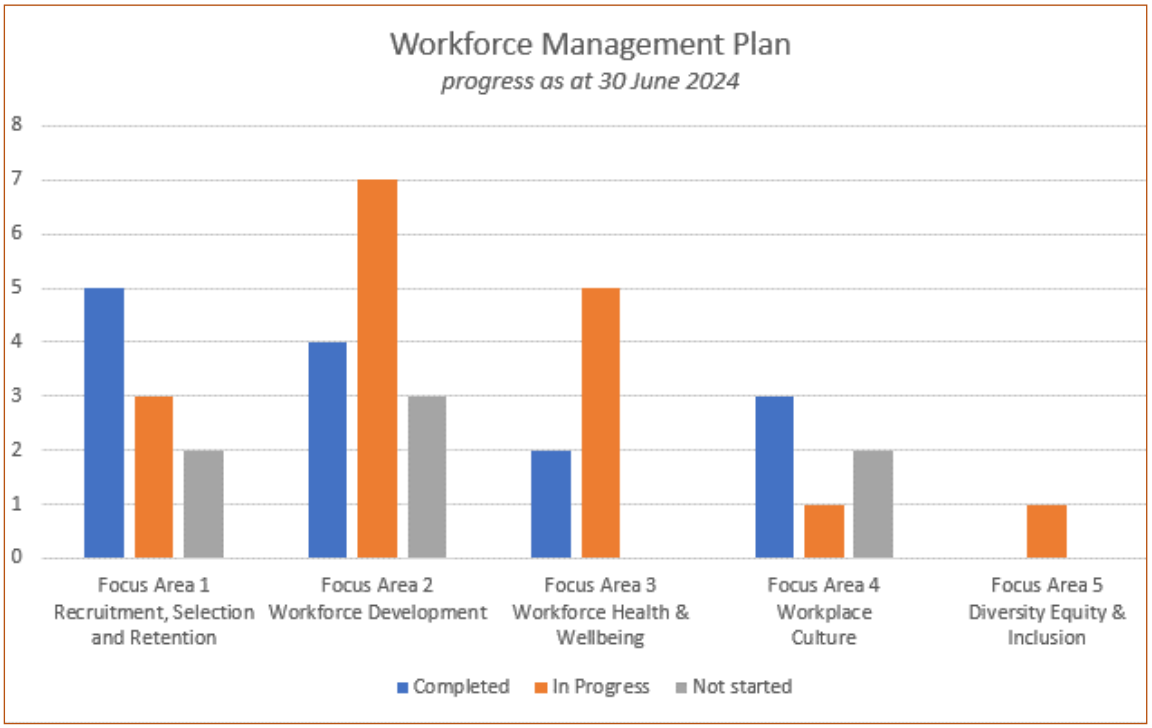
Due to Illness/Disease or Injury																									0	0
Feral/Infant Animal																									0	0
Unsuitable for rehoming																									0	0
Unable to re-home																									0	0
Total Euthanased	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	0	0	0	3	0	6
Total Outgoing Animals	0	8	0	4	0	2	0	2	0	1	0	3	0	0	0	2	0	2	0	14	0	10	0	6		
Total In Council's Facility (End of Month)										2								4								

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

top

Details will not be able to be modified once they are submitted. Button available after end of financial year only. 2024

Survey has been Completed



Information on the implementation of council's Disability Inclusion Action Plan and give a copy to the Minister for Disability Services.

Central Darling Shire Council has a current Disability Inclusion Action Plan 2022 in place. There has been several initiatives put in place around increasing access to meaningful employment, with achievements to date including ensuring Council's recruitment and employment practices meeting the required EEO standards and the wider promotion of vacancies across the community. Work continues around increasing diversity and inclusivity within our employees. Work during the financial year includes:

• New compliant pram ramps with tactile paving were installed at the Wilcannia post office.

• Works commenced at Menindee for disability access improvements. Locations include the Menindee Post Office (pictured below), Menindee IGA supermarket, Menindee Public Amenities. The works will see new ramps, handrails, pram ramps, tactile paving and paving installed. Completion by October 2024.



Pictured are works to improve disability access at Menindee Post Office.

Annual Report Checklist

Statement of total number of persons who performed paid work on the date determined (this date will be notified via a Council Circular after 1 July), including, in separate statements, total number of:

- **persons employed by the council on a permanent full-time, permanent part-time or casual basis or under a fixed-term contract**
- **persons employed by the council as senior staff members,**
- **persons engaged by the council, under a contract or other arrangement with the person's employer, wholly or principally for the labour of the person**
- **persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee**

Total number of persons who performed paid work on 14 February 2024 including (separate statements) is 70:

- on a permanent full-time basis 52
- on a permanent part-time basis 5
- on a casual basis, and 8
- under a fixed-term contract 3
- TOTAL = 68
- the number of persons employed by the council who are "senior staff" for the purposes of the Local Government Act 1993 - 1
- the number of persons engaged by the council, under a contract or other arrangement with the person's employer, that is wholly or principally for the labour of the person - 2
- the number of persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee. - 1



Each year Council holds a staff development day. Pictured above are staff who attended the 2024 day. It is an opportunity for staff to come together for informal training and to hear about the Council and its' future directions. All staff get to meet up in a team environment which is not usually possible due to the remote location of the towns within the Shire.

Annual Report Checklist

Must contain a statement of steps taken to ensure that goods and services procured by and for the council during the year were not the product of modern slavery withing the meaning of the Modern Slavery Act 2018.

All major contracts entered into under arrangements with Local Government Procurement were identified as low risk under the provisions of the Modern Slavery Act 2018.

Must contain a statement detailing the action taken by the council in relation to any issue raised by the Anti-slavery Commissioner during the year concerning the operations of the council and identified by the Commissioner as being a significant issue.

The Anti-slavery Commissioner did not raise any issues with Council's operations during the year.

Disclosure of how development contributions and development levies have been used or expended under each contributions plan

N/A no development contribution plan was in place in the reporting period.

Councils considered to be 'human service agencies' under the Carers Recognition Act 2010 (CR Act) (provide services directed at carers and/or people being cared for by carers) must report on compliance with the CR Act for the reporting period.

Not applicable.



Central Darling Shire has many historical buildings. This old bank building at Wilcannia was revitalized in recent years as part of streetscape improvement works in Wilcannia.

Details, (including purpose) of overseas visits by councillors, council staff or other persons representing council (including visits sponsored by other organisations).

Nothing to report.

Details for projects for which contributions or levies have been used must contain:

- **project identification number and description**
- **the kind of public amenity or public service the project relates**
- **amount of monetary contributions or levies used or expended on project**
- **percentage of project cost funded by contributions or levies**
- **amounts expended that have been temporarily borrowed from money to be expended for another purpose under the same or another contributions plan**
- **value of the land and material public benefit other than money or land**
- **whether the project is complete**

(a) Total value of all contributions and levies received during the year
(b) Total value of all contributions and levies expended during the year

NA - no development contribution plan was in place in the reporting period.

Recovery and threat abatement plans - Councils identified in a plan as responsible for implementation of measures included in the plan, must report on actions taken to implement those measures as to the state of the environment in its area.

Nil abatement orders were issued in the reporting period

Details of each contract awarded (other than employment contracts & contracts less than $150,000) including*.
*** Based on the best information available.**

Name of the contractor	Particulars of the project to be undertaken, the goods or services to be provided or the real property to be leased or transferred under the contract	Estimated amount payable to the contractor under the contract
Ausroad Manufacturing Pty Ltd	Jetpatcher Road Maintenance Machine	$ 458,720.00
CADIA PLUMBING EQUIPMENT	Plumbing Equipment Supplies	$ 512,225.00
LOGO MANAGEMENT RESOURCES AUSTRALIA PL	Temporary Staff and Consultants	$ 298,641.00
Talis Consultants	Professional Consulting Services	$ 186,306.00
SNG Engineering Pty Ltd	Design Construction and Commissioning of a new Water Treatment Plant at White Cliffs	$ 2,539,131.00

Details of inspections of private swimming pools. Include the number of inspections that:
- **were of tourist and visitor accommodation.**
- **were of premises with more than 2 dwellings.**
- **resulted in issuance a certificate of compliance under s22D of the SP Act**
- **resulted in issuance a certificate of non-compliance under cl 21 SP Reg.**

- were of tourist and visitor accommodation 0
- were of premises with more than 2 dwellings 1
- 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

Total cost during the year of the payment of expenses of, and the provision of facilities to councillors in relation to their civic functions (this amount must equal the reported amount in the financial statements).
Identify separate details on the total cost of:
- **provision of dedicated office equipment allocated to councillors**
- **telephone calls made by councillors**
- **attendance of councillors at conferences and seminars**
- **the provision of induction training and professional development for mayor and other councillors**
- **other training of councillors and provision of skill development**
- **interstate visits by councillors, including transport, accommodation and other out-of-pocket travelling expenses**
- **overseas visits by councillors, including transport, accommodation and other out-of-pocket travelling expenses**
- **expenses of any spouse, partner or other person who accompanied a councillor in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the payment of expenses and the provision of facilities for the mayor and councillors**
- **expenses involved in the provision of care for a child of, or an immediate family member of a councillor.**

The Council Administrator attended the Local Government NSW Conference total cost $2810.98.

Report on activities funded via a special rate variation of general income including:
- **reporting requirements set out in the Instrument of Approval**
- **projects or activities funded from the variation**
- **outcomes achieved as a result of the project or activities.**

All Nil as there was no rate variation.



Central Darling Shire is popular with Caravaners, seen here at Menindee.

Annual Report Checklist

Statement of activities undertaken to implement its Equal Employment Opportunities (EEO) management plan.

The development of Council's EEO management plan is underway in accordance with the Local Government Act requirements.

Statement of the total remuneration package of the general manager.

Statement of the total remuneration comprised in the remuneration package of the general manager: '$263,564.85*.
*Includes salary, performance payments (where paid), superannuation, non-cash benefits, reportable FBT (where applicable).

Amount of rates and charges written off during the year.

Council wrote off $293,361.44 worth of Rates and Charges during the financial year.

Total amount contributed or otherwise granted to financially assist others.

Name	Amount
TILPA COMMUNITY COMMITTEE INC.	1,000.00
St John's Parish	150.00
SUNSET STRIP PROGRESS ASS	400.00
OUTBACK THEATRE FOR YOUNG PEOP	1,000.00
Ivanhoe Central School P&C Ass	1,000.00
COUNTRY WOMENS ASSOCIATION MEN	1,200.00
CWA - Ivanhoe	1,000.00
CWA - White Cliffs	1,000.00
St Mary's Church White Cliffs	998.00
Central Darling Pistol Club	501.80
	8,249.80

Amount of rates and charges written off during the year.

Council wrote off $293,361.44 worth of Rates and Charges during the financial year.



Pictured above is the White Cliffs Solar Thermal Power Station which was listed with the National Trust in 2017.

Statement of the total remuneration packages of all senior staff members (other than general manager), expressed as the total (not of the individual members).

There are no senior staff members engaged at Central Darling Shire Council as defined.

Statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or no incorporated) in which the council participated during the year.

Far West Joint Organisation.

Statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies in which council held a controlling interest.

Far West Joint Organisation.

Statement of all external bodies that exercised functions delegated by council.

Nil.



Historical exhibit in Ivanhoe in Far West NSW.

Annual Report Checklist

Information about induction training and ongoing professional development:
the names of any mayor or councillors who completed any induction training course, induction refresher course or supplementary induction course during the year,
the names of any mayor or councillors who participated in any ongoing professional development program during the year,
the number of seminars, circulars and other activities delivered as part of the ongoing professional development program during the year.

Administrator Bob Stewart attended the Local Government NSW Annual Conference. The cost for this was $2811.

Particulars of compliance with and effect of planning agreements in force during the year.

There are currently no active planning agreements. Council completed the planning agreement January 2023.

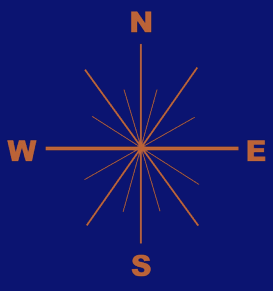
Information included on government information public access activity.

Council did not receive any applications from members of the public for determination under the Government Information (Public Interest) Act 2009 during the year.



Central Darling Shire Council is engaged by Transport for NSW (TfNSW) to maintain the State Highway network within the Shire boundaries. The two State Highways are the Barrier Highway and the Cobb Highway. Council also maintains 790km of Regional Roads and 1600km of Local Roads throughout the Shire.

2023 - 2024
Capital Works

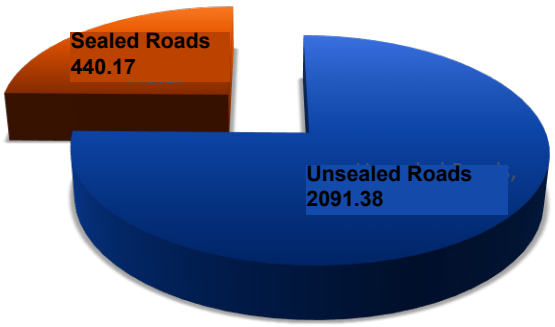


CAPITAL WORKS 2023/2024

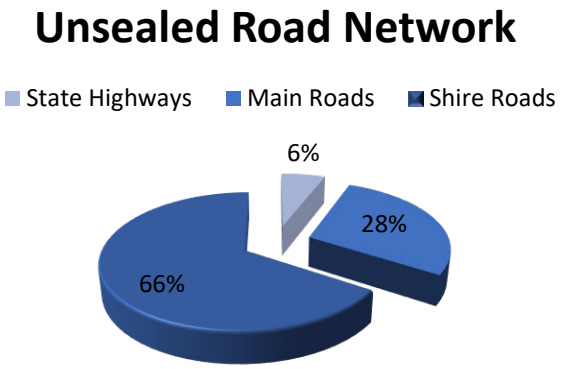
ROADS AND BRIDGES

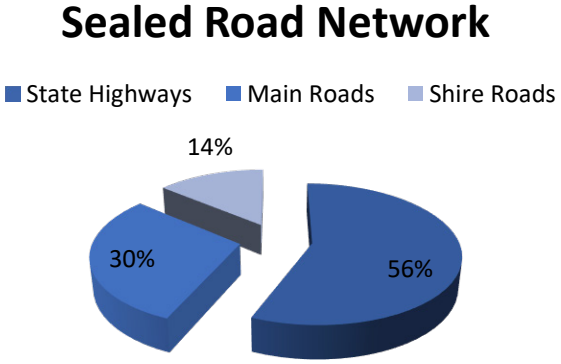
Public Road Network

Central Darling Shire Council is engaged by Transport for NSW (TfNSW) to maintain the State Highway network within the Shire boundaries. The two State Highways are the Barrier Highway and the Cobb Highway. Council also maintains 790km of Regional Roads and 1600km of Local Roads throughout the Shire.



Road Length (kms)





State Highways

Under Council's Routine Maintenance Council Contract (RMCC), Council is responsible for 387km of State Highway. The completion of the Cobb Highway initial sealing project has been completed and both Highways are now fully sealed.

The majority of funding was expended on construction, reseals, heavy patching, and maintenance.

Report on RMCC Work 2022/23

Total paid to Council for RMCC ordered work:	$2,898,818
Total paid to Council for RMCC routine work:	$1,200,506



Cobb Highway, Lignum Park, Before



Cobb Highway, Lignum Park, After

L

Cobb Highway Rehabilitation Works south of Ivanhoe

Regional Roads

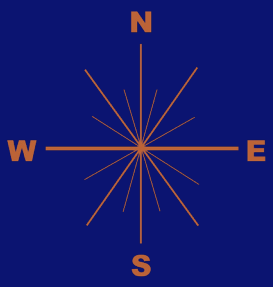
Council maintains 790km of Regional (or Main) Roads within the Shire. Funding received included

$2,919,000 from Regional Road Block Grant, $12,000,000 from Federal and State Governments for Pooncarie Rd Initial Seal Project and $2,700,000 Storm Damage Emergency and Restoration

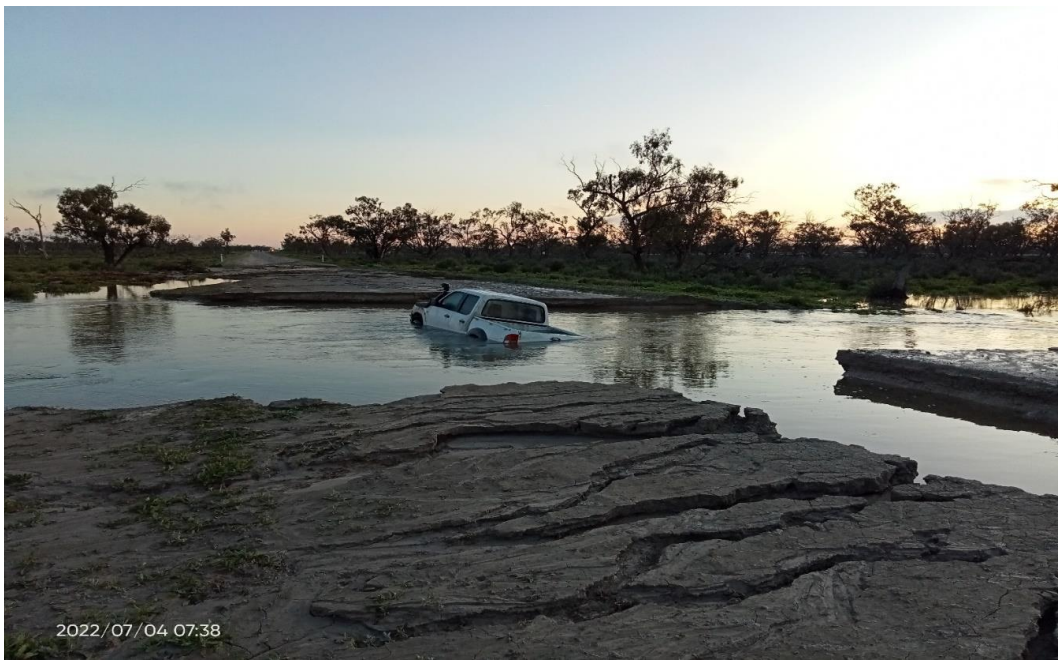
Expenditure of the Block Grant included maintenance grading works, gravel resheeting and resealing works.

The Pooncarie Rd received program funding to complete initial sealing works on the 61km of unsealed section. 25km of unsealed road was reconstructed and sealed in the reporting period.

Reseals were carried out in this financial year on Opal Miners Way - 10km, Pooncarie Rd – 7km, Balranald Rd – 5km



$2,995,081 was expended on Storm and Flood Damage emergency and restoration works following Natural Disaster events



Before



After

Yampoola Bridge, Pooncarie Rd

Local Roads

Council maintains 1600km of Local Roads within the Shire. Funding expended from Federal Assistance Grant (Roads Component totalled $1,994,730, Roads to Recovery $1,112,336, Fixing Local Roads $924,553, Local Roads & Community Infrastructure Grant $824,561

The majority of local road expenditure included maintenance grading works, construction works and floodway works.

Roads to Recovery allocation was utilised on the Mandalay Rd Floodways

$1,038,460 was expended on Storm and Flood Damage emergency and restoration works following Natural Disaster events

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.



Mandalay Rd Floodway construction, White Cliffs

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.

One new bridge was constructed on Pooncarie Rd, Yampoola Creek 35km south of Menindee

Works on Private Land

No private works were undertaken this year.

WATER, SEWER AND STORMWATER

Major Activities

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, Wilcannia, in the amount of $116,706 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 Restart NSW program up to $5.5M. The funding will be utilized for new Water Treatment Plant and Reticulation network.

The contract that was awarded to Membrane Systems Australia was terminated June 2023. SNG Engineering were awarded the contract for White Cliffs Water Treatment Plant. Construction was 50% complete by June 2024.

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





Works in progress 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 2023 filled White Cliffs Wakefield Tank providing 12 months supply and Willandra Creek flow in early 2023 captured at Willandra Creek Weir filled Morrisons Tank providing up to 2 years supply for Ivanhoe.

High Darling River flows during early 2023 filled the Darling River Weir Pool at Wilcannia and has been the primary source for Wilcannia's water supply during 2023 -2024.

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

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 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.

Emergency diesel generator pump were installed at the two main pump stations in Wilcannia to reduce risk of overflow events in times of power outage and pump failure. The works were funded by DPE Water group as part of the new Wilcannia weir project

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

$187,922 was expended on Pavement M&R, Buildings, toilets, fences, lighting, grounds M&R and energy costs.

BOAT RAMPS

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

FOOTPATHS, KERBS, AND GUTTERING

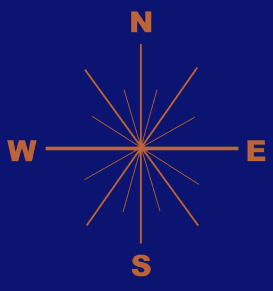
Footpaths

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. $77,682 was expended on footpath repairs in townships and villages

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

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

New footpath replacement works, streetscape and improved mobility access works commenced at Menindee. The project, funded by the Stronger Country Communities Fund Round 5, is $178,000





Menindee Post Office Footpath Works in progress

Kerb and Gutter

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



Menindee kerb and pram ramp replacement, Haberfield/ Menindee Street intersection

PLANT AND EQUIPMENT

Capital plant replacements included

- Survey Drone $12,895
- Part Payment for new Jetpatcher $312,430
- Bobcat forestry mulcher $67,200
- Underborer Mole and compressor $26,345



New Ausroad Jetpatcher

OUTDOOR INFRASTRUCTURE

Capital funded projects resulted in new and upgraded infrastructure projects being completed across the Shire

Pump Tracks

Three new pump tracks were installed in Menindee, Ivanhoe and White Cliffs. The works were funded by the Stronger Country Communities Fund Round 4 to the value of $764,263



White Cliffs Pump Track



Ivanhoe Pump Track



Menindee Pump Track

Playgrounds

Playground improvements including repairs, upgrades and shade structures occurred at Tilpa, Sunset Strip, Menindee, Ivanhoe, White Cliffs and Wilcannia

Stronger Country Communities Fund Round 3, Local Roads and Community Infrastructure Program Rounds 3 and 4 contributed funding towards the projects.



Tilpa playground upgrade

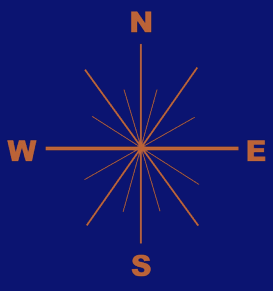
Buildings

Community Hall repairs and improvements were completed at Menindee, Ivanhoe and White Cliffs. New amenities facilities were completed at Wilcannia, Victory Park Caravan Park. Funded by the Murray Darling Basin Economic Development Program and AGRN 1034 Infrastructure grant, the project was completed June 2024



Victory Park Caravan Park Amenities Building, Wilcannia

2023 - 2024 Audited Financial Reports



Central Darling Shire Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2024



Central Darling Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2024



Central Darling Shire Council

General Purpose Financial Statements

for the year ended 30 June 2024

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Statement by Councillors and Management 4

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Statement of Comprehensive Income 6
Statement of Financial Position 7
Statement of Changes in Equity 8
Statement of Cash Flows 9

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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 2024

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

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

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

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

2. The Statement of Comprehensive Income
Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

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

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

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Central Darling Shire Council

General Purpose Financial Statements
for the year ended 30 June 2024

Statement by Councillors and Management

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

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

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

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

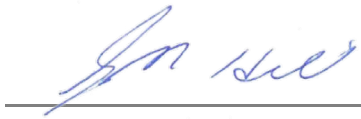
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 23 September 2024.



Robert Stewart
Administrator
23 September 2024



Gregory Hill
General Manager
23 September 2024



Kevin Smith
Acting Responsible Accounting Officer
23 September 2024

Central Darling Shire Council

Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024	$ '000	Notes	Actual 2024	Actual 2023
	Income from continuing operations			
2,572	Rates and annual charges	B2-1	**2,498**	2,439
9,451	User charges and fees	B2-2	**6,596**	9,995
353	Other revenues	B2-3	**1,134**	695
9,835	Grants and contributions provided for operating purposes	B2-4	**27,504**	24,307
23,514	Grants and contributions provided for capital purposes	B2-4	**14,191**	19,683
87	Interest and investment income	B2-5	**144**	110
30	Other income	B2-6	**31**	125
45,842	**Total income from continuing operations**		**52,098**	57,354
	Expenses from continuing operations			
6,869	Employee benefits and on-costs	B3-1	**7,021**	5,910
8,645	Materials and services	B3-2	**23,443**	19,501
40	Borrowing costs	B3-3	**23**	6
4,329	Depreciation, amortisation and impairment of non-financial assets	B3-4	**6,657**	5,951
2,424	Other expenses	B3-5	**548**	658
–	Net loss from the disposal of assets	B4-1	**376**	–
22,307	**Total expenses from continuing operations**		**38,068**	32,026
23,535	**Operating result from continuing operations**		**14,030**	25,328
23,535	Net operating result for the year attributable to Council		**14,030**	25,328
21	**Net operating result for the year before grants and contributions provided for capital purposes**		**(161)**	5,645

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 2024

$ '000	Notes	2024	2023
Net operating result for the year – from Income Statement		**14,030**	25,328
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	**13,281**	11,232
Total items which will not be reclassified subsequently to the operating result		**13,281**	11,232
Total other comprehensive income for the year		**13,281**	11,232
Total comprehensive income for the year attributable to Council		**27,311**	36,560

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 2024

$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	**14,734**	12,154
Receivables	C1-3	**13,201**	15,357
Inventories	C1-4	**768**	654
Total current assets		**28,703**	28,165
Non-current assets			
Receivables	C1-3	**165**	188
Infrastructure, property, plant and equipment (IPPE)	C1-5	**250,389**	223,740
Right of use assets	C2-1	**747**	109
Investments accounted for using the equity method	D2-1	**806**	867
Total non-current assets		**252,107**	224,904
Total assets		**280,810**	253,069
LIABILITIES			
Current liabilities			
Payables	C3-1	**3,979**	5,064
Income received in advance	C3-1	**210**	168
Contract liabilities	C3-2	**3,158**	2,094
Lease liabilities	C2-1	**311**	118
Employee benefit provisions	C3-3	**1,034**	1,222
Total current liabilities		**8,692**	8,666
Non-current liabilities			
Lease liabilities	C2-1	**437**	12
Employee benefit provisions	C3-3	**29**	29
Provisions	C3-4	**503**	524
Total non-current liabilities		**969**	565
Total liabilities		**9,661**	9,231
Net assets		**271,149**	243,838
EQUITY			
Accumulated surplus	C4-1	**186,865**	172,835
IPPE revaluation reserve	C4-1	**84,284**	71,003
Council equity interest		**271,149**	243,838
Total equity		**271,149**	243,838

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 2024

$ '000	Notes	2024 Accumulated surplus	2024 IPPE revaluation reserve	2024 Total equity	2023 Accumulated surplus	2023 IPPE revaluation reserve	2023 Total equity
Opening balance at 1 July		**172,835**	**71,003**	**243,838**	147,507	59,771	207,278
Net operating result for the year		**14,030**	**–**	**14,030**	25,328	–	25,328
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	**–**	**13,281**	**13,281**	–	11,232	11,232
Other comprehensive income		**–**	**13,281**	**13,281**	–	11,232	11,232
Total comprehensive income		**14,030**	**13,281**	**27,311**	25,328	11,232	36,560
Closing balance at 30 June		**186,865**	**84,284**	**271,149**	172,835	71,003	243,838

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 2024

Original unaudited budget 2024	$ '000	Notes	Actual 2024	Actual 2023
	Cash flows from operating activities			
	Receipts:			
2,312	Rates and annual charges		**2,430**	2,275
7,560	User charges and fees		**9,959**	10,222
87	Interest received		**144**	108
33,350	Grants and contributions		**47,111**	38,687
–	Bonds, deposits and retentions received		**15**	–
	Payments:			
(6,869)	Payments to employees		**(7,257)**	(5,848)
(8,472)	Payments for materials and services		**(28,816)**	(22,314)
(15)	Borrowing costs		**(43)**	(6)
–	Bonds, deposits and retentions refunded		**(5)**	–
–	Other		**(408)**	(1,388)
27,953	**Net cash flows from operating activities**	G1-1	**23,130**	21,736
	Cash flows from investing activities			
	Receipts:			
–	Proceeds from sale of IPPE		**4**	–
	Payments:			
(28,276)	Payments for IPPE		**(20,283)**	(22,931)
(28,276)	**Net cash flows from investing activities**		**(20,279)**	(22,931)
	Cash flows from financing activities			
	Payments:			
(450)	Principal component of lease payments		**(271)**	(262)
(450)	**Net cash flows from financing activities**		**(271)**	(262)
(773)	**Net change in cash and cash equivalents**		**2,580**	(1,457)
4,500	Cash and cash equivalents at beginning of year		**12,154**	13,610
3,727	Cash and cash equivalents at end of year	C1-1	**14,734**	12,153

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

Central Darling Shire Council

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Central Darling Shire Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 23 September 2024. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

Historical cost convention

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

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

(i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-5.
(ii) estimated tip remediation provisions – refer Note C3-4.
(iii) employee benefit provisions – refer Note C3-3.

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

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.

continued on next page ...

A1-1 Basis of preparation (continued)

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

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

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 2024 financial year have been prepared on a going concern basis and demonstrate that Council now has a much improved financial position and no longer requies 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 2024.

B Financial Performance

B1 Functions or activities

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

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

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
$ '000	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Functions or activities										
Governance	**434**	–	**258**	348	**176**	(348)	**434**	–	**–**	–
Administration	**650**	360	**3,716**	3,015	**(3,066)**	(2,655)	**–**	30	**17,529**	17,038
Public order and safety	**114**	166	**802**	833	**(688)**	(667)	**111**	148	**14,791**	14,085
Health	**–**	1	**86**	224	**(86)**	(223)	**–**	–	**24**	24
Environment	**850**	1,958	**1,138**	1,052	**(288)**	906	**238**	308	**1,382**	751
Community services and education	**42**	159	**157**	85	**(115)**	74	**33**	169	**2,280**	2,601
Housing and community amenities	**3,988**	2,542	**3,025**	1,076	**963**	1,466	**3,923**	–	**7,851**	8,266
Water supplies	**7,415**	2,346	**1,380**	1,508	**6,035**	838	**6,326**	1,299	**31,611**	22,992
Sewerage services	**369**	349	**399**	348	**(30)**	1	**–**	–	**7,122**	7,165
Recreation and culture	**769**	904	**1,336**	1,088	**(567)**	(184)	**756**	2,081	**5,411**	5,755
Transport and communications	**27,850**	36,847	**24,458**	19,954	**3,392**	16,893	**22,161**	29,558	**191,215**	173,042
Economic affairs	**965**	1,278	**1,313**	2,495	**(348)**	(1,217)	**27**	897	**1,594**	1,350
General purpose income	**8,652**	10,444	**–**	–	**8,652**	10,444	**7,686**	9,500	**–**	–
Total functions and activities	**52,098**	57,354	**38,068**	32,026	**14,030**	25,328	**41,695**	43,990	**280,810**	253,069

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 wast 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 Wilcannia, White Cliffs and Ivanhoe.

Sewerage services

Supply of sewerage services to Wilcannia.

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	2024	2023
Ordinary rates		
Residential	**370**	352
Farmland	**489**	474
Business	**49**	47
Less: pensioner rebates (mandatory)	**(13)**	(14)
Rates levied to ratepayers	**895**	859
Pensioner rate subsidies received	**7**	7
Total ordinary rates	**902**	866
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	**533**	530
Water supply services	**683**	673
Sewerage services	**278**	278
Waste management services (non-domestic)	**110**	101
Less: pensioner rebates (mandatory)	**(18)**	(19)
Annual charges levied	**1,586**	1,563
Pensioner annual charges subsidies received:		
– Water	**2**	2
– Sewerage	**1**	1
– Domestic waste management	**7**	7
Total annual charges	**1,596**	1,573
Total rates and annual charges	**2,498**	2,439

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

Material accounting policy information

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

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

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

B2-2 User charges and fees

$ '000	Timing	2024	2023
Specific user charges (per s502 - specific 'actual use' charges)			
Water supply services	2	**292**	303
Total specific user charges		**292**	303
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Building regulation	2	**7**	4
Private works – section 67	2	**651**	660
Regulatory/ statutory fees	2	**1**	1
Regulatory fees	2	**3**	1
Section 10.7 certificates (EP&A Act)	2	**6**	11
Section 603 certificates	2	**5**	7
Town planning	2	**18**	30
Other		**–**	1
Total fees and charges – statutory/regulatory		**691**	715
(ii) Fees and charges – other (incl. general user charges (per s608))			
Caravan park	2	**72**	38
Cemeteries	2	**10**	8
Community centres	2	**11**	6
Multipurpose centre	2	**9**	9
Transport for NSW works (state roads not controlled by Council)	2	**5,500**	8,900
Swimming centres	2	**2**	2
Waste disposal tipping fees	2	**3**	10
Water connection fees	2	**6**	4
Total fees and charges – other		**5,613**	8,977
Total other user charges and fees		**6,304**	9,692
Total user charges and fees		**6,596**	9,995
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)		**6,596**	9,995
Total user charges and fees		**6,596**	9,995

Material accounting policy information

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

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

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

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

B2-3 Other revenues

$ '000	Timing	2024	2023
Fines – other	2	**2**	3
Legal fees recovery – rates and charges (extra charges)	2	**–**	81
Commissions and agency fees	2	**51**	71
Diesel rebate	2	**32**	20
Insurance claims recoveries	2	**307**	46
Recycling income (non-domestic)		**6**	–
Sales of inventories	2	**126**	122
Sales – general	2	**40**	37
Aboriginal communities water & sewer scheme	2	**178**	117
Other	2	**392**	198
Total other revenue		**1,134**	695

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	**–**	–
Other revenue recognised at a point in time (2)	**1,134**	695
Total other revenue	**1,134**	695

Material accounting policy information 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 2024**	Operating 2023	**Capital 2024**	Capital 2023
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	**405**	1,399	**–**	–
Financial assistance – local roads component	2	**148**	509	**–**	–
Payment in advance - future year allocation					
Financial assistance – general component	2	**5,356**	5,590	**–**	–
Financial assistance – local roads component	2	**1,778**	2,002	**–**	–
Amount recognised as income during current year		**7,687**	9,500	**–**	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Water supplies	1	**83**	–	**6,276**	1,199
Bushfire and emergency services	2	**101**	148	**–**	–
Community care	2	**200**	100	**–**	–
Economic development	2	**2,317**	858	**–**	49
Employment and training programs	2	**(10)**	62	**–**	–
Environmental programs	2	**208**	247	**–**	–
Floodplain management	1	**–**	–	**30**	77
Heritage and cultural	2	**41**	30	**–**	–
Recreation and culture	1	**–**	15	**2,098**	2,440
Storm/flood damage	1	**5,256**	4,935	**–**	–
Airport	1	**–**	–	**(47)**	100
Youth	2	**43**	111	**–**	–
Street lighting	2	**8**	8	**–**	–
Transport (roads to recovery)	2	**1,763**	139	**–**	–
Transport (other roads and bridges funding)	2	**6,454**	5,291	**5,834**	15,593
Other specific grants	1	**434**	–	**–**	225
Previously contributions:					
Transport for NSW contributions (regional roads, block grant)	2	**2,919**	2,863	**–**	–
Total special purpose grants and non-developer contributions – cash		**19,817**	14,807	**14,191**	19,683
Total special purpose grants and non-developer contributions (tied)		**19,817**	14,807	**14,191**	19,683
Total grants and non-developer contributions		**27,504**	24,307	**14,191**	19,683
Comprising:					
– Commonwealth funding		**9,464**	9,639	**1,391**	2,440
– State funding		**18,040**	14,668	**12,800**	17,018
– Other funding		**–**	–	**–**	225
		27,504	24,307	**14,191**	19,683

continued on next page ...

B2-4 Grants and contributions (continued)

Developer contributions

$ '000	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Total grants and contributions	**27,504**	24,307	**14,191**	19,683
Timing of revenue recognition for grants and contributions				
Grants and contributions recognised over time (1)	**5,773**	15	**8,357**	4,041
Grants and contributions recognised at a point in time (2)	**21,731**	24,292	**5,834**	15,642
Total grants and contributions	**27,504**	24,307	**14,191**	19,683

continued on next page ...

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 2024	Operating 2023	Capital 2024	Capital 2023
Unspent grants and contributions				
Unspent funds at 1 July	**6,534**	435	**2,623**	2,715
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	**1,488**	–	**286**	561
Add: Funds received for the future provision of goods/services				
Add: Funds received and not recognised as revenue in the current year	**6,114**	6,213	**2,184**	2,094
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	**(5,157)**	(114)	**(296)**	(1,745)
Less: Funds received in prior year but revenue recognised and funds spent in current year	**–**	–	**(1,639)**	(1,002)
Unspent funds at 30 June	**8,979**	6,534	**3,158**	2,623

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement but include the provision of goods or services or the achievment 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	2024	2023
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	**74**	52
– Cash and investments	**70**	58
Total interest and investment income (losses)	**144**	110
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	**30**	21
General Council cash and investments	**69**	57
Restricted investments/funds – external:		
Water fund operations	**37**	26
Sewerage fund operations	**8**	6
Total interest and investment income	**144**	110

B2-6 Other income

$ '000	Notes	2024	2023
Reversal of impairment losses on receivables			
Rates and annual charges		**–**	92
Total reversal of impairment losses on receivables	C1-3	**–**	92
Rental income			
Other lease income			
Leaseback fees - council vehicles		**1**	2
Other		**30**	31
Total rental income	C2-2	**31**	33
Total other income		**31**	125

B3 Costs of providing services

B3-1 Employee benefits and on-costs

$ '000	2024	2023
Salaries and wages	**5,849**	4,700
Employee leave entitlements (ELE)	**559**	768
Superannuation	**615**	489
Workers' compensation insurance	**181**	197
Fringe benefit tax (FBT)	**57**	46
Protective clothing	**1**	3
Other	**65**	90
Total employee costs	**7,327**	6,293
Less: capitalised costs	**(306)**	(383)
Total employee costs expensed	**7,021**	5,910
Number of 'full-time equivalent' employees (FTE) at year end	**48**	42

Material accounting policy information

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

$ '000	Notes	2024	2023
Raw materials and consumables		**20,002**	16,268
Contractor costs		**515**	720
Administrator fees and associated expenses	F1-2	**166**	165
Advertising		**4**	22
Audit Fees	F2-1	**86**	53
Bank charges		**7**	7
Cleaning		**77**	73
Computer software charges		**256**	340
Cost of sales		**25**	61
Electricity and heating		**424**	244
Fire control expenses		**204**	136
Insurance		**718**	713
Office expenses (including computer expenses)		**350**	246
Postage		**5**	5
Printing and stationery		**31**	54
Street lighting		**58**	12
Subscriptions and publications		**87**	80
Tourism expenses (excluding employee costs)		**1**	2
Telephone and communications		**51**	140
Travel expenses		**70**	45
Valuation fees		**71**	18
Training costs (other than salaries and wages)		**224**	89
Other expenses		**5**	7
Legal expenses:			
– Legal expenses: planning and development		**3**	–
– Legal expenses: debt recovery		**2**	1
– Legal expenses: other		**1**	–
Total materials and services		**23,443**	19,501

B3-3 Borrowing costs

$ '000	2024	2023
Interest on leases	23	6
Total interest bearing liability costs expensed	**23**	6
Total borrowing costs expensed	**23**	6

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

$ '000	Notes	2024	2023
Depreciation and amortisation			
Plant and equipment		**333**	260
Furniture and fittings		**6**	1
Infrastructure:	C1-5		
– Buildings – non-specialised		**1,217**	973
– Other structures		**313**	322
– Roads		**4,187**	3,368
– Stormwater drainage		**38**	26
– Water supply network		**220**	591
– Sewerage network		**84**	138
Right of use assets	C2-1	**251**	264
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C1-5	**8**	8
Total depreciation, amortisation and impairment for non-financial assets		**6,657**	5,951

Material accounting policy information

Depreciation and amortisation

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

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	2024	2023
Impairment of receivables			
Rates and annual charges		**155**	152
User charges and fees		**2**	–
Other		**9**	17
Total impairment of receivables	C1-3	**166**	169
Net share of interests in joint ventures and associates using the equity method			
Joint arrangements		**61**	65
Total net share of interests in joint ventures and associates using the equity method	D2-1	**61**	65
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		**288**	284
– Other contributions/levies		**12**	19
Donations, contributions and assistance to other organisations (Section 356)		**21**	121
Total other		**321**	424
Total other expenses		**548**	658

B4 Gains or losses

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

$ '000	Notes	2024	2023
Gain (or loss) on disposal of property (excl. investment property)			
Proceeds from disposal – property		**4**	–
Less: carrying amount of property assets sold/written off		**(4)**	–
Gain (or loss) on disposal		**–**	–
Gain (or loss) on disposal of infrastructure	C1-5		
Less: carrying amount of infrastructure assets sold/written off		**(376)**	–
Gain (or loss) on disposal		**(376)**	–
Net gain (or loss) from disposal of assets		**(376)**	–

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 26 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

$ '000	2024 Budget	2024 Actual	2024 Variance		
Revenues					
Rates and annual charges	2,572	2,498	(74)	(3)%	U
User charges and fees	9,451	6,596	(2,855)	(30)%	U
Unfavourable variance primarily due to a reduction in works to be completed for RMS.					
Other revenues	353	1,134	781	221%	F
The favourable variance is due to additional other revenues not included in Council's original budget.					
Operating grants and contributions	9,835	27,504	17,669	180%	F
The favourable variance is due to additional grant income recieved for flood emergency works and the prepayment of Council's Federal Financial Assistance grant funding.					
Capital grants and contributions	23,514	14,191	(9,323)	(40)%	U
Unfavourable variance due to delays in the reciept of funding for the Pooncarie Road project and the Shire's water treatment plants.					
Interest and investment revenue	87	144	57	66%	F
Council has benefitted from an increase in interest rates during the year and from holding unspent grant funds over the period.					
Other income	30	31	1	3%	F

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B5-1 Material budget variations (continued)

$ '000	2024 Budget	2024 Actual	2024 -------- Variance --------		
Expenses					
Employee benefits and on-costs	6,869	7,021	(152)	(2)%	U
Materials and services	8,645	23,443	(14,798)	(171)%	U
The unfavourable variance is due to additional unbudgeted maintenance works primarily to do with flood damage.					
Borrowing costs	40	23	17	43%	F
Interest expense budget includes landfill remediation expense which is not charged.					
Depreciation, amortisation and impairment of non-financial assets	4,329	6,657	(2,328)	(54)%	U
Asset values have increased due to recent comprehensive revaluations and also annual indexation, to recognise the increasing cost of input materials under continuing high inflationary pressures and supply chain issues. The original budget did not allow sufficirently for actual increases.					
Other expenses	2,424	548	1,876	77%	F
Variance is due to some expenditure originally budgeted as other expenditure being accounted for as materials and services.					
Net losses from disposal of assets	–	376	(376)	∞	U
Council does not budget for any gains or losses on the sale of assets.					
Statement of cash flows					
Cash flows from operating activities	27,953	23,130	(4,823)	(17)%	U
Variance is due to additional expenditure on grant funds already recieved.					
Cash flows from investing activities	(28,276)	(20,279)	7,997	(28)%	F
Favourable variance due to the underspending of the capital budget due to lack of resources.					
Cash flows from financing activities	(450)	(271)	179	(40)%	F
Variance due to excessive estimate of budgeted lease payments.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

$ '000	2024	2023
Cash assets		
Cash on hand and at bank	**12,534**	10,654
Cash equivalent assets		
– Short-term deposits	**2,200**	1,500
Total cash and cash equivalents	**14,734**	12,154
Reconciliation of cash and cash equivalents		
Total cash and cash equivalents per Statement of Financial Position	**14,734**	12,154
Balance as per the Statement of Cash Flows	**14,734**	12,154

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

$ '000	2024 Current	2024 Non-current	2024	2023 Current	2023 Non-current	2023
(a) Externally restricted cash, cash equivalents and investments						
Total cash, cash equivalents and investments	**14,734**	**–**	**14,734**	12,154	–	12,154
Less: Externally restricted cash, cash equivalents and investments	**(14,206)**	**–**	**(14,206)**	(10,991)	–	(10,991)
Cash, cash equivalents and investments not subject to external restrictions	**528**	**–**	**528**	1,163	–	1,163

$ '000	2024	2023
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	**455**	2,094
Specific purpose unexpended grants – water fund	**2,703**	–
External restrictions – included in liabilities	**3,158**	2,094
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants (recognised as revenue) – general fund	**8,979**	7,063
Water fund	**16**	–
Sewer fund	**1,780**	1,447
Domestic waste management	**273**	387
External restrictions – other	**11,048**	8,897
Total external restrictions	**14,206**	10,991

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

C1-3 Receivables

$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Rates and annual charges	**418**	**256**	558	321
Interest and extra charges	**86**	**75**	74	91
User charges and fees	**4,046**	**138**	610	124
– Other income accruals	**–**	**–**	4,484	–
Government grants and subsidies	**5,800**	**–**	7,701	–
Net GST/PAYG receivable	**3,267**	**–**	2,394	–
Other debtors	**25**	**–**	30	–
Total	**13,642**	**469**	15,851	536
Less: provision for impairment				
Rates and annual charges	**(271)**	**(166)**	(360)	(205)
Interest and extra charges	**(72)**	**(63)**	(62)	(77)
User charges and fees	**(98)**	**(75)**	(72)	(66)
Total provision for impairment – receivables	**(441)**	**(304)**	(494)	(348)
Total net receivables	**13,201**	**165**	15,357	188
Externally restricted receivables				
Water supply				
– Specific purpose grants	**–**	**–**	799	–
– Rates and availability charges	**64**	**–**	114	–
– Other	**553**	**–**	159	–
Sewerage services				
– Rates and availability charges	**32**	**–**	46	–
– Other	**32**	**–**	6	–
Total external restrictions	**681**	**–**	1,124	–
Unrestricted receivables	**12,520**	**165**	14,233	188
Total net receivables	**13,201**	**165**	15,357	188

$ '000	2024	2023
Movement in provision for impairment of receivables		
Balance at the beginning of the year	**842**	769
Movement in provisions recognised during the year	**(97)**	73
Balance at the end of the year	**745**	842

Material accounting policy information

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:

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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	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Inventories at cost				
Stores and materials	**768**	**–**	654	–
Total inventories	**768**	**–**	654	–

Material accounting policy information

Raw materials and stores, work in progress and finished goods

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.

C1-5 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period							At 30 June 2024		
$ '000	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Re-measurement	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	10,589	–	10,589	**5,615**	**67**	**–**	**–**	**(2,368)**	**–**	**–**	**13,902**	**–**	**13,902**
Plant and equipment	5,530	(2,615)	2,915	**–**	**443**	**–**	**(333)**	**–**	**–**	**–**	**5,972**	**(2,947)**	**3,025**
Furniture and fittings	61	(3)	58	**–**	**21**	**–**	**(6)**	**–**	**–**	**–**	**82**	**(9)**	**73**
Land:													
– Operational land	50	–	50	**–**	**–**	**(4)**	**–**	**–**	**–**	**–**	**46**	**–**	**46**
– Community land	2,397	–	2,397	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,397**	**–**	**2,397**
Infrastructure:													
– Buildings – non-specialised	41,196	(25,288)	15,908	**–**	**–**	**(48)**	**(1,217)**	**–**	**–**	**1,017**	**43,784**	**(28,124)**	**15,660**
– Other structures	12,242	(6,891)	5,351	**411**	**213**	**(328)**	**(313)**	**285**	**–**	**2,439**	**16,578**	**(8,522)**	**8,056**
– Roads, bridges, footpaths	208,467	(45,504)	162,963	**4,446**	**8,912**	**–**	**(4,187)**	**2,083**	**–**	**7,988**	**234,525**	**(52,319)**	**182,206**
– Stormwater drainage	1,599	(879)	720	**–**	**–**	**–**	**(38)**	**–**	**–**	**699**	**3,978**	**(2,597)**	**1,381**
– Water supply network	47,278	(29,579)	17,699	**–**	**47**	**–**	**(220)**	**–**	**–**	**886**	**49,728**	**(31,313)**	**18,415**
– Sewerage network	7,310	(2,251)	5,059	**–**	**–**	**–**	**(84)**	**–**	**–**	**252**	**7,680**	**(2,454)**	**5,226**
Reinstatement, rehabilitation and restoration assets - refer Note C3-5:													
– Tip assets	503	(472)	31	**–**	**–**	**–**	**(8)**	**–**	**(22)**	**–**	**482**	**(480)**	**2**
Total infrastructure, property, plant and equipment	337,222	(113,482)	223,740	**10,472**	**9,703**	**(380)**	**(6,406)**	**–**	**(22)**	**13,281**	**379,154**	**(128,765)**	**250,389**

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

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

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period							At 30 June 2023		
$ '000	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Depreciation expense	WIP transfers	Adjustments and 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	7,322	–	7,322	–	4,259	–	(992)	–	–	–	10,589	–	10,589
Plant and equipment	4,654	(2,355)	2,299	–	877	(260)	–	–	–	–	5,530	(2,615)	2,915
Furniture and fittings	17	(2)	15	9	10	(1)	24	–	–	–	61	(3)	58
Land:													
– Operational land	129	–	129	–	–	–	–	–	(79)	–	50	–	50
– Community land	1,600	–	1,600	–	–	–	–	–	–	797	2,397	–	2,397
Infrastructure:													
– Buildings – non-specialised	40,706	(26,840)	13,866	297	277	(973)	404	–	–	2,038	41,196	(25,288)	15,908
– Other structures	10,073	(6,109)	3,964	121	869	(322)	459	–	–	260	12,242	(6,891)	5,351
– Roads	183,736	(39,717)	144,019	8,197	7,542	(3,368)	–	–	–	6,571	208,467	(45,504)	162,963
– Stormwater drainage	1,486	(791)	695	–	–	(26)	–	–	–	52	1,599	(879)	720
– Water supply network	43,426	(26,871)	16,555	–	399	(591)	105	–	–	1,231	47,278	(29,579)	17,699
– Sewerage network	6,786	(1,952)	4,834	–	–	(138)	–	–	–	362	7,310	(2,251)	5,059
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):													
– Tip assets	1,324	(464)	860	–	–	(8)	–	(821)	–	–	503	(472)	31
Total infrastructure, property, plant and equipment	301,259	(105,101)	196,158	8,624	14,233	(5,687)	–	(821)	(79)	11,311	337,222	(113,482)	223,740

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

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

Material accounting policy information

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 DCCEEW.

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. 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

	as at 30/06/24			as at 30/06/23		
$ '000	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Water supply						
WIP	**9,806**	**–**	**9,806**	4,250	–	4,250
Land						
– Operational land	**28**	**–**	**28**	28	–	28
Buildings	**656**	**656**	**–**	656	656	–
Other structures	**26**	**–**	**26**	–	–	–
Infrastructure	**49,728**	**31,313**	**18,415**	47,306	29,579	17,727
Total water supply	**60,244**	**31,969**	**28,275**	52,240	30,235	22,005
Sewerage services						
WIP	**52**	**–**	**52**	608	–	608
Infrastructure	**7,680**	**2,454**	**5,226**	7,310	2,251	5,059
Total sewerage services	**7,732**	**2,454**	**5,278**	7,918	2,251	5,667
Domestic waste management						
Plant and equipment	**874**	**702**	**172**	874	639	235
Total domestic waste management	**874**	**702**	**172**	874	639	235
Total restricted infrastructure, property, plant and equipment	**68,850**	**35,125**	**33,725**	61,032	33,125	27,907

C2 Leasing activities

C2-1 Council as a lessee

Plant & Equipment

Council has leases over plant and equipment for works and services provided by Council. The total annual cost of leases for 2023 FY is $270,000.

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.

(a) Right of use assets

$ '000	Plant & Equipment	Ready to use	Total
2024			
Opening balance at 1 July	**109**	**–**	**109**
Additions to right-of-use assets	**882**	**–**	**882**
Depreciation charge	**(265)**	**–**	**(265)**
Other movement	**21**	**–**	**21**
Balance at 30 June	**747**	**–**	**747**
2023			
Opening balance at 1 July	340	–	340
Additions to right-of-use assets	33	–	33
Depreciation charge	(264)	–	(264)
Balance at 30 June	109	–	109

(b) Lease liabilities

$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Lease liabilities	**311**	**437**	118	12
Total lease liabilities	**311**	**437**	118	12

(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
2024					
Cash flows	**341**	**459**	**–**	**800**	**748**
2023					
Cash flows	120	12	–	132	130

continued on next page ...

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	2024	2023
Interest on lease liabilities	**23**	6
Depreciation of right of use assets	**251**	264
	274	270

(e) Statement of Cash Flows

Total cash outflow for leases	**295**	268
	295	268

Material accounting policy information

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

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

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 accommodtion.

$ '000	2024	2023
(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)	**31**	33
Total income relating to operating leases for Council assets	**31**	33

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

C3 Liabilities of Council

C3-1 Payables

$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Payables				
Goods and services – operating expenditure	**2,299**	**–**	3,243	–
Goods and services – capital expenditure	**1,426**	**–**	1,555	–
Accrued expenses:				
– Borrowings	**1**	**–**	–	–
– Salaries and wages	**243**	**–**	266	–
Security bonds, deposits and retentions	**10**	**–**	–	–
Total payables	**3,979**	**–**	5,064	–
Income received in advance				
Payments received in advance	**210**	**–**	168	–
Total income received in advance	**210**	**–**	168	–
Total payables	**4,189**	**–**	5,232	–

Payables relating to restricted assets

$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Externally restricted assets				
Water	**408**	**–**	113	–
Sewer	**48**	**–**	339	–
Payables relating to externally restricted assets	**456**	**–**	452	–
Total payables relating to restricted assets	**456**	**–**	452	–
Total payables relating to unrestricted assets	**3,733**	**–**	4,780	–
Total payables	**4,189**	**–**	5,232	–

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	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	**3,158**	**–**	2,094	–
Total grants received in advance		**3,158**	**–**	2,094	–
Total contract liabilities		**3,158**	**–**	2,094	–

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	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Externally restricted assets				
Water	**2,703**	**–**	1,449	–
Unspent grants held as contract liabilities (excl. Water & Sewer)	**455**	**–**	645	–
Contract liabilities relating to externally restricted assets	**3,158**	**–**	2,094	–
Total contract liabilities relating to restricted assets	**3,158**	**–**	2,094	–
Total contract liabilities	**3,158**	**–**	**2,094**	**–**

Significant changes in contract liabilities
The increase in contract liabilities is primarily due to Water Supply grants received during year and remaining unsprent.

C3-3 Employee benefit provisions

$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Annual leave	**411**	**–**	587	–
Long service leave	**572**	**29**	570	29
ELE on-costs	**51**	**–**	65	–
Total employee benefit provisions	**1,034**	**29**	1,222	29

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

$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	**649**	659
	649	659

Description of and movements in provisions

		ELE provisions		
$ '000	Annual leave	Long service leave	ELE on-costs	Total
2024				
At beginning of year	**587**	**599**	**65**	**1,251**
Additional provisions	**377**	**220**	**5**	**602**
Amounts used (payments)	**(553)**	**(218)**	**(19)**	**(790)**
Total ELE provisions at end of year	**411**	**601**	**51**	**1,063**
2023				
At beginning of year	618	491	–	1,109
Additional provisions	303	123	52	478
Amounts used (payments)	(334)	(15)	–	(349)
Other	–	–	13	13
Total ELE provisions at end of year	587	599	65	1,251

Material accounting policy information

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.

C3-4 Provisions

$ '000	2024 Current	2024 Non-Current	2023 Current	2023 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	**–**	**503**	–	524
Sub-total – asset remediation/restoration	**–**	**503**	–	524
Total provisions	**–**	**503**	–	524
Total provisions relating to unrestricted assets	**–**	**503**	–	524
Total provisions	**–**	**503**	–	524

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

	Other provisions	
$ '000	Asset remediation	Total
2024		
At beginning of year	**524**	**524**
Changes to provision:		
– Revised discount rate	**(21)**	**(21)**
Total other provisions at end of year	**503**	**503**
2023		
At beginning of year	1,369	1,369
Changes to provision:		
– Revised discount rate	(845)	(845)
Total other provisions at end of year	524	524

Nature and purpose of provisions

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

Material accounting policy information

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

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

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

Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

continued on next page ...

C3-4 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 2024	Water 2024	Sewer 2024
Income from continuing operations			
Rates and annual charges	1,620	625	253
User charges and fees	6,301	292	3
Interest and investment revenue	99	37	8
Other revenues	893	136	105
Grants and contributions provided for operating purposes	27,504	–	–
Grants and contributions provided for capital purposes	7,865	6,326	–
Other income	31	–	–
Total income from continuing operations	44,313	7,416	369
Expenses from continuing operations			
Employee benefits and on-costs	7,005	16	–
Materials and services	22,315	899	229
Borrowing costs	23	–	–
Depreciation, amortisation and impairment of non-financial assets	6,350	223	84
Other expenses	306	181	61
Net losses from the disposal of assets	376	–	–
Total expenses from continuing operations	36,375	1,319	374
Operating result from continuing operations	7,938	6,097	(5)
Net operating result for the year	7,938	6,097	(5)
Net operating result attributable to each council fund	7,938	6,097	(5)
Net operating result for the year before grants and contributions provided for capital purposes	**73**	**(229)**	**(5)**

D1-2 Statement of Financial Position by fund

$ '000	General 2024	Water 2024	Sewer 2024
ASSETS			
Current assets			
Cash and cash equivalents	10,235	2,719	1,780
Receivables	12,520	617	64
Inventories	768	–	–
Total current assets	23,523	3,336	1,844
Non-current assets			
Receivables	165	–	–
Infrastructure, property, plant and equipment	216,836	28,275	5,278
Investments accounted for using the equity method	806	–	–
Right of use assets	747	–	–
Total non-current assets	218,554	28,275	5,278
Total assets	242,077	31,611	7,122
LIABILITIES			
Current liabilities			
Payables	3,523	408	48
Income received in advance	210	–	–
Contract liabilities	455	2,703	–
Lease liabilities	311	–	–
Employee benefit provision	1,034	–	–
Total current liabilities	5,533	3,111	48
Non-current liabilities			
Lease liabilities	437	–	–
Employee benefit provision	29	–	–
Provisions	503	–	–
Total non-current liabilities	969	–	–
Total liabilities	6,502	3,111	48
Net assets	235,575	28,500	7,074
EQUITY			
Accumulated surplus	166,969	17,457	2,439
Revaluation reserves	68,606	11,043	4,635
Council equity interest	235,575	28,500	7,074
Total equity	235,575	28,500	7,074

D2 Interests in other entities

$ '000	Council's share of net assets 2024	2023
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint Arrangement	**806**	867
Total net share of interests in joint ventures and associates using the equity method – assets	**806**	867
Total Council's share of net assets	**806**	867

D2-1 Interests in joint arrangements

Net carrying amounts – Council's share

$ '000	Place of business	Nature of relationship	Interest in ownership 2024	2023	2024	2023
Far South West Joint Organisation			**25.0%**	25.0%	**806**	867
Total carrying amounts – material joint ventures					**806**	867

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 2024	2023
Statement of financial position		
Current assets		
Cash and cash equivalents	**3,456**	3,465
Other current assets	**11**	11
Current liabilities		
Other current liabilities	**245**	10
Net assets	**3,222**	3,466
Statement of comprehensive income		
Income	**(244)**	(260)
Profit/(loss) from continuing operations	**(244)**	(260)
Profit/(loss) for the period	**(244)**	(260)
Total comprehensive income	**(244)**	(260)
Share of income – Council (%)	**25.0%**	25.0%
Profit/(loss) – Council ($)	**(61)**	(65)
Total comprehensive income – Council ($)	**(61)**	(65)
Summarised Statement of cash flows		
Cash flows from operating activities	**(10)**	(186)
Net increase (decrease) in cash and cash equivalents	**(10)**	(186)

continued on next page ...

D2-1 Interests in joint arrangements (continued)

$ '000	Far South West Joint Organisation 2024	2023
Reconciliation of the carrying amount		
Opening net assets (1 July)	**3,466**	3,726
Profit/(loss) for the period	**(244)**	(260)
Closing net assets	**3,222**	3,466
Council's share of net assets (%)	**25.0%**	25.0%
Council's share of net assets ($)	**806**	867

Material accounting policy information

The council has determined that it has only joint ventures.

Joint ventures:

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

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

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

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

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

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

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

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

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

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 2024**	Carrying value 2023	**Fair value 2024**	Fair value 2023
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	**14,734**	12,154	**14,734**	12,154
Receivables	**13,366**	15,545	**13,366**	15,545
Total financial assets	**28,100**	27,699	**28,100**	27,699
Financial liabilities				
Payables	**3,979**	5,064	**3,979**	5,064
Total financial liabilities	**3,979**	5,064	**3,979**	5,064

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 it's 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 there 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.

continued on next page ...

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

(a) Market risk – interest rate and price risk

$ '000	2024	2023
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	**147**	122
Impact of a 10% movement in price of investments		

(b) Credit risk

Pre-amble
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 < 5 years	1 - 2 years	2 - 5 years	≥ 5 years	Total
2024						
Gross carrying amount	**–**	**283**	**215**	**130**	**46**	**674**
2023						
Gross carrying amount	–	179	356	229	115	879

continued on next page ...

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

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 0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	Total
2024						
Gross carrying amount	**–**	**2,259**	**1,768**	**3,250**	**6,160**	**13,437**
Expected loss rate (%)	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**5.00%**	**2.29%**
ECL provision	**–**	**–**	**–**	**–**	**308**	**308**
2023						
Gross carrying amount	–	4,114	3,234	1,565	6,595	15,508
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	4.20%	1.79%
ECL provision	–	–	–	–	277	277

(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: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2024							
Payables	**0.00%**	**–**	**3,979**	**–**	**–**	**3,979**	**3,979**
Total financial liabilities		**–**	**3,979**	**–**	**–**	**3,979**	**3,979**
2023							
Payables	0.00%	–	5,064	–	–	5,064	5,064
Total financial liabilities		–	5,064	–	–	5,064	5,064

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).

				Fair value measurement hierarchy					
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
$ '000	Notes	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Recurring fair value measurements									
Infrastructure, property, plant and equipment	C1-5								
Plant and equipment				**3,025**	2,915	**–**	–	**3,025**	2,915
Furniture and fittings				**73**	58	**–**	–	**73**	58
Operational land		30/06/2023	30/06/2023	**46**	50	**–**	–	**46**	50
Community and crown land		30/06/2023	30/06/2023	**–**	–	**2,397**	2,397	**2,397**	2,397
Buildings		30/06/2023	30/06/2023	**15,660**	15,908	**–**	–	**15,660**	15,908
Other structures		30/06/2024	30/06/2019	**–**	–	**8,056**	5,351	**8,056**	5,351
Roads, bridges and footpaths		30/06/2020	30/06/2020	**–**	–	**182,206**	162,963	**182,206**	162,963
Stormwater drainage		30/06/2024	30/06/2019	**–**	–	**1,381**	720	**1,381**	720
Water supply network		30/06/2022	30/06/2022	**–**	–	**18,415**	17,699	**18,415**	17,699
Sewerage network		30/06/2022	30/06/2022	**–**	–	**5,226**	5,059	**5,226**	5,059
Total infrastructure, property, plant and equipment				**18,804**	18,931	**217,681**	194,189	**236,485**	213,120

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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 as at 30 June 2024. 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.

Other structures

Council's other structure assets comprise of fences, flagpoles, monuments and the like. AssetVal Pty Ltd completed the valuation of these assets as at 30 June 2024.

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.

Some Other Structures not included in the comprehensive revaluation at 30 June 2024 have been indexed to account for increases in cost indecies since the last comprehensive revaluation.

Buildings

Council engaged AssetVal Pty Ltd to value all buildings and shelters in 2023. 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 are observable, the asset class has been classified as Level 2. Valuation techniques remained the same for this reporting period.

Valuation of all Buildings has been indexed at 30 June 2024, to account for increases in cost indecies 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 Councils 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.

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E2-1 Fair value measurement (continued)

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 2024, to account for increases in cost indecies 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 Councils assets. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners 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.

Valuation of Water Infrastructure has been indexed at 30 June 2024, to account for increases in cost indecies since the last comprehensive revaluation.

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 Councils 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.

Valuation of Sewer Infrastructure has been indexed at 30 June 2024, to account for increases in cost indecies since the last comprehensive revaluation.

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 Land Value (LV), provided by the Valuer General with base date 01/07/2022.

Currently all Council assets in this asset class are based on LV, however, should Council have an asset in future for which a LV 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 Land Value (LV), provided by the Valuer General with base date 01/07/2022.

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.

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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

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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 2024	Crown / Community land 2023	Other structures 2024	Other structures 2023	Roads, bridges, footpaths 2024	Roads, bridges, footpaths 2023	Stormwater drainage 2024	Stormwater drainage 2023
Opening balance	**2,397**	523	**5,351**	3,964	**162,963**	144,019	**720**	695
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	**–**	1,077	**–**	–	**–**	–	**–**	–
Purchases (GBV)	**–**	–	**909**	1,449	**15,441**	15,739	**–**	–
Disposals (WDV)	**–**	–	**(328)**	–	**–**	–	**–**	–
Depreciation and impairment	**–**	–	**(313)**	(322)	**(4,187)**	(3,368)	**(38)**	(26)
Asset Revaluation	**–**	797	**2,439**	260	**7,988**	6,571	**699**	52
Rounding	**–**	–	**(2)**	–	**1**	2	**–**	(1)
Closing balance	**2,397**	2,397	**8,056**	5,351	**182,206**	162,963	**1,381**	720

$ '000	Water supply network 2024	Water supply network 2023	Sewerage network 2024	Sewerage network 2023	Total 2024	Total 2023
Opening balance	**17,699**	16,555	**5,059**	4,834	**194,189**	170,590
Transfers from/(to) another asset class	**–**	–	**–**	–	**–**	1,077
Purchases (GBV)	**47**	504	**–**	–	**16,397**	17,692
Disposals (WDV)	**–**	–	**–**	–	**(328)**	–
Depreciation and impairment	**(220)**	(591)	**(84)**	(138)	**(4,842)**	(4,445)
Asset Revaluation	**886**	1,231	**252**	362	**12,264**	9,273
Rounding	**3**	–	**(1)**	1	**1**	2
Closing balance	**18,415**	17,699	**5,226**	5,059	**217,681**	**194,189**

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 8.5% of salaries for year ending 30 June 2024 (increasing to 9.0% 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 $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 2023. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

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

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

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

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding 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.

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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 2024 was $20,799.58. The last valuation of the Scheme was performed by Richard Boyfield FIAA on 30 June 2023, and covers the period ended 30 June 2024.

The amount of additional contributions included in the total employer contribution advised above is $6.760.53. Council's expected contribution to the plan for the next annual reporting period is $8,860.89.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2024 is:

Employer reserves only *	$millions	Asset Coverage
Assets	2,237.5	
Past Service Liabilities	2,141.9	104.5%
Vested Benefits	2,159.8	103.6%

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

The share of any funding surplus or deficit that can be attributed to Council is 0.07%.

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

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

Investment return	6.0% per annum
Salary inflation *	3.5% per annum
Increase in CPI	3.5% per annum for FY 23/24 2.5% per annum thereafter

* Plus promotional increases

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

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

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

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E3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

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

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

(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) 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	2024	2023
Compensation:		
Short-term benefits	**504**	572
Post-employment benefits	**42**	57
Other long-term benefits	**17**	5
Total	**563**	634

F1-2 Councillor and Mayoral fees and associated expenses

$ '000	2024	2023
The aggregate amount of Administrator fees and associated expenses included in materials and services expenses in the Income Statement are:		
Administrator fee	**135**	135
Other Administrator expenses	**31**	30
Total	**166**	165

F2 Other relationships

F2-1 Audit fees

$ '000	2024	2023
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	**86**	53
Total Auditor-General remuneration	**86**	53
Total audit fees	**86**	53

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of Operating Result

$ '000	2024	2023
Net operating result from Income Statement	**14,030**	25,328
Add / (less) non-cash items:		
Depreciation and amortisation	**6,657**	5,951
(Gain) / loss on disposal of assets	**376**	–
Unwinding of discount rates on reinstatement provisions	**(21)**	(24)
Share of net (profits)/losses of associates/joint ventures using the equity method	**61**	65
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	**2,276**	(12,105)
Increase / (decrease) in provision for impairment of receivables	**(97)**	73
(Increase) / decrease of inventories	**(114)**	(259)
Increase / (decrease) in payables	**(944)**	1,485
Increase / (decrease) in accrued interest payable	**1**	–
Increase / (decrease) in other accrued expenses payable	**(23)**	(49)
Increase / (decrease) in other liabilities	**52**	37
Increase / (decrease) in contract liabilities	**1,064**	1,092
Increase / (decrease) in employee benefit provision	**(188)**	142
Net cash flows from operating activities	**23,130**	21,736

G2-1 Commitments

Capital commitments (exclusive of GST)

During the financial year ended 30 June 2024, Council entered into contracts for the construction of water treatment plants at White Cliffs and Ivanhoe. The remaining capital commitment for these plants is: $5,289,641.

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant events that would affect the financial results, financial position, or disclosures in these financial statements.

G4 Statement of performance measures

G4-1 Statement of performance measures – consolidated results

$ '000	Amounts 2024	Indicator 2024	Indicator 2023	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2]	**276**	**0.73%**	14.95%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions [1]	**37,907**			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions [1]	**10,403**	**19.97%**	23.18%	> 60.00%
Total continuing operating revenue [1]	**52,098**			
3. Unrestricted current ratio				
Current assets less all external restrictions	**13,816**	**3.12x**	2.94x	> 1.50x
Current liabilities less specific purpose liabilities	**4,429**			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation [1]	**6,956**	**23.66x**	43.53x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	**294**			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	**263**	**9.03%**	12.12%	< 10.00%
Rates and annual charges collectable	**2,912**			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	**14,734**	**4.80 months**	4.89 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	**3,067**			

(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] 2024	General Indicators [3] 2023	Water Indicators 2024	Water Indicators 2023	Sewer Indicators 2024	Sewer Indicators 2023	Benchmark
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2] / Total continuing operating revenue excluding capital grants and contributions [1]	**1.40%**	16.82%	**(21.01)%**	(31.47)%	**(1.36)%**	0.29%	> 0.00%
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions [1] / Total continuing operating revenue [1]	**20.18%**	21.58%	**14.70%**	48.89%	**100.00%**	100.00%	> 60.00%
3. Unrestricted current ratio							
Current assets less all external restrictions / Current liabilities less specific purpose liabilities	**3.12x**	2.89x	**0.20x**	0.69x	**1.33x**	(0.05)x	> 1.50x
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation [1] / Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	**23.41x**	42.16x	**∞**	∞	**∞**	∞	> 2.00x
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding / Rates and annual charges collectable	**12.37%**	25.78%	**12.69%**	(63.33)%	**(25.91)%**	(54.86)%	< 10.00%
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits / Monthly payments from cash flow of operating and financing activities	**3.50 months**	4.48 months	**24.74 months**	0.00	**57.11 months**	82.69 months	> 3.00 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.gv.au
Email: council@centraldrling.nsw.gv.au

Officers

General Manager
Gregory Hill

Acting Responsible Accounting Officer
Kevin Smith

Public Officer
Kevin Smith (Acting)

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 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Administrator is 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 Administrator's Responsibilities for the Financial Statements

The Administrator is 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 Administrator 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 Administrator is 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:

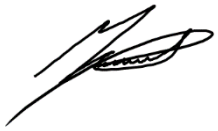
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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

Director, Financial Audit
Delegate of the Auditor-General for New South Wales

31 October 2024
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: R008-2124742775-8770

31 October 2024

Dear Administrator

Report on the Conduct of the Audit

for the year ended 30 June 2024

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 2024 as required by section 415 of the *Local Government Act 1993* (the Act).

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

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

INCOME STATEMENT

Operating result

	2024 $m	2023 $m	Variance %
Rates and annual charges revenue	2.5	2.4	4.2
Grants and contributions revenue	41.7	44.0	5.2
Operating result from continuing operations	14.0	25.3	44.7
Net operating result before capital grants and contributions	(0.2)	5.6	103.6

Rates and annual charges revenue ($2.5 million) increased by $0.1 million (4.2 per cent) in 2023–2024.

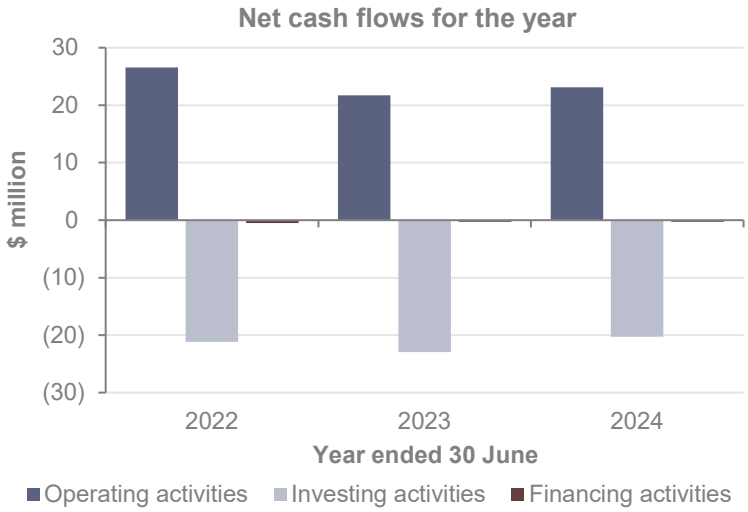
Grants and contributions revenue ($41.7 million) decreased by $2.3 million (5.2 per cent) in 2023–2024. This was mainly due to receiving 85 per cent of the financial assistance grants for 2024-25 in advance compared 100 per cent received in 2022-23.

Council's operating result from continuing operations ($14.0 million including the effect of depreciation and amortisation expense of $6.7 million) was $11.3 million lower than the 2022–23 result. This was mainly due to reduced revenue for works on state roads and increased expenditure on road repairs and maintenance.

The net operating result before capital grants and contributions ($0.2 million deficit) was $5.8 million lower than the 2022–23 result.

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 $2.6 million to $14.7 million at the close of the year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2024	2023	Commentary
	$m	$m	
Total cash, cash equivalents and investments	**14.7**	**12.2**	Externally restricted balances comprise mainly of unspent grants and Domestic Waste Management Charges, and water and sewer funds.
Restricted cash and investments:			
• External restrictions	14.2	11.0	

PERFORMANCE

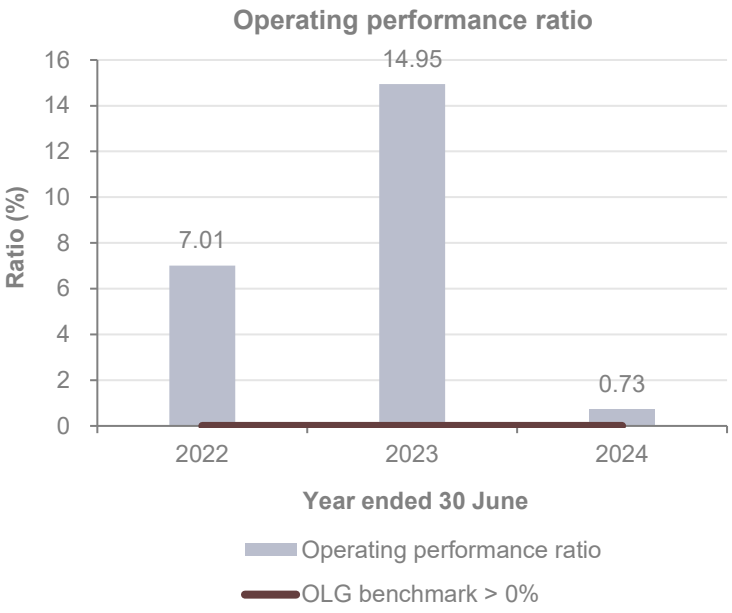
Performance measures

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

Operating performance ratio

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

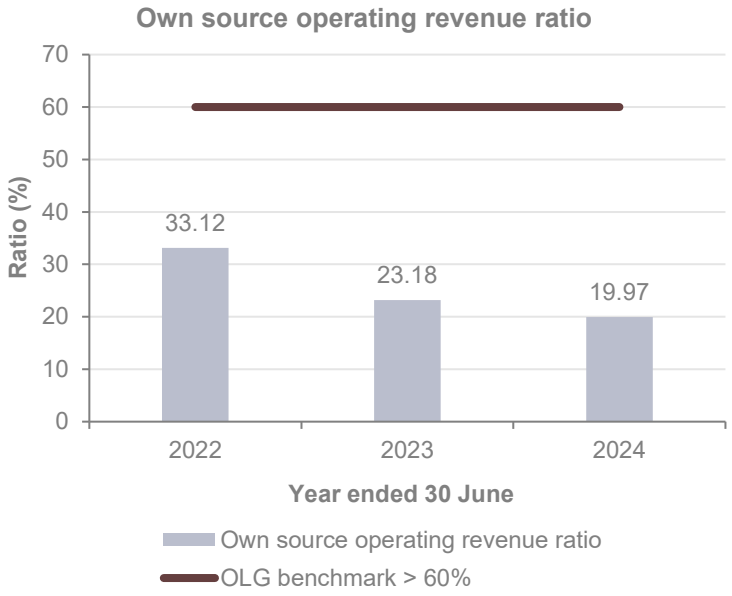
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

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

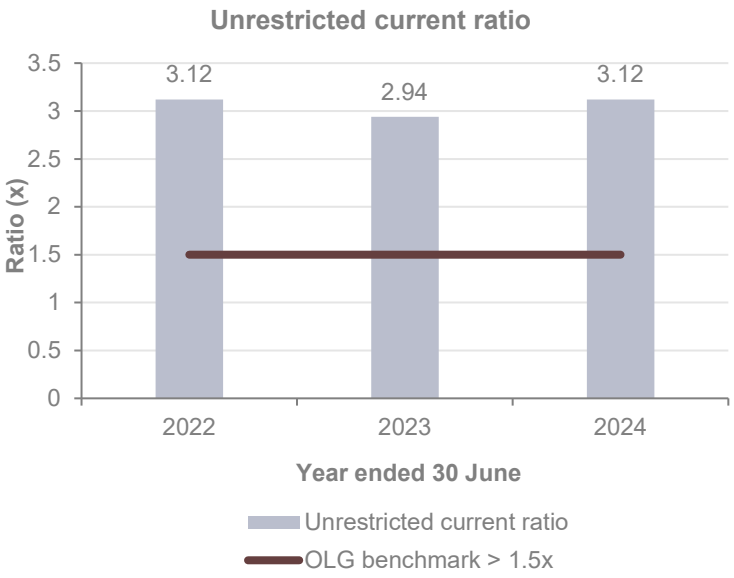
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

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

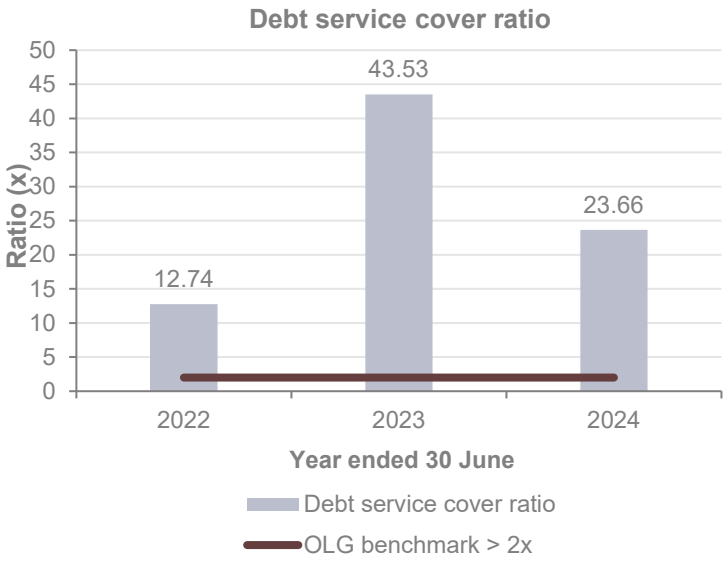
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

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

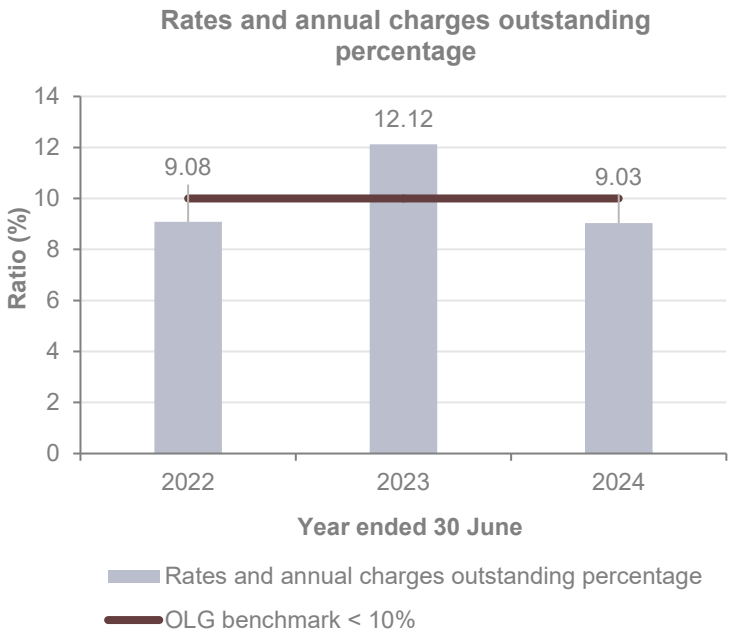
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

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

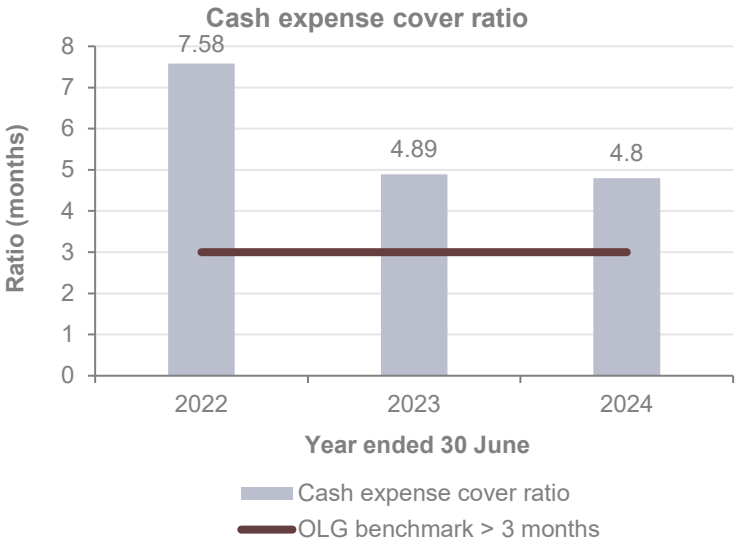
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional councils.



Cash expense cover ratio

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

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



Infrastructure, property, plant and equipment renewals

- Council's asset renewal additions for the year were $10.5 million compared to $8.6 million for the prior year
- The level of asset renewals during the year represented 157 percent of the total depreciation expense ($6.7 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.



Manuel Moncada
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Central Darling Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2024



Central Darling Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2024

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Income Statement of sewerage business activity 5

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Background

i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.

ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

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

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

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

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

Central Darling Shire Council

Special Purpose Financial Statements
for the year ended 30 June 2024

Statement by Councillors and Management

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

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

- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- Division of Local Government Guidelines, *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- The Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) *Regulatory and assurance framework for local water utilities, July 2022*

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

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

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

Signed in accordance with a resolution of Council made on 23 September 2024.

Robert Stewart
Administrator
23 September 2024

Gregory Hill
General Manager
23 September 2024

Kevin Smith
Acting Responsible Accounting Officer
23 September 2024

Central Darling Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2024

$ '000	2024	2023
Income from continuing operations		
Access charges	**625**	670
User charges	**289**	389
Fees	**3**	3
Interest and investment income	**37**	26
Other income	**136**	59
Total income from continuing operations	**1,090**	1,147
Expenses from continuing operations		
Employee benefits and on-costs	**16**	18
Materials and services	**899**	777
Depreciation, amortisation and impairment	**223**	591
Other expenses	**181**	122
Total expenses from continuing operations	**1,319**	1,508
Surplus (deficit) from continuing operations before capital amounts	**(229)**	(361)
Grants and contributions provided for capital purposes	**6,326**	1,199
Surplus (deficit) from continuing operations after capital amounts	**6,097**	838
Surplus (deficit) from all operations before tax	**6,097**	838
Surplus (deficit) after tax	**6,097**	838
Plus accumulated surplus	**11,360**	10,522
Plus adjustments for amounts unpaid:		
Closing accumulated surplus	**17,457**	11,360
Return on capital %	**(0.8)%**	(1.6)%
Subsidy from Council	**1,445**	1,246
Calculation of dividend payable:		
Surplus (deficit) after tax	**6,097**	838
Less: capital grants and contributions (excluding developer contributions)	**(6,326)**	(1,199)
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 2024

$ '000	2024	2023
Income from continuing operations		
Access charges	**253**	278
User charges	**–**	5
Fees	**3**	2
Interest and investment income	**8**	6
Other income	**105**	58
Total income from continuing operations	**369**	349
Expenses from continuing operations		
Materials and services	**229**	124
Depreciation, amortisation and impairment	**84**	138
Other expenses	**61**	86
Total expenses from continuing operations	**374**	348
Surplus (deficit) from continuing operations before capital amounts	**(5)**	1
Surplus (deficit) from continuing operations after capital amounts	**(5)**	1
Surplus (deficit) from all operations before tax	**(5)**	1
Surplus (deficit) after tax	**(5)**	1
Plus accumulated surplus	**2,444**	2,443
Plus adjustments for amounts unpaid:		
Closing accumulated surplus	**2,439**	2,444
Return on capital %	**(0.1)%**	0.0%
Subsidy from Council	**232**	227
Calculation of dividend payable:		
Surplus (deficit) after tax	**(5)**	1
Surplus for dividend calculation purposes	**–**	1
Potential dividend calculated from surplus	**–**	1

Central Darling Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2024

$ '000	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	**2,719**	–
Receivables	**617**	1,072
Total current assets	**3,336**	1,072
Non-current assets		
Infrastructure, property, plant and equipment	**28,275**	22,005
Total non-current assets	**28,275**	22,005
Total assets	**31,611**	23,077
LIABILITIES		
Current liabilities		
Contract liabilities	**2,703**	1,449
Bank overdraft	**–**	85
Payables	**408**	28
Total current liabilities	**3,111**	1,562
Total liabilities	**3,111**	1,562
Net assets	**28,500**	21,515
EQUITY		
Accumulated surplus	**17,457**	11,360
Revaluation reserves	**11,043**	10,155
Total equity	**28,500**	21,515

Central Darling Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2024

$ '000	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	**1,780**	1,447
Receivables	**64**	52
Total current assets	**1,844**	1,499
Non-current assets		
Infrastructure, property, plant and equipment	**5,278**	5,667
Total non-current assets	**5,278**	5,667
Total assets	**7,122**	7,166
LIABILITIES		
Current liabilities		
Payables	**48**	339
Total current liabilities	**48**	339
Total liabilities	**48**	339
Net assets	**7,074**	6,827
EQUITY		
Accumulated surplus	**2,439**	2,444
Revaluation reserves	**4,635**	4,383
Total equity	**7,074**	6,827

Note – Material accounting policy information

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

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

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

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

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1
(where gross operating turnover is over $2 million)

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 Finanncial 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):

continued on next page ...

Note – Material accounting policy information (continued)

Notional rate applied (%)

Corporate income tax rate – **25% (22/23 25%)**

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

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

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

The payment of taxation equivalent charges, referred to in the regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

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

Income tax

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

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

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25% (22/23 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:

continued on next page ...

Note – Material accounting policy information (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 4.30% at 30/6/24.

(iii) Dividends

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

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

Each dividend must be calculated and approved in accordance with the DCCEEW's regulatory and assurnace framework and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2024 multiplied by $30 (less the payment for tax equivalent charges, not exceeding $3 per assessment).

In accordance with the DCCEEW's regulatory and assurance framework a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the DCCEEW.

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 Councillor's and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2024, the Statement of Financial Position of each Declared Business Activity as at 30 June 2024 and the Material accounting policy information note.

The Declared Business Activities of the Council are:

- Water Supply
- Sewerage

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

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Administrator is 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 Administrator' Responsibilities for the Financial Statements

The Administrator is responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Material accounting policy information note to the financial statements, are appropriate to meet the requirements in the LG Code. The Administrator's responsibility also includes such internal control as the Administrator determines 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 Administrator is 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:

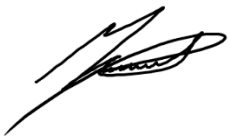
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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

Director, Financial Audit
Delegate of the Auditor-General for New South Wales

31 October 2024
SYDNEY

Central Darling Shire Council

SPECIAL SCHEDULES

for the year ended 30 June 2024



Central Darling Shire Council

Special Schedules

for the year ended 30 June 2024

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Central Darling Shire Council

Permissible income for general rates

$ '000	Notes	Calculation 2023/24	**Calculation 2024/25**
Notional general income calculation [1]			
Last year notional general income yield	a	885	**912**
Plus or minus adjustments [2]	b	–	**(3)**
Notional general income	c = a + b	**885**	**909**
Permissible income calculation			
Percentage increase	d	3.70%	**4.50%**
Plus percentage increase amount [3]	f = d x (c + e)	33	**41**
Sub-total	g = (c + e + f)	**918**	**950**
Plus (or minus) last year's carry forward total	h	(2)	**4**
Sub-total	j = (h + i)	**(2)**	**4**
Total permissible income	k = g + j	916	**954**
Less notional general income yield	l	912	**941**
Catch-up or (excess) result	m = k – l	4	**13**
Carry forward to next year [4]	p = m + n + o	4	**13**

Notes

(1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.

(2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW).*

(3) The 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).

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

INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

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 2025.

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

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Administrator's Responsibilities for the Schedule

The Administrator is responsible for the preparation of the Schedule in accordance with the LG Code. The Administrator's responsibility also includes such internal control as the Administrator determines 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 Administrator is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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



Manuel Moncada

Director, Financial Audit
Delegate of the Auditor-General for New South Wales

31 October 2024
SYDNEY

Central Darling Shire Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard $ '000	Estimated cost to bring to the agreed level of service set by Council $ '000	2023/24 Required maintenance [a] $ '000	2023/24 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	2,000	–	–	–	15,660	43,784	5.0%	65.0%	25.0%	5.0%	0.0%
	Buildings – non-specialised	450	–	66	230	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Buildings – specialised	100	–	15	24	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Community Services	1,200	–	80	154	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Council Housing	2,000	–	105	107	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Water	400	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Economic Activity	750	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Transport	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Amenitites / Toilets	80	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	**6,980**	**–**	**266**	**515**	**15,660**	**43,784**	**5.0%**	**65.0%**	**25.0%**	**5.0%**	**0.0%**
Other structures	Other structures	–	–	95	244	8,056	16,578	25.0%	10.0%	65.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	**–**	**–**	**95**	**244**	**8,056**	**16,578**	**25.0%**	**10.0%**	**65.0%**	**0.0%**	**0.0%**
Roads	Roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads	2,200	–	3,128	2,053	86,414	113,657	22.0%	50.0%	15.0%	13.0%	0.0%
	Unsealed roads	12,000	–	5,000	13,011	65,281	70,192	8.0%	45.0%	20.0%	20.0%	7.0%
	Bridges	350	–	–	–	15,865	24,166	0.0%	100.0%	0.0%	0.0%	0.0%
	Footpaths	650	–	157	78	1,146	2,225	0.0%	25.0%	50.0%	25.0%	0.0%
	Other road assets	–	–	–	–	–	–	50.0%	0.0%	40.0%	10.0%	0.0%
	Bulk earthworks	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	68	53	2,645	5,824	0.0%	50.0%	40.0%	10.0%	0.0%
	Kerb and Gutter	350	–	–	–	2,682	4,312	5.0%	60.0%	20.0%	15.0%	0.0%
	Aerodromes	300	–	240	183	8,173	14,147	75.0%	25.0%	0.0%	0.0%	0.0%
	Other road assets (incl. bulk earth works)	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	**15,850**	**–**	**8,593**	**15,378**	**182,206**	**234,523**	**17.7%**	**52.1%**	**15.1%**	**13.0%**	**2.1%**
	Water supply network	3,500	–	58	104	5,941	24,149	0.0%	0.0%	25.0%	50.0%	25.0%
	Other	–	–	56	119	956	1,531	95.0%	5.0%	0.0%	0.0%	0.0%
	Treatment Plants	6,000	–	150	323	729	3,996	0.0%	0.0%	0.0%	50.0%	50.0%
	Bores	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%

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Central Darling Shire Council

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

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard $ '000	Estimated cost to bring to the agreed level of service set by Council $ '000	2023/24 Required maintenance [a] $ '000	2023/24 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
Water supply network	Weirs, Storage Tanks, Dams	8,400	–	68	178	9,968	17,537	0.0%	0.0%	0.0%	5.0%	95.0%
Water supply network	Pump Station	650	–	4	10	821	2,515	0.0%	0.0%	0.0%	100.0%	0.0%
	Sub-total	**18,550**	**–**	**336**	**734**	**18,415**	**49,728**	**2.9%**	**0.2%**	**12.1%**	**35.1%**	**49.7%**
Sewerage network	Sewerage network	500	–	47	74	1,379	2,373	0.0%	0.0%	0.0%	100.0%	0.0%
	Other	200	–	63	99	350	616	0.0%	0.0%	0.0%	100.0%	0.0%
	Pumping Station	680	–	25	54	857	1,088	0.0%	0.0%	0.0%	100.0%	0.0%
	Treatment Plants	180	–	10	1	2,640	3,603	0.0%	0.0%	0.0%	100.0%	0.0%
	Sub-total	**1,560**	**–**	**145**	**228**	**5,226**	**7,680**	**0.0%**	**0.0%**	**0.0%**	**100.0%**	**0.0%**
Stormwater drainage	Stormwater drainage	150	–	150	310	1,381	3,978	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	**150**	**–**	**150**	**310**	**1,381**	**3,978**	**0.0%**	**0.0%**	**50.0%**	**50.0%**	**0.0%**
Open space / recreational assets	Swimming pools	680	–	260	485	413	1,536	0.0%	35.0%	0.0%	0.0%	65.0%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Recreation	380	–	76	170	–	–	0.0%	0.0%	50.0%	0.0%	0.0%
	Sub-total	**1,060**	**–**	**336**	**655**	**413**	**1,536**	**0.0%**	**35.0%**	**0.0%**	**0.0%**	**65.0%**
	Total – all assets	**44,150**	**–**	**9,921**	**18,064**	**231,357**	**357,807**	**13.8%**	**42.7%**	**18.2%**	**16.7%**	**8.6%**

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

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Central Darling Shire Council

Report on infrastructure assets as at 30 June 2024 (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 2024

Infrastructure asset performance indicators (consolidated) *

$ '000	Amounts 2024	Indicator 2024	Indicator 2023	Benchmark
Buildings and infrastructure renewals ratio				
Asset renewals [1]	10,472	172.83%	159.01%	> 100.00%
Depreciation, amortisation and impairment	6,059			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	44,150	18.03%	19.32%	< 2.00%
Net carrying amount of infrastructure assets	244,846			
Asset maintenance ratio				
Actual asset maintenance	18,064	182.08%	188.33%	> 100.00%
Required asset maintenance	9,921			
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	357,807			

(*) 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 2024

Infrastructure asset performance indicators (by fund)

$ '000	General fund 2024	General fund 2023	Water fund 2024	Water fund 2023	Sewer fund 2024	Sewer fund 2023	Benchmark
Buildings and infrastructure renewals ratio							
Asset renewals [1] / Depreciation, amortisation and impairment	**181.96%**	183.73%	**0.00%**	0.00%	**0.00%**	0.00%	> 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard / Net carrying amount of infrastructure assets	**11.38%**	11.77%	**65.67%**	81.18%	**29.56%**	25.76%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance / Required asset maintenance	**181.17%**	197.66%	**218.45%**	116.06%	**157.24%**	135.16%	> 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.