

COONAMBLE SHIRE COUNCIL ANNUAL REPORT 2022-2023



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Table of Contents

Section 1.0 Welcome

Acknowledgement of Country	4
Mayor's Message	4
Contact us	8

Section 2.0 Introduction

The Annual Report	10
Highlights	11
Financial summary	14

Section 3.0 Coonamble LGA

Overview Coonamble LGA	
Vision	15
Coonamble LGA profile and map	16
Governance	
Councillors	18
Governance framework and reporting	19
Organisational structure and workforce	22

Section 4.0 Progress Update Report

Community Strategic Plan progress update	24
Delivery Program and Operational Plan progress update	24

Section 5.0 Statutory disclosures

Local Government (General) Regulations 2005	25
Other Statutory Information reporting requirements	32

Appendices

Appendix A: Delivery Program 2022-2023 Progress Update Report	
Appendix B: Financial Statements 2022-2023	

1.0 Welcome

Acknowledgment of Country

Council acknowledges the Gamilaraay and Wailwan people as the traditional owners and custodians of the land on which it operates, respecting Elders past, present and emerging. Council seeks at all time to show respect to all people and cultures whose privilege it has to serve.

Mayor's Message

I am pleased to present this report as Mayor for the 2022-23 Financial Year, showcasing Council's achievements during the 12 months and confident that we will deliver many more projects of our Delivery Program in the year ahead.

The extreme weather that our Local Government Area (LGA) has experienced over past years has resulted in significant damage to our road network. Additional funding was announced, and I congratulate the Infrastructure Department for the work carried out to repair both the sealed and unsealed road system within our Local Government Area. Staff have been doing everything possible to keep the road network adequately maintained and serviceable, which has been a huge concern and affects the whole community.

Coonamble Shire was blessed by significant grant funding allocations during the year, including:

- A Regional Tourism Infrastructure Fund grant of \$5.5 million to construct the Coonamble Artesian Bathing Experience.
- A Female Friendly Community Sport Facilities Upgrade Program grant of \$491,850 to upgrade the facilities at the Coonamble Sportsground.
- A Stronger Country Communities Fund grant, totaling \$991,763, to build new amenities at the Gulargambone Sportsground, to create artwork for a Coonamble Regional Art Trail and for upgrades at the Wanderers Tennis Club in Coonamble. Coonamble Evening CWA and the Anglican Church received grants under the same program to upgrade their facilities in Coonamble.
- A grant of \$2.91 million was secured under the Regional Youth Investment Program to construct two crisis accommodation units in Gulargambone and two crisis accommodation units in Coonamble, as well as to deliver a Youth Empowerment Program.
- The State Government allocated \$24 million to upgrade the 96km of rail line between Coonamble and Gilgandra to allow it to carry a 25 Tonne Axle Load, equal to the capacity of the proposed Inland Rail line. This will allow the direct movement of carriages between the two lines.

The need to bring more people into the main street of Coonamble prompted Council to begin investigations into the purchase of the non-operational *Sons of the Soil Hotel* as the site for an anchor development. Consultation with the community showed strong support for the development of a supermarket in the main street to achieve the purpose of increasing its vitality.

A grant of \$327,083, from the Stronger Country Communities Fund (Round 4) allowed Council to build a 2.5m-wide walking loop of about 930m around the boundary of the Coonamble Sportsground. It has been wonderful to see people actively using this path for exercise. Meanwhile, the canteen at the sportsground was also refurbished with funding from the Federal Government's Drought Communities Program.

In December 2022 Council appointed a new General Manger, Paul Gallagher. Paul has a background in Infrastructure and came to us from Uralla Shire Council. In the time that Paul has been with Coonamble Shire Council, he has introduced new vitality into both operations and project work of the Council.

Council continues to provide opportunities for community groups and not-for-profit organisations to apply for funding from its Donations Vote under four separate rounds annually. During this reporting period \$84,318 was allocated to local recipients to provide benefits to their individual organisations and the wider community.

Children benefited from State Government grant funding under the Holiday Break program. This supported many diverse activities, delivered during each of the school holidays by local service providers, businesses and Council.

Our seniors were not forgotten either, with participants at the annual Seniors Week Luncheon packing the Coonamble Bowling Club auditorium. This too was supported by Council and a small grant from the NSW Government's Department of Communities and Justice.

Our youth and their families had a wonderful day at Warrena Weir Reserve for the *Warrena Youth and Family Fest* in April 2023. This was jointly funded by Council and the NSW Government's Department of Communities and Justice.

The delivery of a number of activities, funded through a \$119,826 grant under the Reconnecting Regional NSW Community Events Program, brought families together at Gulargambone Pool in December 2022 for an end of year celebration, while in Coonamble, the *Winter Fest Out West* event created a magical experience for children and their families at the Coonamble Sportsground, with a bus bringing children from Gulargambone to experience 'ice' skating.

I offer congratulations and thanks to my fellow Councillors and to Council staff for their efforts in getting on with the job. Both indoor and outdoor employees are the backbone of our organisation and, without their co-operation, Council would not be scoring goals.

I am confident in our ability to achieve and deliver worthwhile projects to our community next year.

Tim Horan
Mayor



General Manager's Message

I begin by thanking the community and staff for welcoming me back to the Coonamble community and the support that has been provided to me.

It is my pleasure to present the 2022-2023 annual report, in doing so I wish to acknowledge past General Manager Hein Basson (July - March) and Acting General Managers Bruce Quarmby (April - July) and Ross Earl (August - December) as the custodians of council operations prior to my appointment to Council in February 2023.

Over this 12-month period there has been significant change to Council operations, the executive team has changed with a number of key managers and two Directors leaving Council to enhance their career within Local Government which has had an effect on Council's ability to deliver the full services across Council. The latter half of 2022-23 has been a case of rebuilding Council staff and recruiting to provide the resources required to deliver the day-to-day operations of Council as well as building moral back within the workforce with recruitment continuing through to the next financial year.

It is pleasing to report that Council is in good financial position, having come through COVID-19, and more recently the natural disasters which have impacted the ability to deliver its services. With a small rate-payer base, there will always be the ongoing challenge to ensure that not only our infrastructure is adequately maintained, but also improved to meet the emerging needs of our community.

The heavy rainfall and flooding placed significant strain on our infrastructure and assets, in particular our road network. However, Council has been fortunate to receive substantial natural disaster funding and, coupled with Council's own funding, has been able to commence the restoration of our rural road network.

Council has focused on several areas:

- Consolidation of its strategic direction through the Local Strategic Planning Statement (2020), Economic Development Strategy (2021) and Coonamble Shire Masterplan (2020). Consistent with these plans, Council has been investigating the opportunities for the main street development. Council is exploring the purchase of the Sons of The Soil Hotel, including the future community benefit, market benefit and economic benefit but most importantly community and social benefits to our Shire.

Initially Council's resolution was to relocate the library and Service NSW Agency to the site, however, it quickly became apparent the community preferred a supermarket. To ensure that due diligence is followed, Council will continue to explore all opportunities for the development of the main street and will commission a consultant in 2023-24 to undertake a detailed Redevelopment Business Case, Commercial Redevelopment Feasibility Assessment and Financial Modelling.

- Filling Council vacant positions has been challenging due to both short-term and long-term skill shortages across NSW and particularly in our Local Government Area. Council has begun to investigate and foster opportunities to grow from within our community.
- The Annual Staff Performance Appraisals are a critical component in Coonamble Shire Council's journey to an outcomes-based organisation, delivering excellent customer service through high performing teams and empowered leaders. The Appraisals address both positive and negative



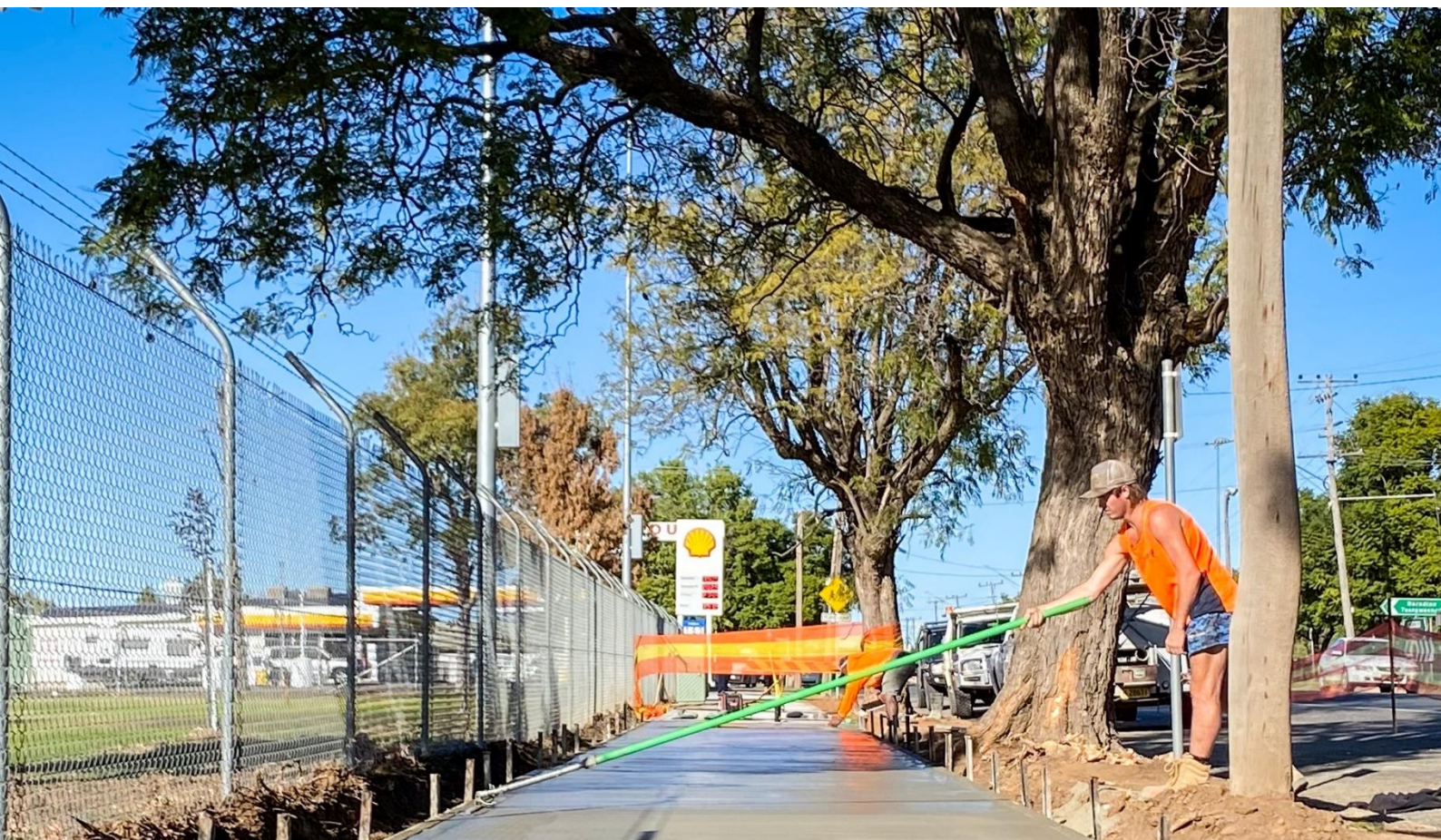
aspects of Council's operations as well as individual staff. This information is invaluable in the transformation of the Council. A staff survey is planned to seek feedback on the appraisal process as well as establish a benchmark for Council's values, behaviors, leadership, management, and performance going forward.

- While still a work in progress, Council has begun to implement processes and systems to address customer satisfaction with the level of co-operation, attentiveness and service offered by Council in its dealings with our community. We will continue to seek stakeholder feedback that identifies general levels of satisfaction with both the range and levels of services offered and the strategic focus of the Council. We acknowledge that there are areas that have been identified that require further improvement.
- Council has begun to enhance its relationship with Federal and State Governments and their agencies to achieve the best outcomes for the community. As a work in progress a number of hearings with Ministers is planned for the 2023-2024 year ahead, with a view of taking solutions and not just asking for a handout. Council's local and regional issues have now been acknowledged and considered by Government personnel and Government in power.

Council has begun the strategic planning to seek out opportunities for the economic growth of the Shire. Through this process it has identified that without housing it is hard to attract economic development, work opportunities for our community and attract staff to the area. The Council has made preliminary investigations and called on the community to come forward with land that maybe able to be acquired for development of residential subdivision, Further work will be undertaken in 2023-24 for investigation into the construction of both social and low-income housing and potential partnerships with external stakeholders and government for funding opportunities.

Council has also begun the development of the workforce strategic planning for the short-term and longer-term skills shortage within our Local Government Area, in particular the needs required to deliver the day-to-day operations of the Council. Partnerships with external stakeholders and government for funding opportunities will be further investigated in 2023-24 to foster job creation opportunities within our shire and for our community, these may include areas within waste and plant operations.

Finally, I would like to sincerely thank our staff for the dedication to the work they do for the community, and the elected Councillors for their continued commitment to the community.



Contact us

Visit

Council's Administration Office and Chambers are located at 80 Castlereagh Street, Coonamble NSW 2829

Office Hours

Open Monday to Friday, 8:30am to 5:00pm

Contact

Phone: (02) 6827 1900

Email: council@coonambleshire.nsw.gov.au

Fax: (02) 6822 1626

Website: www.coonambleshire.nsw.gov.au

Write

If you wish to write to Council on any matter, kindly address the letter to:

The General Manager
Coonamble Shire council
PO Box 249
COONAMBLE NSW 2829

Meet with Staff

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

Other Council Contacts

<p>Library</p>	<p>Castlereagh Street, Coonamble Phone 6827 1925 Fax 6822 1057 Email: Coonamble.Library@coonambleshire.nsw.gov.au Facebook: Coonamble Shire Library</p>
<p>Information & Exhibition Centre</p>	<p>120 Castlereagh Street, Coonamble Phone 6827 1923 Facebook: Visit Coonamble</p>
<p>Service NSW Agency</p>	<p>84 Castlereagh Street, Coonamble Phone 6822 1487</p>
<p>Coonamble Museum Under the Bridge</p>	<p>Aberford Street Opening Hours: Wednesday & Friday 10.00am – 12.00pm Or by appointment Phone 68222873</p>
<p>Coonamble Swimming Pool</p>	<p>Aberford Street, Opening hours: Monday to Friday 6.00am – 9.00am and 2.00pm- 7.00pm Saturday to Sunday 6.00am - 7.00pm Phone 68221722</p>
<p>Gulargambone Swimming Pool</p>	<p>Munnell Street, Opening hours: Monday to Friday 6.00am – 9.00am and 1.00pm - 6.00pm Saturday to Sunday 1.00pm - 6.00pm Phone 68251124</p>

2.0 Introduction

The Annual Report

The purpose of the Annual Report is for Council to communicate to the community the progress made in 2022 - 2023 with the four-year Delivery Program and the one-year Operational Plan. These plans are wholly the responsibility for Council to deliver. The Annual Report details many of the mandatory and statutory reporting requirements and audited financial statements. An 'easy to read' income and expenditure financial summary is provided below.

The Annual Report is a critical component of Council's Integrated Planning and Reporting requirements. This includes a suite of strategic plans and documents for the Coonamble Shire and Council.

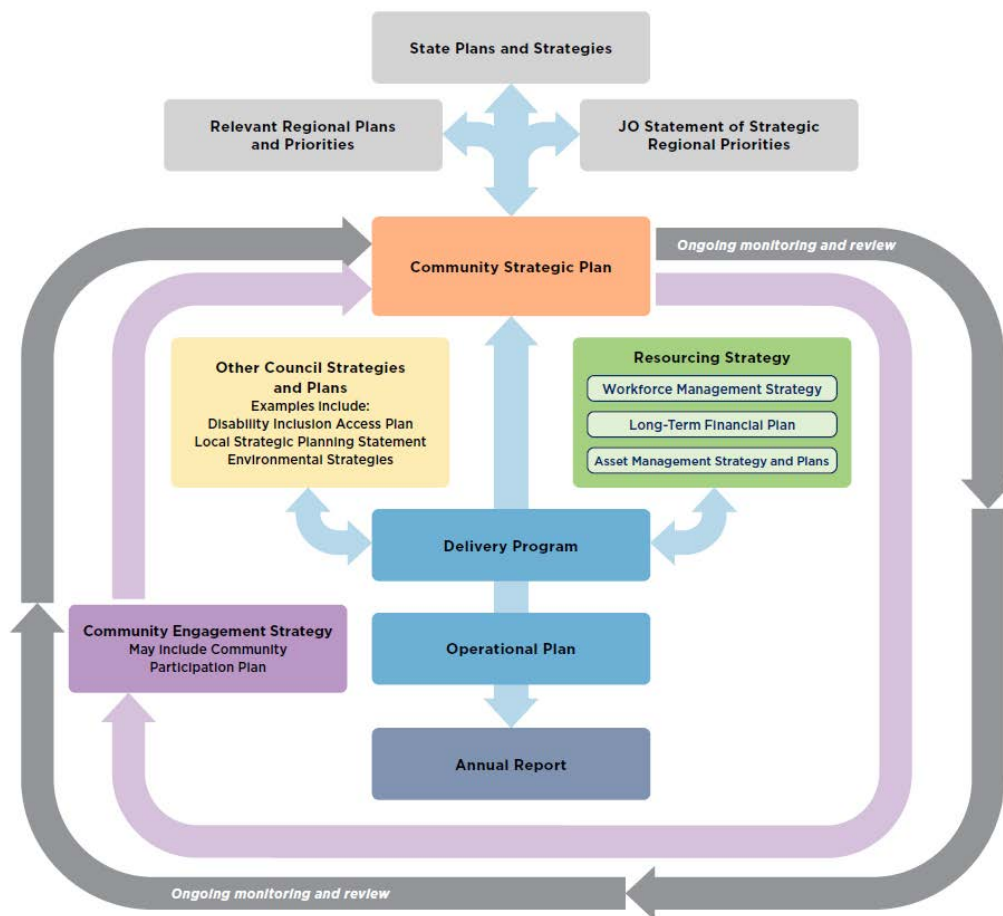


Diagram 1: Integrated Planning & Reporting Framework

Highlights

Projects and services delivered during 2022 – 2023, across the quadruple bottom line – economic, social, environmental and leadership, are outlined below. The detailed 2022 - 2023 Report on the Delivery Program and Operational Plan is provided below (Appendix A).

OUR PEOPLE

- To encourage greater participation of young women in sport, State Government grant funding of \$491,850 was secured under the Female Friendly Community Sport Facilities and Lighting Upgrades Program to upgrade the changerooms and amenities under the grandstand at the Coonamble Sportsground and to upgrade the toilet amenities in the canteen building. Meanwhile a grant of \$450,000 under the Stronger Country Communities Program was secured for the building of a dedicated women's changeroom facility to increase the opportunity for Coonamble to host regional round robin and knock out-type events involving a number of teams. Both projects were moved to design stage by the end of the reporting period.
- For the community of Gulargambone, funding of \$520,000 was secured under the Stronger Country Communities Fund to replace and upgrade the amenities at the Gulargambone Sportsground. This will be actioned in the next reporting period.
- Council coordinated a program of activities for several days of each week of each of the school holidays during the reporting period, collaborating with Interrelate, Mission Australia, REDI.E, BlackFit Fitness and Bokhara Dreaming to provide activities for children and youth. These activities were enhanced through funding secured under the State Government's Holiday Break Program.
- State Government funding of \$2.91 million was secured under the Regional Youth Investment Program to construct two crisis accommodation units in Gulargambone and two crisis accommodation units in Coonamble, as well as to deliver a Youth Empowerment Program. During this reporting period, the sites for the crisis accommodation units was being reviewed and the parameters of the Youth Empowerment Program drawn up.
- Local community leadership was honoured and promoted through the Australia Day gatherings in Coonamble and Gulargambone communities, with awards given in a number of categories, both individual, organisational and event-based.
- Facebook and the *Weekly Connect* half-page, paid editorial section in *The Coonamble Times* continue as the main means of communicating with residents and ratepayers. Face-to-face participation in meetings of the Chamber of Commerce, Coonamble Interagency and Domestic Violence Collective was also maintained.
- As a community that enjoys recreational walking, Council constructed a 930m walking loop around the Coonamble Sportsground – a deliverable of the Coonamble Shire Masterplan.



Library services

Service	Loans	New M/ships	Wi-Fi (ppl)	Internet (pp)	Internet (hrs.)	Children's Computers	Junior Visits	Adult Visits
Coonamble	5523	82	519	793	20581.6	655	998	1072
Gulargambone	431	9						

Visits and enquiries by type

Library Visits	Reference Enquiries	Technology Enquiries	Local History	VIC Enquiries
5276	77	565	265	76

Activity Statistics

Senior Craft	Pre-School Visits	Housebound	Meetings	Movies	Other
197	229	42	91	96	81

OUR ECONOMY

- State Government grant funding of \$5.5 million was secured for the development of the Coonamble Artesian Bathing Experience on the yet-to-be-acquired Crown Land site that neighbours the Coonamble Jockey Club. Resolution of a Native Title claim on the site stimulated Council to consider several alternative sites. This is the anchor project in building a tourism industry to diversify the local economy.
- State Government grant funding of \$24 million was announced for an upgrade of the 96-kilometre Coonamble-Gilgandra rail line to enable it to carry the same Tonne Axle Load as the proposed Inland Rail project.
- During the year, State Government grant funding of \$489,312 was secured by a consortium of Councils – Coonamble, Gilgandra and Warrumbungle – from the Business Case and Strategy Development Fund, to prepare a series of business cases for regionally significant development. The consortium is preparing a *Real Country* tourism industry strategy, supported by business plans for infrastructure in the three Local Government Areas, to establish *Real Country* as a regional and interstate tourism destination.
- The *Real Country* branding video (promoting Coonamble, Gilgandra and Warrumbungle Shires) was utilised to promote the attractiveness of the Coonamble as a place to work. Statewide promotion of Coonamble was achieved through the Shire's being featured in the Winter Edition of *Regional Lifestyle Magazine* – a glossy, coffee table magazine. Sixty pages were dedicated to Coonamble Shire.
- The capacity to host additional campers for events in Coonamble was achieved by creating a primitive camping area on the Crown Land opposite the Coonamble Showground for use during the Rodeo and Campdraft in June 2023. The standard and number of motel facilities remained static. The business community's willingness to open businesses on Sundays of major weekend events also remained static.
- A one-off Professional Bull Riders' (PBR) event, *Bulls, Bands and Bikes After Dark*, was held at the Coonamble Showground in March 2023, attracting a significant regional audience and boosting spending in the local economy.

- Progression and completion of several Masterplan projects, including:
 - State Government grant funding of \$235,035 has been secured to increase the number of elements of public art throughout Coonamble Shire, in Gulargambone, Coonamble and Quambone as part of a Coonamble Region Art Trail. This contributes to the building of tourist-attracting infrastructure to boost the growth of a local tourism industry.
 - Council began negotiations to purchase the *Sons of the Soil Hotel* as the site of an anchor development to reinvigorate the CBD.

OUR INFRASTRUCTURE

- Preconstruction activities on the Tooraweenah Road project continued with additional environmental approvals sought and further survey and design undertaken. Culverts were delivered.
- Euronne Gully Culvert Upgrade on Quambone Road was completed.
- A 40km/h speed zone was implemented in the Coonamble CBD.
- Sections of rehabilitation work on Pilliga Road was completed.
- Work commenced on the Gulargambone and Box Ridge Roads under the LRCI Phase 3 program (rehabilitation, shoulder widening and reseals).
- Heavy patching was undertaken on Back Gular Road.
- Rehabilitation and reseals were completed on Gulargambone Road.
- A concrete causeway was constructed on Quabathoo Road.
- Heavy patching was completed on Carinda, Baradine, Pilliga and Warren Roads under the Regional Local Roads Repair Program (RLRRP).
- Heavy patching was undertaken on Warren Road, at the intersection with the Castlereagh Highway.
- Resheeting was completed on Wingadee and Carinda Roads.
- Significant emergency and restoration work was undertaken across Council's Regional and Local Road network.
- Water mains were replaced along Maule, Mendooran and Sydney Streets, Coonamble; Kirban, Muraiman and Munnell Streets, Gulargambone; and a ring main was constructed in Quambone.

OUR LEADERSHIP

- The significant human resource shortages of recent years have resulted in a challenging reduction in the workforce which has seen too few people doing too many jobs for too long. This workforce is now being re-established with the full complement not expected to be achieved until 2024.
- Vacancies in the Council executive during the year resulted in an inability to provide sustained strategic planning and vision for the organisation.
- Although 2022 – 2023 can be seen as a year of 'reactive' leadership, the staff at all levels are to be commended at the service continuity and project delivery.
- The journey to a values-based organisation has commenced, and this cultural change is expected to be delivered over the next three years.

Financial Summary

Coonamble Shire Council is in a strong financial position meeting or exceeding industry financial benchmarks. It is noted that one area where Council has consistently performed below the industry standard is the 'own source operating revenue ratio', which is the measure of the degree of Council's reliance on external funding sources, such as operating grants and contributions. Council continues to work on strategies to mitigate the reliance on operating grants and contributions by exploring new income generating activities.

A summary of our performance is provided below, while detailed financial information is included within the full financial statements.

INCOME FROM CONTINUING OPERATIONS	2022 / 2023 (\$ '000)
Rates and annual charges	7,076
User charges and fees	8,082
Other revenues	998
Grants and contributions provided for operating purposes	13,740
Grants and contributions provided for capital purposes	3,242
Interest and investment income	1,166
Other income	83
Net gain from the disposal of assets	133
Total income from continuing operations	34,520
EXPENSES FROM CONTINUING OPERATIONS	
Employee benefits and on-costs	8,144
Materials and services	10,866
Borrowing costs	28
Depreciation, amortisation and impairment of non-financial assets	6,760
Other expenses	1,038
Total expenses from continuing operations	26,836
Operating result from continuing operations	7,684
Net operating result for the year attributable to Council	7,684
Net operating result for the year before grants and contributions provided for capital purposes	4,442

3.0 Coonamble LGA

Community Vision

“We are a prosperous, safe and welcoming community where we connect with each other, with our culture and our sustainable environment.”

Community Strategic Plan 2022-2032

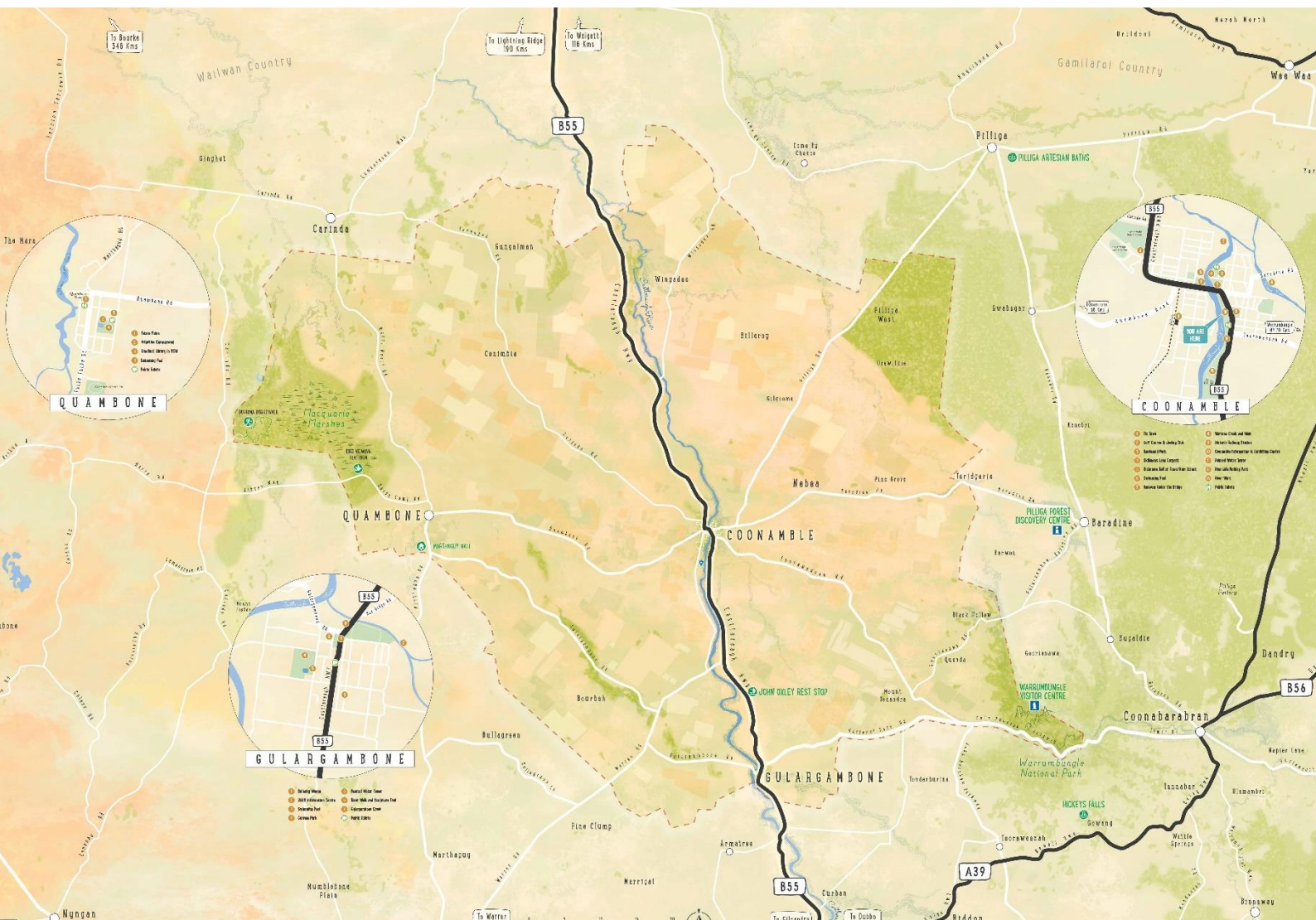
Coonamble Shire

Coonamble LGA has an area of 9,955 square kilometres and is located on the traditional lands of the Wailwan and Gamilaraay people. Coonamble Shire is part of the Orana Region of Central Northern NSW and is bounded by the Shires of Walgett to the north, Warrumbungle in the east, Gilgandra to the south and Warren in the west. Coonamble LGA encompasses the township of Coonamble and the villages of Gulargambone and Quambone.

Coonamble LGA has strong connection to its Aboriginal heritage and culture, with 33.9 percent (Census, 2021) of the community identifying as Aboriginal.

Agriculture is the dominant industry in the Shire with 26 percent (Census, 2021) of the local labour force employed in the agricultural sector. The community and families who make their livelihoods from the agriculture industry also contribute to the identity and feel of this vibrant and diverse community. Dryland broadacre crops, sheep and cattle are the dominant agriculture commodities produced.

Coonamble is situated on the Castlereagh River, which runs through the town, dividing east from west. Quambone is the gateway to the Macquarie Marshes, a rich ecological wetland and growing tourism hotspot. The Coonamble Shire has a diverse array of signature events, including: the annual Coonamble Rodeo and Campdraft, the largest event of its kind in the southern hemisphere; Pave The Way To Gular, a vibrant cultural and artistic event; the Coonamble Show; the Gulargambone Show; the Quambone Polo-crosse Carnival; and the bi-annual Coonamble Ag Field Day.



COONAMBLE SHIRE SOCIO-ECONOMIC PROFILE

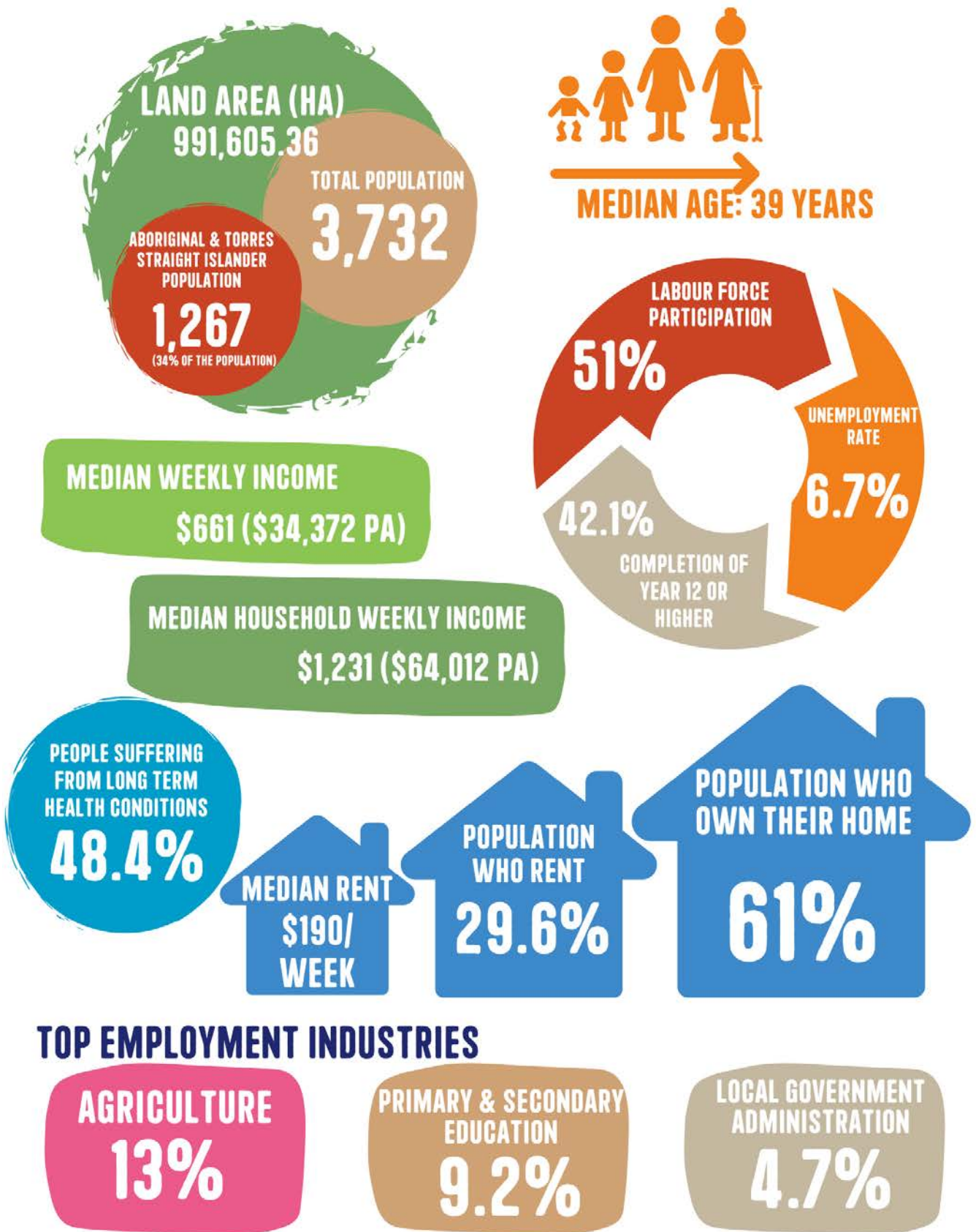


Diagram 2: Socio Economic Profile (Census 2021).

Governance

Councillors

Coonamble Shire has a total of nine elected Councillors, including the Mayor.



Mayor Tim Horan
Elected in December 2021



Cr Karen Churchill
Deputy Mayor

Elected to Council in
September 2016.



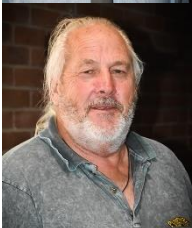
Cr Pat Cullen

Elected to Council in June
2019.



Cr Bill Fisher

Elected to Council in
September 2016.



Cr Terry Lees

Elected to Council in
December 2021.



Cr Adam Cohen

Elected to Council in
December 2021.



Cr Barbara Deans

Elected to Council in
June 2019.



Cr Al Karanouh

Elected to Council in 2008.



Cr Brian Sommerville

Elected to Council in
December 2021.

Council meetings

Ordinary meetings of Council are held on the second Wednesday of the month, excluding January. Members of the public are invited to attend. Council's March meeting was held at Gulargambone, and the July meeting was held in Quambone.

Correspondence to be considered by Council must be lodged at least 10 days prior to the meeting to be included on the agenda. Only matters classified as 'urgent businesses by the General Manager, received after that time, may be included.

Council delegates

The following Councillors were appointed as representatives to a number of external committees:

COMMITTEE	COUNCILLOR REPRESENTATIVE
Bush Fire Management Committee	Cr Karanouh
Local Emergency Management Committee	Cr Karanouh
Outback Arts	Cr Deans
Coonamble Together Partnership Group	Mayor Horan and Cr Cohen
North West Library Cooperative	Cr Churchill
Castlereagh Macquarie Weeds County Council	Cr Cullen and Cr Fisher
Coonamble and District Chamber of Commerce	Cr Sommerville
Quambone Resources Committee (S.355 Committee)	Cr Sommerville

Governance Framework and Reporting

Council operates in a complex and dynamic regulatory framework, which requires significant resources to be deployed for compliance and reporting.

The key documents related to Council decision-making and good governance are the Code of Conduct and Code of Meeting Practice.

Additionally, Council has a suite of Policies that establishes operational integrity and consistency.

Decision Making

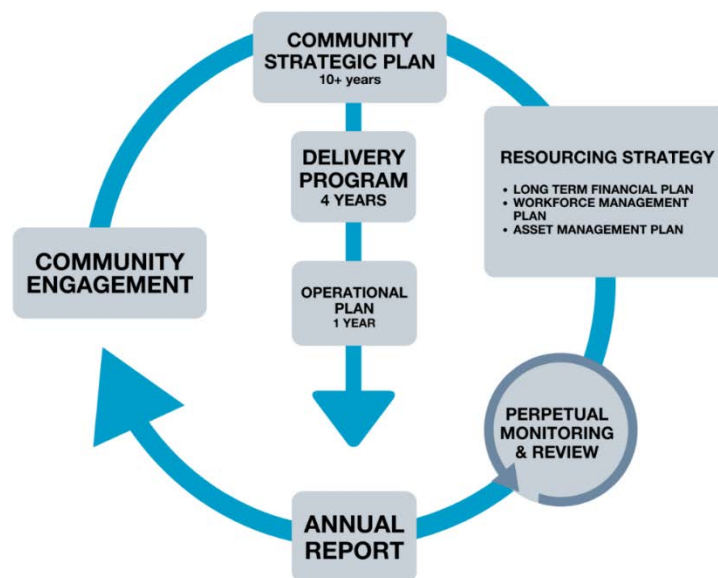
Nine elected Councillors make decisions on behalf of the community at Council meetings. The General Manager is responsible for ensuring implementation and delivery of Council's resolutions and day-to-day operational matters.

External Controls

Council's powers and functions are primarily established in the NSW *Local Government Act 1993*. A significant number of other Acts inform Council's activity, including compliance with Federal and State Government legislation, NSW Ombudsman, Division of Local Government, Independent Commission Against Corruption and SafeWork NSW.

Integrated Planning & Reporting Framework

The Office of Local Government established the Integrated Planning and Reporting (IPR) framework to help Councils improve community participation in decision making, reduce duplication, build networks and partnerships, and strengthen Council's strategic focus.



Community Strategic Plan 2022-2032

The 10-year Community Strategic Plan establishes the high-level community objectives across the areas of Social, Economic, Environment, Infrastructure and Leadership.

The community consultation process conducted every four years for the establishment of the Community Strategic Plan endeavours to capture services and projects sought by the community. These range across the full gambit of community needs. The delivery of some of these needs are within Council's realm of responsibility, while others can only be achieved through political representations to the State and Federal Government.

Actions in the Community Strategic Plan are prioritised and scheduled in the Delivery Program and the Operational Plan.

Delivery Program

Council's Delivery Program is the program of works and services that will be delivered by Council during the elected term. It is directly linked to the objectives and strategies within the Coonamble Shire Community Strategic Plan.

Resourcing Plans

The Delivery Program is underpinned by the Long-Term Financial Plan, Workforce Plan and the Asset Management Plan. These plans outline how Council will achieve the objectives of the Delivery Program in terms of money, people and physical assets.

Operational Plan

The Operational Plan identifies the specific actions and resourcing that will be undertaken to achieve the Delivery Program each year. The budget included in the Operational Plan determines works, services and projects to be completed during the year.

Organisational Structure and Workforce

Coonamble Shire Council

Staff are responsible for the delivery of key services and infrastructure for the benefit of our LGA. Council employs over 100 staff, across three directorates with the majority holding permanent full-time positions. Council is one of the largest employers in the Shire and offers a wide range of attractive benefits and a variety of employment opportunities. Working in Local Government and Council can be a rewarding career.

Council adopted a new organisational structure on 12 October 2022.



Executive Leadership

General Manager	Mr Bruce Quarmby (Acting to July 2022) Mr Ross Earl (Acting from August 2022 to February 2023) Mr Paul Gallagher (from February 2023)
Director Corporate Services	Mr Bruce Quarmby
Director Infrastructure Services	Mr Daniel Noble (to December 2022) Mrs Kerrie Murphy (from April 2023)
Executive Leader Environment, Strategic Planning and Community	Ms Noreen Vu (to July 2022)

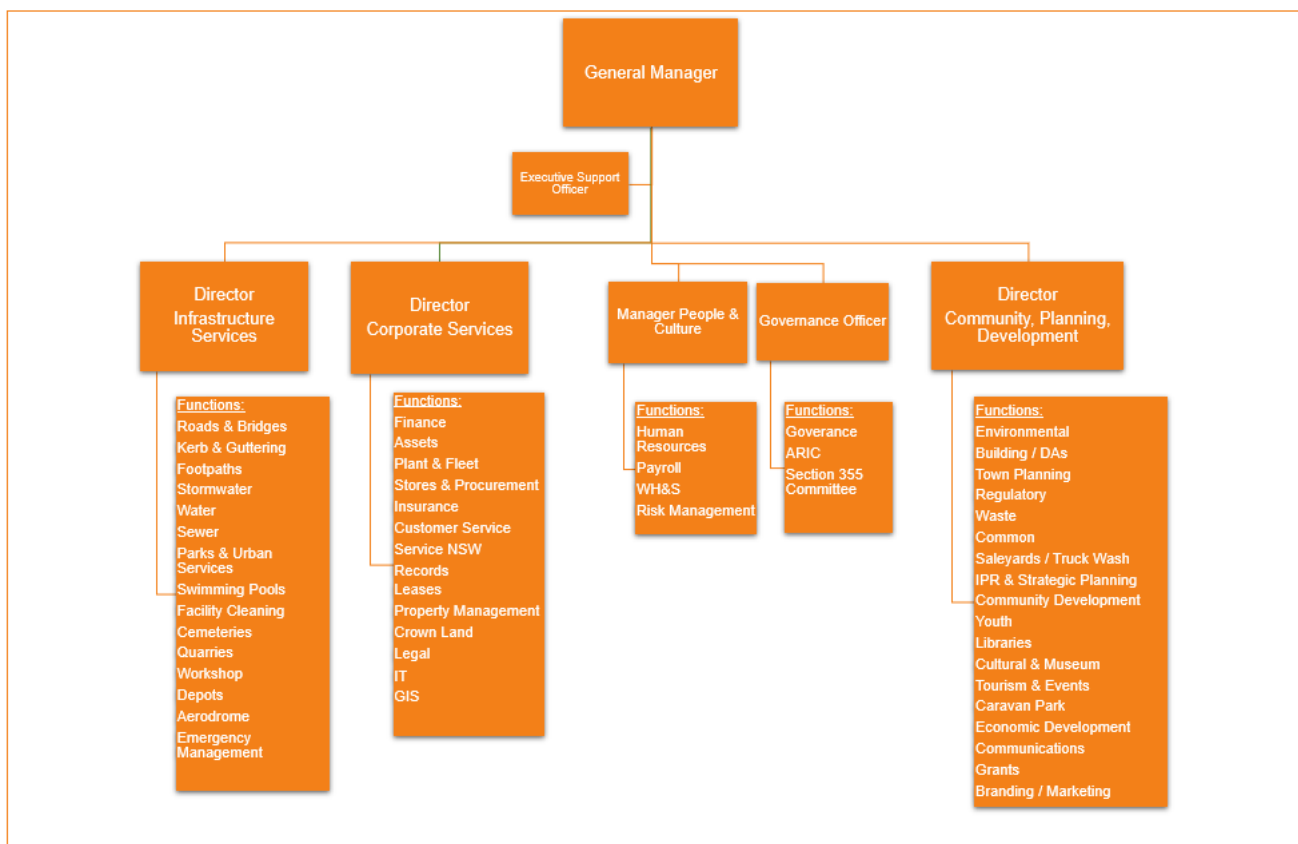


Diagram 3: Organisational Structure

Benefits of working for Council

There are a great many benefits of working for Council, including the following:

- Nine-day fortnight.
- Four weeks annual leave per year.
- Three weeks sick leave per year.
- Long Service leave after five years.
- Access to carers leave, maternity and parental leave for supporting partners.
- Recognition of staff service.
- Employee Assistance Programme providing external and confidential counselling.
- Corporate Uniform Allowance as per current policy.
- Council provided hi-vis and safety work wear and Personal Protective Equipment (PPE).

- Ongoing training and development.
- Employee Social Club.
- Annual Union Picnic Day for relevant union members.
- ATSI employees are entitled to attend annual community NAIDOC Day events.

For senior management positions, benefits can also include relocation assistance, housing, executive leave, paid professional memberships and leaseback vehicles (including private use).

Staff Health & Wellbeing

To assist with providing a healthy work life balance we encourage use of our Employee Assistance Program through Lifeworks to provide an external and confidential counselling to staff and their families 24 hours a day seven days a week. Staff has the flexibility to access two days per calendar year of Health & Wellbeing Leave to monitor their own personal health.

Recognition of Long Serving Staff

Council celebrates its long serving staff each year.

The Coonamble community has benefitted from the considerable skills and experience of these staff which has been critical during the past years of COVID-19.

Those that reached significant milestones with Council as at 30 June 2023 year were:

- Peter Whitehead – 35 years
- Peter Foodey – 30 years
- Chris Ellis – 25 years
- James Millsted – 10 years
- Chris Johnson – 5 years
- Dale Johnson – 5 years

Professional Development

Each year Council provides opportunities for staff, trainees and volunteers to attend training and professional development activities including seminars and conferences. Formal training activities ensure skilled and knowledgeable staff, resulting in better service to the community through the professional delivery of services and management of assets. For the 2022–2023 year, 97 staff attended various training opportunities and workshops, seminars and conferences, at a cost of \$210,911.



4.0 Progress Update

COMMUNITY STRATEGIC PLAN PROGRESS

The Community Strategic Plan 2022-2032 (CSP) was adopted in June 2022. The CSP identifies our values, strengths, challenges and opportunities for the future development and growth of the Coonamble Local Government Area.

DELIVERY PROGRAM AND OPERATIONAL PLAN PROGRESS

The Annual Report outlines the progress made and key achievements of the Delivery Program and Operational Plan in 2022 - 2023 to 30 June 2023.

As at 30 June 2023, of the 78 actions to be progressed, 17 actions were complete and 46 were progressing and 15 were not progressing. The full Progress Update Report 2022 - 2023 for the Delivery Program and Operational Plan can be found in Appendix A. The following chart provides a status breakdown of the 78 actions.

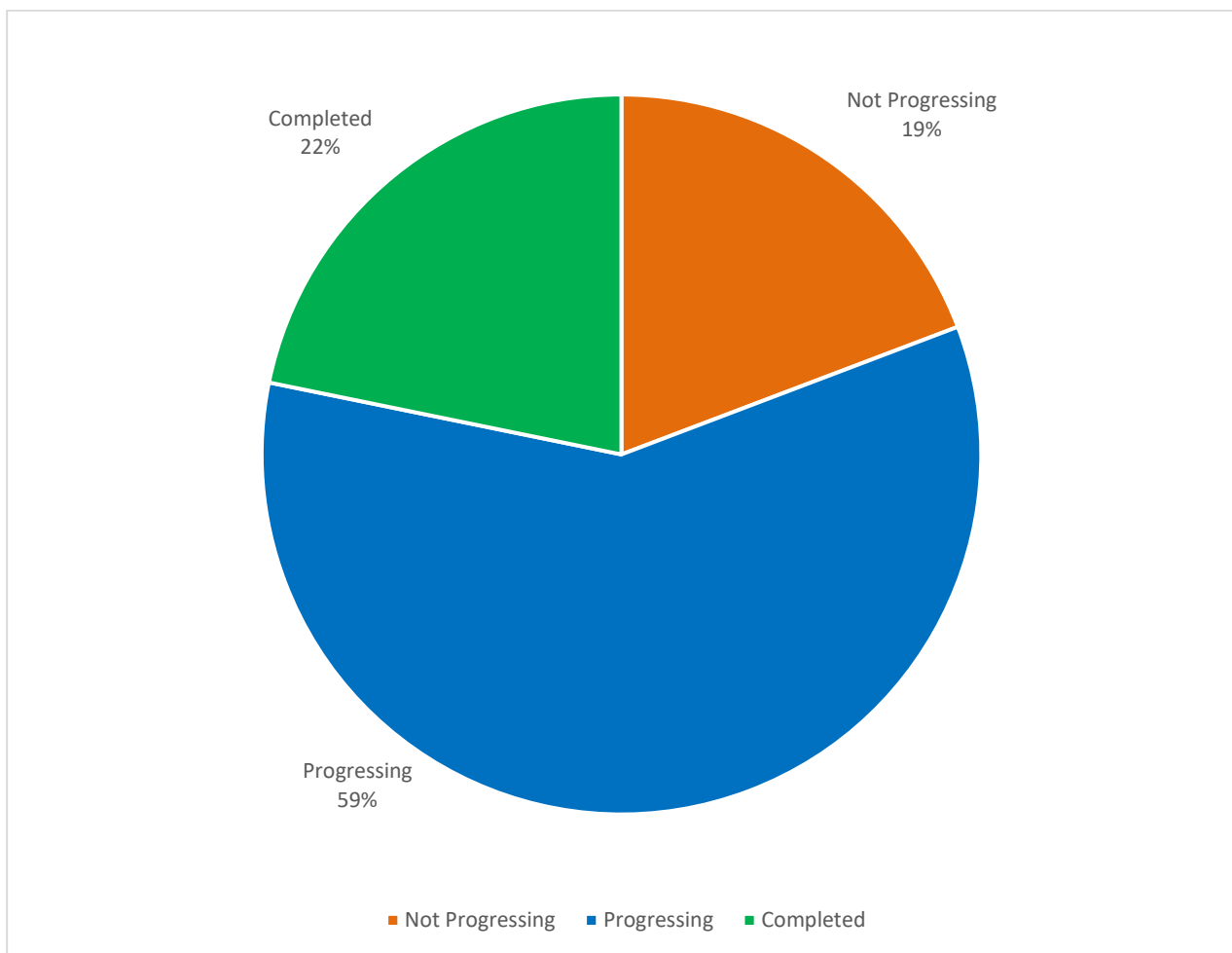


Diagram 4: Status of Delivery Program and Operations Plan Actions.

5.0 Statutory Declaration

The following matters are required to be reported by Council under Section 428(4), Section 406(3) of the *Local Government Act 1993* and the Local Government (General) Regulation 2005 and are listed with the corresponding clause number. Figures given are for 2022 - 2023 and as at 30 June 2023.

Local Government Act 1993

Section 428(4) (a) Council's Audited Financial Reports – refer Appendix B

Local Government (General) Regulation 2005

CLAUSE 132 RATES AND CHARGES WRITTEN OFF

Rates and charges totalling \$132,902.50 were written off during the 2022 - 2023 financial year.

Pensioner Rebates	\$105,637.46
Write-off interest under Hardship Policy	\$ Nil

Council received a Government subsidy of 55% of Pensioner Write-offs during the year. The 2022 - 2023 subsidy amounted to \$60,402.65.

REG CL 186 MAYORAL AND COUNCILLOR TRAINING AND DEVELOPMENT

In 2022 - 2023 the Mayor and Councillors received the following training and development:

- Code of Conduct training:
 - Cr Patrick Cullen
 - Cr Brian Sommerville
 - Cr Barbara Deans

Additionally, the Mayor and Councillors attended:

- Annual Country Mayors Association Meetings:
 - Mayor Tim Horan
- LG NSW Annual Conference:
 - Mayor Tim Horan
 - Cr Karen Churchill
 - Cr Terry Lees.

CLAUSE 217(1) (A) OVERSEAS VISITS

No overseas trips were undertaken by Council representatives during the 2022 - 2023 year.

CLAUSE 217(1) (A1) COUNCILLOR EXPENSES

The 2022 - 2023 fees for Councillors of the Coonamble Shire have been determined by Council within the limits approved by the Local Government Remuneration Tribunal as:

Councillor	\$11,106 per annum
Mayor	\$32,180 per annum

The total expenditure during the 2022 - 2023 year was:

Councillors' Fees	\$103,952.16
Mayoral Fees	\$ 21,917.00
Delegates' Expenses	\$ 16,121.97
Travel/Sustenance	\$ 9,774.43
Training	\$ 3,795.98
Councillor – other expenses	\$ 562.50
Total	<u>\$156,124.04</u>

CLAUSE 217 (1) (A1)

- (i) There is no dedicated office equipment made available to the Mayor or any individual councillor. Council does provide office facilities and access to Council communications equipment that may be used by Councillors in carrying out their civic functions.
- (ii) No communication facilities were provided to Councillors.
- (v) No interstate visits were undertaken by Councillors during the 2022 - 2023 year.
- (vii) There was no expense paid to any person who accompanied any Councillor in the performance of their civic function.
- (viii) No expenses were paid to any person for the provision of care for a child or an immediate family member of a Councillor to allow the Councillor to perform their civic function.

CLAUSE 217 (1) (A2)

CONTRACTS AWARDED BY COUNCIL

Council awarded the following contracts in excess of \$150,000 during the 2022 - 2023 financial year:

Awarded To	Goods/Services Provided	Total contract amount (ex GST)
The Flying Builder	Construction of Coonamble SES Headquarters	\$1,010,075.45
Mark Talle Concreting Pty Ltd	Nash street Kerb and Gutter replacement	\$ 335,575.20
Conex Services	Pilliga Road Causeway Replacement	\$ 597,779.00
Awarded: Panel source suppliers - Bruno Altin & Co. Pty Ltd and Holcim (Australian) Pty Ltd T/AS Humes	Supply & delivery of concrete pipes	
Conex Group Pty Ltd	Euronne Gully culvert upgrade	\$757,619.00
Awarded: Panel source suppliers - Glendun Group Pty Ltd & Lynch Contractors Pty Ltd	Aggregate & Road Base Crushing Campaign	
Conex Services	Construction of a Walking Loop around Coonamble Sportsground	\$291,868.95
Mike Trace Engineering	Dual Control Suction Street Sweeper - Opt. 7 Supply & delivery of one CityRay 6 Sweeper fitted to a Hino FG 15.5 tonne dual control chassis, nominal 6.5m3 hopper with a 1700L water tank	\$364,968.03
Awarded to panel source suppliers: Inland Petroleum, Liberty Oil Australia, Lowes Petroleum & Woodham Petroleum	Supply & delivery of bulk fuel	
Awarded to Redox Limited, Ixom Operations Pty Limited and BTX Group Pty Limited	Supply & delivery of bulk water treatment chemicals	
Awarded to panel source suppliers: All Pavement Solutions Pty Limited, Austek Asphalt Service Pty Limited, Bitupave Limited t/as Boral Asphalt, Roadwork Industries Pty Limited, Colas NSW Pty Limited, Country Wide Asphalt Pty Limited, Fenworx Pty Limited t/as Newpave Asphalt, Fulton Hogan Industries Pty Limited, NSW Spray Seal Pty Limited, Stabilised Pavements of Australia Pty Limited	Provision of Bitumen Spray Sealing	

Awarded To	Goods/Services Provided	Total contract amount (ex GST)
CJD Equipment	Supply & delivery of one Articulated Dump Truck 40T - Volvo A40G articulated hauler	\$732,000.00
Westrac Pty Ltd	Supply & delivery of four Articulated Graders - Caterpillar 140 articulated motor graders	\$534,477.42
Mark Talle Concreting Pty Ltd	Castlereagh Highway Culverts	\$460,914.00
Robbo's Construction and Earthworks	Domestic Kerbside waste collection	\$165,454.55
People, Place & Partnership Pty Ltd	Real Country Business Case and Strategy Development	\$391,450.00

CLAUSE 217 (1) (A3) SUMMARY OF LEGAL PROCEEDINGS

Council costs in regard to legal proceedings for 2022 - 2023 amounted to \$133,787.80.

CLAUSE 217 (1) (A4) SUBSIDISED PRIVATE WORKS

Council did not undertake any subsidised private works during the year.

CLAUSE 217 (1) (A5) DONATIONS AND CONTRIBUTIONS UNDER SECTION 356

A total of \$84,317.57 was donated or contributed by Council during the year. Council has provided significant financial assistance to community organisations including:

Coonamble Rodeo Association	\$12,000
Coonamble Hack and Pony Club	\$11,195
Gulargambone Racecourse & Showground	\$10,000
Gulargambone Campdraft Club	\$10,000
Meals on Wheels	\$ 5,135
Coonamble Neighbourhood Centre	\$ 5,000
Coonamble Cottage Industries	\$ 5,000
Coonamble Golf Club	\$ 5,000
Coonamble Show	\$ 5,000
Fishers Ghost Art Award	\$ 3,000
Quota International Coonamble	\$ 3,000
Coonamble Greyhound Club	\$ 3,000
Coonamble Challenge & Campdraft	\$ 3,000
Coonamble & District Education Foundation	\$ 1,595
Coonamble CWA	\$ 1,100
Cancer Council	\$ 500
St Brigid's Primary School	\$ 345
Clontarf Foundation	\$ 229
Coonamble High School	\$ 225
Quambone Public School	\$ 225
JDC World Cup attendance	\$ 200
Coonamble Public School	\$ 100
Gulargambone Central School	\$ 100

In addition to the financial assistance, Council provided in-kind support for events at the Coonamble Showground, totalling more than \$59,000.

Council also agreed to support the Quambone community's request for funding for the upgrade of the tennis courts. Council has allocated \$20,000 for these works in 2024.

CLAUSE 217 (1) (A6) DELEGATIONS TO EXTERNAL BODIES

Council has delegated the following functions to the organisations listed below:

- (i) **Castlereagh Macquarie County Council** undertakes noxious weed control across the Local Government Area.
- (ii) **Quambone Resources Committee** responsible for control and management of Quambone Memorial Hall in the village of Quambone.

CLAUSE 217 (1) (A7) COMPANIES IN WHICH COUNCIL HELD A CONTROLLING INTEREST

Council held no controlling interest in any Company.

CLAUSE 217 (1) (A8) PARTNERSHIPS, COOPERATIVES, JOINT VENTURES TO WHICH COUNCIL WAS A PARTY

Coonamble Shire Council is a member of the *North Western Library Service*, a cooperative providing library services to the Shires of Bogan, Coonamble, Gilgandra and Warren. The quality of library services are significantly enhanced by this participation.

CLAUSE 217 (1) (A9) EQUAL EMPLOYMENT OPPORTUNITY (EEO)

Council's policy provides an environment of equal employment opportunity in its workplace. Council believes that EEO creates a more diverse workplace, which results in better provisions to the community. Council's EEO Management Plan comprises four key strategies for an effective approach to EEO.

Activities undertaken during 2022 - 2023 are as follows:

1. Policies and procedures – All policies and procedures conform with EEO principles:
 - EEO information included in new staff inductions.
 - Employee Assistance Program engaged and counselling services available to all staff.
2. Communication and awareness – All staff understand EEO principles and their responsibilities and rights in relation to EEO:
 - Current EEO information posted on staff notice boards.
 - EEO Management Plan is included in induction package and reviewed by new staff at induction with responsibilities are conveyed to new Managers/Supervisors.
3. Training and development:
 - Training and development policy and procedures reflects EEO principles.
4. Implementation, evaluation and review – EEO Management Plan is successfully implemented, effectively evaluated and periodically reviewed:
 - Staff with specific responsibilities in relation to the implementation of the EEO Management Plan are identified, responsibilities communicated during induction.
 - EEO Management Plan activities monitored and reviewed annually, with progress reported in this report.

CLAUSE 217 (1) (B) GENERAL MANAGER REMUNERATION

Total remuneration of the General Managers during the 2022 - 2023 year was \$321,766.

During the 2022 - 2023 year there were three (3) General Managers:

Bruce Quarmby (Acting) – April to July 2022
Ross Earl (Interim) – August 2022 to February 2023
Paul Gallagher – from February 2023

CLAUSE 217 (1) (C) SENIOR STAFF – REMUNERATION

Council's only designated Senior Staff position is that of the General Manager.

CLAUSE 217 (1) (D) LABOUR STATISTICS - COUNCIL

The Secretary of the Department of Planning and Environment has stipulated that reported data is to be as of the 23 November 2022.

Number of persons directly employed by Council	Number of persons who performed paid work as at 23 November 2022
Permanent full-time basis	68
Permanent part-time basis	4
Casual basis	13
Under a fixed-term contract	4
Number of persons employed by the Council who are senior staff for the purposes of the <i>Local Government Act 1993</i>	1
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, and	12
Number of persons supplied to the Council, under a contract or other arrangement with the person's employer, as an apprentice or trainee.	0

The extent of the labour shortage impacting Council is demonstrated by the normal Full Time Equivalent (FTE) permanent staff of 105 – a shortfall of 33 permanent staff working for Council or almost one-third of Council's workforce.

CLAUSE 217 (1) (E) STORMWATER MANAGEMENT SERVICES

Council did not levy any charge for stormwater management services during 2022 - 2023.

CLAUSE 217 (1) (F) COMPANION ANIMALS ACT AND REGULATION

Total expenditure by Council on companion animal management and activities in 2022 - 2023 was \$111,092.13

Pets add another dimension to our lives, bringing constant companionship, friendship and loyalty and trust. It is mandatory under the Companion Animals Act 1998 that pet owners ensure their cats and dogs are microchipped for identification and registered with their local Council. Animal control is an important function of Council, and the following information is provided to ensure Council's activities during the year in relation to enforcing and ensuring compliance with the *Companion Animals Act 1998* and the *Companion Animals Regulation 2018*:

Companion animal control report and statistics

Animal control and in particular control of stray domestic animals/companion animals are an ongoing issue within and for our communities. Unfortunately, due to Covid restrictions there were no animal control programs delivered by Council in 2022 - 2023. To deliver messaging and communications to the community regarding domestic/companion animal matters and issues Council delivers relevant communications via their regular communication channels including Facebook, Council's website, Community Connect newsletter and Council's regular section in the Coonamble Times.

The following tables provides a summary of Council's management of companion animals.

Table 1 – Dogs impounded and overall statistics.

2022 - 2023	
Dogs Impounded	178
Returned	11
Euthanised	28
Rehomed	139

Table 2 – Cats impounded and overall statistics.

2022 - 2023	
Cats impounded	118
Returned	0
Euthanised	96
Rehomed	22

These statistics are consistent with previous years. Pet owners rarely claim their impounded animals.

The low rate of impounded dogs returned to owners is a concern for Council. Generally, animals are not microchipped or registered, leading to Council's inability to return animals to their owners. Despite Council's previous free microchipping days, registration can be a cost prohibitive exercise for some and lack of awareness on the issue despite Council's numerous attempts to engage with customers through correspondence and social media. There were no free microchipping days offered last financial year.

The following provides a summary of correspondence sent out to owners of animals.

Table 3 – Summary of Companion Animal Correspondence.

Correspondence	2022 - 2023
Infringements (Animals)	0
Infringements (Other)	0
Change of Details	8
Microchipped dogs	130
Registrations	22
Nuisance dog declaration	0
Dangerous dog declaration	2
Menace dog declaration	0
Seized Dogs	3
Notice of Possession	2

Other Statutory Information reporting requirements

SWIMMING POOLS REGULATION 2018 (SP REG) CL 23 SWIMMING POOLS ACT 1992 (SP ACT), S 22F (2)

Private swimming pool inspection by type	Number
Tourist & Visitor Accommodation	Nil
Premises with two (2) or more dwellings	Nil
Residential	9
Certificate Issued	Number
Resulted in issue of Certificate of Compliance under s22d of SP ACT	9
Resulted in issue of Certificate of Non-compliance	Nil
Resulted in issue of Certificate under s30C of the SP Act	6

OFFICE OF LOCAL GOVERNMENT CAPITAL EXPENDITURE GUIDELINES

Capital Works Reporting

There were no capital works projects requiring reporting for Council in 2022 - 2023.

CARERS RECOGNITION ACT 2010 S8(2)

Council is not considered a 'human services agencies' under the Act in 2022 - 2023 and are therefore not required to report on compliance with the Act.

DISABILITY INCLUSION ACT S13

Council adopted the Disability Inclusion Action Plan (DIAP) in June 2017.

The Plan demonstrates Council's commitment to improving access and inclusion and identifies what Council can do to promote and achieve equality for residents and visitors to the Coonamble Shire. Council has scheduled the review of the Plan in the next financial year.

ENVIRONMENTAL PLANNING & ASSESSMENT ACT 1979 S7.5(5)

Compliance and effect of relevant planning agreements. Council had no relevant planning agreements in force in 2022 - 2023.

ENVIRONMENT PLANNING AND ASSESSMENT REGULATION 2021 CL 218A (1)

Council has no relevant contributions plans in 2022 - 2023.

FISHERIES MANAGEMENT ACT 1994, S220ZT (2)

Council is not responsible for any relevant threat and abatement plan in 2022 - 2023.

**PUBLIC INTEREST DISCLOSURES ACT 1994
SECTION 31 PUBLIC INTEREST DISCLOSURES REGULATION 2011 CL 4**

Council must report annually on its obligations under the Public Interest Disclosures Act 1994. The report for the year ended 30 June 2023, advised that there had been no Public Interest Disclosures (PID) during the financial year.

Disclosure Activity Type	Made By Public Officials Performing Their Day-To-Day Functions	Under a Statutory or Other Legal Obligation	All Other PIDS
Number of public officials who have made a public interest disclosure	0	0	0
Number of public interest disclosures received	0	0	1
Number of public interest disclosures received relating to each of the following:	0	0	0
(i) corrupt conduct,	0	0	0
(ii) maladministration,	0	0	1
(iii) serious and substantial waste of public money or local government money (as appropriate),	0	0	0
(iv) government information contraventions,	0	0	0
(v) local government pecuniary interest contraventions,	0	0	0
Number of public interest disclosures finalised	0	0	0

**GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009, S 125(1)
GOVERNMENT INFORMATION (PUBLIC ACCESS) REGULATION 2018, CL 8, SCHEDULE 2**

Clause 8A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review.

Review Carried Out by the Agency	Information Made Publicly Available by the Agency
Yes	Yes

The Following Disclosure Were Made Public, Pecuniary Interest Disclosure and Related Parties. Information Relating to Approved Development Applications.
None

Clause 8B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

Total Number of Applications Received
4

Clause 8C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

Number Of Applications Refused	Wholly	Partly	Total
	0	0	0
Percentage of Total	0%	0%	



STATISTICAL INFORMATION ABOUT ACCESS APPLICATIONS (SCHEDULE 2)

TABLE A - NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME										
Applicant by type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether the information is held	Application withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0	0	0
Private sector business	1	0	0	0	0	0	0	0	1	25%
Not-for-profit organisation or community group	0	0	0	0	0	0	0	0	0	0
Member of public (by legal representative)	1	0	0	1	0	0	0	0	2	50%
Member of public (other)	1	0	0	0	0	0	0	0	1	25%
Total	3	0	0	1	0	0	0	0	4	0
% of Total	75%	0	0	25%	0	0	0	0		

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

TABLE B - NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME										
Applicant by type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether the information is held	Application withdrawn	Total	% of Total
Personal information application *	1	0	0	0	0	0	0	0	1	25%
Access information (other than personal information applications)	2	0	0	1	0	0	0	0	3	75%
Access information that are partly personal information applications and partly others	0	0	0	0	0	0	0	0	0	0
Total	3	0	0	1	0	0	0	0	4	100%
% of Total	75%			25%						

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

TABLE C: INVALID APPLICATIONS		
Reason For Invalidity	No. Of Applications	% Of Total
Application does not comply with formal requirements (section 41 of the Act).	0	0%
Application is for excluded information of the agency (section 43 of the Act).	0	0%
Application contravenes restraint order (section 110 of the Act).	0	0%
Total Number of invalid applications received.	0	0%
Invalid applications that subsequently became valid applications.	0	0%

TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 TO ACT		
	No. Of Times Consideration Used *	% Of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Privilege general – Sch 1 (5A)	0	0%
Information provided to High-Risk Offenders Assessment Committee	0	0%
TOTAL	0	0%

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

TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF ACT		
	Number of occasions when application not successful	% of Total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	0	0%
Business interests of agencies and other persons	0	0%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information Legislation	0	0%
Total	0	

TABLE F: TIMELINESS		
	No of applications	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	3	75%
Decided after 35 days (by agreement with applicant)	1	25%
Not decided within time (deemed refusal)	0	0%
Total	4	

TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)				
	Decision Varied	Decision Upheld	Total	% of Total
Internal review	0	0	0	0%
Review by Information Commissioner*	0	0	0	0%
Internal review following recommendation under section 93 of the Act	0	0	0	0%
Review by ADT	0	0	0	0%
Total	0	0	0	0%

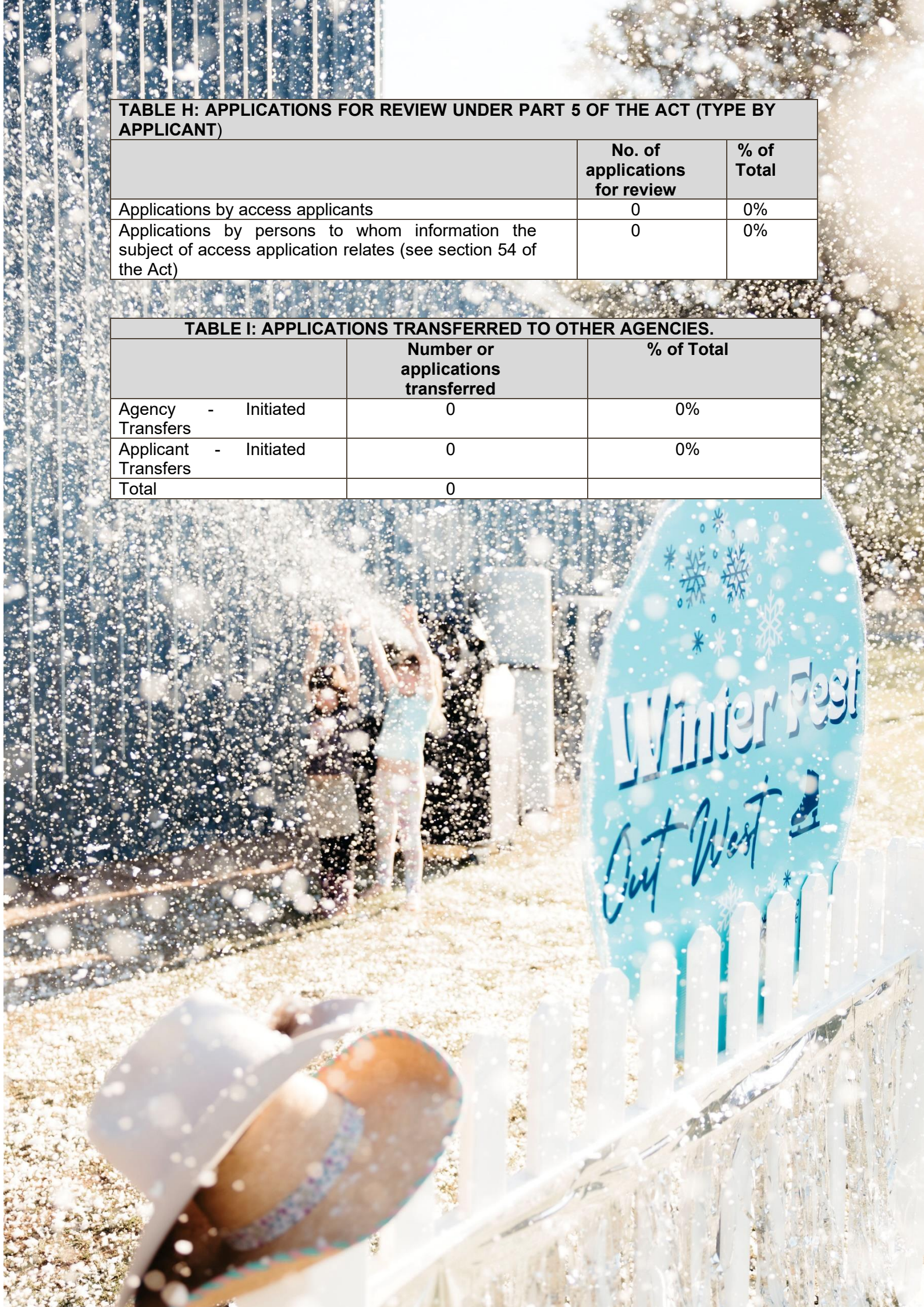
*The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (TYPE BY APPLICANT)

	No. of applications for review	% of Total
Applications by access applicants	0	0%
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0	0%

TABLE I: APPLICATIONS TRANSFERRED TO OTHER AGENCIES.

	Number or applications transferred	% of Total
Agency - Initiated Transfers	0	0%
Applicant - Initiated Transfers	0	0%
Total	0	



Appendices

Appendix A: Delivery Program 2022-2023 Progress Update Report
Appendix B: Financial Statements 2022-2023



COONAMBLE

SHIRE COUNCIL

Appendix A.




Section 4 Reporting on Delivery Program


Theme: Our People


We are connected, cohesive and vibrant

Initiate and contribute to effective and needs-based community programs which enhance engagement


Improve community and youth services through enhanced programs, procedures and processes.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.1.1.1 Promote and support the development of a whole of community Youth Interagency Framework which builds on collaboration.	Youth Interagency Framework Developed.	Not Progressing	0%	Unable to progress further due to vacancies in the Director Community, Planning and Development, and Community Services Coordinator roles.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.1.1.2 Build on well attended and vibrant youth programs and initiatives including school holiday programs and Youth Council.	Number of your programs and initiatives increase in line with the service provided.	Progressing	80%	Council partnered with other local based agencies to develop and deliver the school holiday programs. Unable to progress further due to vacancies in the Director Community, Planning and Development and Community Services Coordinator roles.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.1.1.3 Prepare relevant procedures and policies which results in safe, well attended and enhanced programs.	Policies and procedures created and adopted.	Progressing	20%	Risk management plans produced for all programs. Unable to progress further due to vacancies in the Director Community, Planning and Development and Community Services Coordinator roles.	

Enhance safer regulatory and compliance strategies and operations.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.1.2.1 Review Council's regulatory and compliance services including policies, procedures and community engagement tools.	Review completed.	Progressing	5%	Unable to progress due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.1.2.2 Develop an action plan to address the housing issues within our communities.	Action Plan developed for housing strategy.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	

We are healthier

Improve access to health services locally.


Connect with key health service stakeholders and collaboratively advocate for enhanced local health services.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.2.1.1 Action the Economic Development Strategy 2021 (2.3.1) to work with our community's health services stakeholders to understand and address gap areas in our health services via a gap analysis.	Gap analysis undertaken.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development and Community Services Coordinator roles.	

We feel safe, secure and supported


Create safe places, spaces and feelings.


Collaborate successfully to deliver programs, projects and initiatives which make our community safe and resilient.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.1.1 Actively participate in initiatives for the reduction of crime including maintaining and improving our connections with local command, interagency and other service providers.	Number of initiatives undertaken and continues to increase.	Progressing	30%	Sponsorship and participation in the Community Wellbeing Day, Domestic Violence Collective and the Coonamble Interagency.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.1.2 Achieve crime prevention through environmental design.	Number of CPTED undertaken.	Complete	100%	The CCTV upgrades have been completed.	

Ensure we contribute to and plan for disaster preparedness, response and resilience.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.2.1 Implement Flood Risk Management Plan (2021)'s recommendation and actions.	Number of recommendations and actions completed.	Not Progressing	0%	The implementation of the Flood Risk Management Plan (2021)'s recommendations and actions will be reviewed when the Manager - Planning, Regulatory and Compliance role is filled.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.2.2 Support State agencies in bushfire planning including assisting to establish new facilities.	Progress of new facility.	Complete	100%	Council has continued to participate in the Bushfire Management Committee meetings.	


Amend and improve our planning instruments and development control plans.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.3.1 Prepare Coonamble Local Environmental Plan Amendment.	Planning Proposal lodged to DPIE.	Progressing	30%	The Planning Proposal has been lodged with DPIE via the NSW Planning Portal however DPIE have advised they have issues with the reduction of minimum lot sizes for rural land subdivision which would require further support evidence. Council will prepare a Rural Land Strategy in 2023/24 to support the Planning Proposal.	

Authorise domestic animal control initiatives which are successful in reducing issues for our community.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.4.1 Complete the Asset Management Plan for Coonamble Pound.	Completed Coonamble Pound Asset Management Plan.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.4.2 Deliver an animal welfare program.	Number of programs undertaken and number of take up.	Progressing	60%	As at 30 June 2023, some animal welfare programs have been delivered including subsidised desexing and rehoming. The initiatives have been limited by the vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance and Compliance and regulatory Officers roles.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P1.3.4.3 Educate and engage with the community and animal owners to improve understanding on companion animal management.	Number of engagements.	Progressing	10%	Education and education programs have been limited to direct engagement related to impounding. Unable to progress further due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	
	Number of correspondences sent.				


Our connection to our culture is stronger than ever

Deliver and support cultural initiatives which strengthen connection to country and traditional and unique identities.


Facilitate creative and artistic initiatives that strengthens our connection to our identities, culture and our land.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.1.1.1 Implement the Public Arts Policy, and appoint members to the Public Art Panel.	Public Art Policy implemented. Public Art Panel appointed.	Complete	100%	Policy adopted and panel appointed.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.1.1.2 Construct public art elements of the Masterplan including the attraction of public art programs and funding.	Number of elements designed or constructed.	Progressing	80%	Construction of public art has continued including town entrance sculptures and Pave the Way to Gular installations.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.1.1.3 Support and deliver creative and cultural programs which strengthens our community's identity and connection to each other.	Number of programs and events supported.	Progressing	40%	Some programs and initiatives commenced including smoking ceremony at the Australia Day Awards, weaving workshops and school holiday programs. Unable to progress further due to vacancies in the Director Community, Planning and Development and Community Services Coordinator roles.	


Deliver dynamic and diverse cultural services.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.1.2.1 Coordinate dynamic library programs and projects which increase our community's engagement and maintains their satisfaction with, our library service.	Number of programs and projects delivered.	Complete	100%	Ageing public access computers upgraded, software upgraded on children's computers, regular Dolly Parton's Imagination Library and Senior Cinema program running, meeting place for various agencies and interest groups, successful events including Seniors Festival Luncheon, regular engagement with early childhood education services.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.1.2.2 Provide opportunities to the Aboriginal and Multicultural members of our communities in cultural activities.	Number of events supported. NAIDOC Week Events.	Progressing	5%	Smoking ceremonies are held at appropriate events. Unable to progress further due to vacancies in the Director Community, Planning and Development and Community Services Coordinator roles.	

Plan, support and deliver an exciting and diverse community events scene where our community and our visitors can celebrate, engage and connect.

Encourage, host and promote dynamic and vibrant program of events and activities.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.2.1.1 Identify and invest in infrastructure and upgrades which facilitate the hosting of events in the LGA.	Number of upgrades undertaken. Number of investments.	Complete	100%	Investment was made in the Rodeo Arena at Coonamble Showground for the hosting of the PBR and Rodeo & Campdraft event. Upgrades were made to Coonamble Sportsground and irrigation as well as the construction of the Quambone Park amenities.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P2.2.1.2 Deliver and build capacity of our community to host and attract regular and signature events.	Number of building capacity programs/training delivered.	Progressing	20%	Council proactively involved Gilgandra & Warrumbungle Councils for the development of regional capacity.	


We are the community of good sports

Provide support to our sporting, recreation and community organisations which drives improved sporting and recreational opportunities for our community.

Build capacity through sporting, recreation and community initiatives to sustain and/or grow their offering to the community.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P3.1.1.1 Deliver grant funding application support to sporting, recreation and community organisations to sustain and grow their offering to the community.	Number of grant applications applied. Number of grant applications successful.	Progressing	30%	Council holds regular sessions with sporting groups to ensure transparency and identify areas of improvement which will benefit the community. Council provides letters of support for organisations grant applications as well as applies for grants when grant conditions allow.	

Deliver Asset Management Plans for our sporting and recreational facilities.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P3.1.2.1 Asset Management Plans are progressed for all sporting and recreational facilities across the LGA, including the Coonamble Showgrounds Management Plan and the Recreational Facilities Management Plan.	Total number of Asset Management Plans progressed.	Complete	100%	All Asset Management Plans for sporting and recreational facilities are being progressed.	

Improve the quality of our parks, open spaces, sporting and recreational facilities, including the MacDonald Park Masterplan Precinct.

Progress the Masterplan for MacDonald Park Precinct.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P3.1.2.1 Community consultation for the MacDonald Park Masterplan completed.	Community consultation completed.	Progressing	30%	MacDonald Park plan initial community consultation has been completed.	

Further advance the Coonamble Sportsground facility to meet the needs and expectations of our local, regional and state sporting and recreation stakeholders.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
P3.2.2.1 Apply for grant funding to further advance the Coonamble Sportsgrounds facility.	Number of grants applied for. Number of grants successful.	Progressing	35%	Applications for a grant for Gulargambone Sportsground amenities has been submitted. Existing grant funds have been expended to improve the irrigation and canteen facilities.	


Theme: Our Economy

Our economy is sustainable, prosperous and diversified


Grow our reputation as an LGA of choice to live, work and invest.


Develop and deliver Coonamble LGA brand building initiatives as per the Economic Development Strategy 2021 and including the LGA's workforce challenges.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
ED1.1.1.1 Deliver up-to-date tourism marketing collateral through a range of mediums including initiatives which encourage local businesses to increase and/or improve tourism product offering.	Number of initiatives established and offered.	Progressing	60%	Continuous engagement with local and regional businesses to maximise the opportunity for extended visits within Coonamble Shire.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
ED1.1.1.3 Deliver marketing collateral and content to support workforce attraction.	Number of marketing material delivered and offered.	Progressing	60%	Information is included in all Council recruitment packages. Information & Exhibition Centre provides information to local businesses to assist their recruitment.	


Progress strategic Economic Development and Growth priority projects: Coonamble CBD precinct including laneway and carparking, and beautification projects at Quambone and Gulargambone.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
ED1.1.2.1 Finalise detailed design plans for upgrades to the Coonamble CBD precinct (laneway and carpark).	Detailed design plans finalised.	Progressing	30%	Council continues to progress the designs for the CBD precinct.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
ED1.1.2.2 Masterplan priority projects across the Coonamble LGA are shovel ready and funding opportunities actively pursued.	Number of priority projects delivered to shovel ready.	Progressing	20%	Council continues to progress opportunities for priority projects.	


Develop our economy including the visitor economy, e.g., the establishment of an Artesian Bore Bath experience.

Progress the Artesian Bore Bath facility.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
ED1.2.1.1 Complete the business case for the Artesian Bore Bath facility and source external funding.	Number of grants applied for.	Complete	100%	Business Case completed.	
	Business Case completed.				

Adopt strategies which produce adequate and quality education choices for our community, from early childhood to tertiary and beyond.

Support and engage with our community and education providers to ensure our community's education needs from early childhood to tertiary, are understood and met.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
ED1.3.1.1 Commence an education mapping exercise for the LGA to understand the needs and priorities of our community and education providers.	Education mapping exercise commenced.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development, and Community Services Coordinator roles.	

Theme: Our Infrastructure


Our road network makes it possible for our economy, industries and community to prosper

Employ a strategic approach to the management of our critical road network.


Complete, adequately resource and deliver upon the road network's Asset Management Plan.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.1.1 Develop and resource road infrastructure Asset Management Plans.	Resourcing of Asset Management Plans achieved.	Complete	100%	Consultant engaged and completed a review of Transport Assets. This will inform the Asset Management Plans.	


Plan and achieve strategic and efficient roads programs and operations.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.2.1 Improve and achieve efficiencies with our road maintenance practices.	Bridge inspections: 6 x structural inspections/yr., 16 x routine inspections/yr.	Progressing	35%	Road maintenance was delivered in an abnormal year with and extended natural disasters. The benchmarks were unable to be completed.	
	Road maintenance expenditure ratio (\$/km) within 20% of industry benchmark.				


Engage successfully with the community to achieve improved understanding of the needs and expectations of our community in regards to our road network.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.3.1 Progress our engagement with the community via the Roads committee.	Number of meetings in line with terms of references.	Complete	100%	Road committee meetings are held as required. No meetings were requested.	


Develop and deliver strategies for our road network which maximises external funding opportunities.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.4.1 Develop our systems to maximise opportunities for, and delivery of, Flood Damage funded road works.	System architecture mapped out.	Complete	100%	Natural disaster, emergency and restoration works are delivered in accordance with the NSW Disaster Assistance Guidelines.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.4.2 Maintain up-to-date condition register of our road network.	Conditions register is live and utilised.	Progressing	50%	The road network has been inspected. Contractors have been engaged to complete condition assessments.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.4.3 Maximum external funding opportunities for our road network. Block, Reg Road.	External funding to output ratio maximised.	Complete	100%	Numerous grant applications have been successful including Fixing Local Road – Pothole, Regional and Local Repair Program and Disaster Ready.	


Complete the Tooraweenah Road upgrade project, on time and on budget.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.1.5.1 Achieve 50% completion of the Tooraweenah Rd upgrade project. Completed on time and on budget.	50% completion rate.	Progressing	15%	Delays experienced due to additional unforeseen design works.	


Our water infrastructure and services are fit for our community and our future

Strengthen our strategic approach to the management of our water infrastructure and services.

Complete, adequately resource and successfully implement strategic plans for our water infrastructure.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.2.1.1 Develop and implement the Drought Management Plan.	Drought Management Plan developed. The Plan used successfully to leverage attraction of funding.	Progressing	50%	The Drought Management Plan has been developed. Implementation has not commenced.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.2.1.2 Adopt the Integrated Water Cycle Management Plan.	IWCMP adopted. IWCMP supporting asset management and the leveraging of funding opportunities.	Progressing	40%	The draft IWCMP report has been received Council comments have been made. Meetings have been scheduled to progress the finalisation of the plan.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.2.1.3 Develop and resource a Water Infrastructure Asset Management Plan.	Water infrastructure Asset Management Plan developed and resourced.	Progressing	50%	The draft Asset Management Plan has been completed. The resourcing requirements are currently being analysed.	


Our sewerage and urban drainage infrastructure and services are fit for our community and our future

Improve our strategic approach to the management of our sewerage infrastructure and services.

Complete, adequately resource and successfully implement strategic plans for our sewerage infrastructure.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.3.1.1 Complete a feasibility analysis of options for the Coonamble Sewerage Treatment Plant.	Feasibility study completed.	Progressing	10%	Public Works Advisory have been appointment to complete the feasibility analysis and options.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.3.1.2 Implement a Trade Waste Policy.	Policy adopted by Council and implemented.	Progressing	10%	Draft policy completed. Scheduled for a report to Council in early 2024.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.3.1.3 Develop and resource the sewerage infrastructure Asset Management Plan.	Sewerage infrastructure Asset Management Plan developed and resourced.	Progressing	50%	The draft Asset Management Plan has been completed. The resourcing requirements are currently being analysed.	

Strengthen our strategic approach to the management of our urban drainage infrastructure and services.

Complete, adequately resource and successfully implement strategic plans for our urban drainage infrastructure.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.4.1.1 Develop and resource the Asset Management Plan for kerb and gutter infrastructure including the Replacement Program.	Components considered in the Asset Management Plan developed and resourced.	Progressing	50%	The kerb and gutter Asset Management Plan will be incorporated into other Infrastructure Asset Management Plan.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.4.1.2 Develop and resource the Asset Management Plan for stormwater infrastructure.	Asset Management Plan developed and resourced.	Progressing	40%	The stormwater Asset Management Plan is being developed and resourcing requirements analysed.	


Our essential assets and infrastructure enables our community and economy to prosper


Adopt successful strategies which maximises our community's access to quality infrastructure and assets.

Successfully represent the interests of our community with regards to rail freight.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.5.1.1 Respond and engage where appropriate with the Inland Rail project and other rail infrastructure services and projects to advocate for best outcomes for our community.	Engagement and respond to all Inland Rail project as they arise and as required.	Complete	100%	Communications are ongoing and meetings held as required.	

Create and adopt strategies and operations which improve the quality and efficiency of the Coonamble Livestock Regional Market.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
I1.5.2.1 Develop and resource the Asset Management Plan for the Coonamble Regional Livestock Market.	Saleyard Asset Management Plan developed and resourced.	Progressing	5%	The development of the Asset Management Plan for the Coonamble Regional Livestock Market has been deferred pending operational requirements being understood by the currently vacant the Manager Planning, Regulatory and Compliance and the Regulatory and Compliance Officers who are responsible for running the facility.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.5.2.2 Sign the MoU and operating protocols which improve operations and governance at the Coonamble Livestock Regional Market.	MoU signed and operating.	Progressing	70%	The MoU has been completed. The development and implementation of the operating protocols for the Coonamble Regional Livestock Market has been deferred pending operational requirements being understood by the currently vacant the Manager Planning, Regulatory and Compliance, and the Regulatory and Compliance Officers who are responsible for running the facility.	


Develop and implement strategies and operations which deliver quality and well managed Council assets and infrastructure to the community.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.5.3.1 Develop and implement strategies and operations which deliver quality and well managed Council assets and infrastructure to the community.	Strategies and operations implemented and adopted.	Progressing	25%	New strategies are being developed, however, natural disasters have impacted the ability to implement.	


Develop and implement strategies, management processes and operations which optimise Quarry operations.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.5.4.1 Deliver the Quarry Management Action Plan. Implement, where appropriate the Quarry Rehabilitation Plan.	Management Plan delivered and implemented.	Progressing	25%	Finalisation of the new Quarry Management Action Plan and Quarry Rehabilitation Plan will be undertaken following the commencement of the new Quarry Manager.	

Deliver plant and fleet management efficiencies.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.5.5.1 Improve efficiencies within plant and fleet management through continuous review.	Number of reviews completed.	Complete	100%	Council will continue to monitor and review the management of its plant and fleet. Council will implement a new fleet management information system to further improve the utilisation and management of plant and fleet.	

Deliver a Long-Term Financial Plan (LTFP) which achieves balance between the Council's financial capabilities and the community's aspirations, and is a quality decision making and problem-solving tool.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
11.5.6.1 The projections within the LTFP reflect the financial projections contained in the Asset Management Plans.	Projections align between LTFP and Asset Management Plans.	Progressing	65%	The LTFP reflect the Asset Management Plans for the water and sewerage plans. This will require alignment with the Integrated Water Cycle Management Plan. Works are progressing to align the LTFP with the remaining Asset Management Plans.	


Theme: Our Environment


Our community has confidence in our strategic land use planning framework

Amend and create planning frameworks that strengthen the balance of competing land use interests, and minimises risks to our community including the availability of suitable residential land and adequate affordable housing.


Achieve flood risk management strategies and projects.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.1.1 Complete Stage 5 of the Coonamble Flood Levee.	Stage 5 completed.	Progressing	50%	Easements and acquisitions progressing.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.1.2 Draft Development Control Plans to include flood planning area development controls.	DCP adopted by Council.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.1.3 Implement Council's Floodplain Risk Management Study.	Number of recommendations and actions completed.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development and Manager Planning, Regulatory and Compliance roles.	


Develop a housing strategy to address affordability and availability of residential land and housing.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.2.1 Prepare housing strategy.	Housing strategy prepared and finalised.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	

Implement Planning and Development Approvals Process which enhances operational efficiencies.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.3.1 Deliver the Conditions of Consent Framework.	Conditions of Consent Framework delivered and number of subsequent reviews.	Progressing	10%	The standard conditions of consent are required to be collated and uploaded to the NSW Planning Portal.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.3.2 Complete successful transition of our organisation and community to the e-planning portal.	Number of portal applications without pre-lodgment enquiry.	Complete	100%	Transition has been completed. Members of the community still experience issues with the e-planning portal.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.1.3.3 Update and establish all Development Control Plans.	DCPs reviewed and adopted.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development and Manager Planning, Regulatory and Compliance roles.	


We are more sustainable and we contribute to the bigger environmental picture

Support environmental initiatives which grow our contribution to broader environmental outcomes for future generations.

Support stakeholders such as the Macquarie County Council, Local Land Services and Landcare whose plans and operations deliver greater environmental outcomes in our community.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.2.1.1 Continue our involvement and support with our environmental service partners.	Continued involvement and participation environment stakeholders and groups.	Progressing	75%	As at 30 June 2023 Council continues to engage with the Macquarie County Council, LLS and Landcare. The engagement is expected to be ongoing and expanded on the commencement of the Director Community, Planning and Development and the Manager Planning, Regulatory and Compliance	


As community expectations evolve, simultaneously evolve our involvement with initiatives which deliver greater environmental outcomes in our community.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.2.2.1 Engage with community on environmental expectations and adapt to evolving requirements for Local Government's role in delivering environmental outcomes.	Number of engagements offered and participation rate by community in engagements.	Not Progressing	0%	Unable to progress due to vacancies in the Director Community, Planning and Development, Manager Planning, Regulatory and Compliance, and Compliance and Regulatory Officers roles.	


We are winning our war on our waste

Improve our strategies, plans and programs so that we successfully balance the sustainable waste expectations of our community within the resources available to us.

Create and adopt new and evolved waste management strategies and operations which reduce the gap between our community's sustainable waste expectations and satisfaction levels.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.3.1.1 Revise the Waste Management Strategy.	Waste Management Strategy revised and adopted as new.	Progressing	40%	Council has completed a review of the operations of the Coonamble Waste Management Facility which will inform the Waste Management Strategy.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.3.1.2 Review waste contract objectives and requirements to achieve improved sustainable waste outcomes for the community and Council.	New tender specification in line with long term plan of management.	Complete	100%	An interim contract has been implemented to enable a review of waste and recycling in Coonamble Shire.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
E1.3.1.3 Procurement of a new waste contract.	New contract established.	Complete	100%	An interim contract has been established.	

Theme: Our Leadership

Our community leaders enrich and empower us

Support and contribute to initiatives which build our capacity within to grow and nurture leadership in our community.


Support and contribute to initiatives which fosters and recognises leadership within our community.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.1.1.1 Continue Council's involvement with recognising community leadership.	Number of initiatives and programs implemented.	Progressing	70%	Council continues to support leadership initiatives including the Australia Day Awards. Council was a sponsor for the Small Business Month activities.	

Our community believes in the integrity of Council's decision


Strengthen our engagement and consultation with our local community and stakeholders including increasing community participation in decision making.

Employ quality engagement and communication tools and strategies, including Council's Community Engagement Strategy, which achieves increased community's participation in decision making.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.2.1.1 Evolve community engagement tools and methods to achieve increased community participation.	Number of Community engagement initiatives and programs implemented.	Progressing	75%	Sustained social media program and proactive engagement of local media. Unable to further progress due to vacancy in the Grants and Communication Officers role.	

Deliver successful strategies and operations which increase the community's confidence in the integrity and capability of Coonamble Shire Council.


Complete and adopt the Audit, Risk and Improvement Committee's (ARIC) Strategic Four-Year Plan.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.1.1 The Audit, Risk and Improvement Committee commence review and analysis of the organisation.	Review completed.	Progressing	50%	ARIC Terms of Reference and Charter have been adopted by Council. ARIC Chairperson has been appointed.	


Adopt the eight elements of good governance practices at the essence of operations and decision making.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.2.1 Adopt the eight elements of good governance and receive adequate training to deliver.	Good governance principles adopted.	Progressing	30%	Governance principles are included in all Council reports. Training has not been provided due to lack of available resources and high turnover of staff. Additionally, the resignation of the General Manager, the subsequent two Acting General Managers and the appointment of the permanent General Manager impacted the ability to provide training.	
	Governance training delivered and attended by all.				


Deliver communication and marketing strategies which achieve brand building and maximises engagement with our community.


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.3.1 Develop more inclusive communication outreach to increase engagement and communication with target groups.	Number of engagement and communication to outreach ratio.	Progressing	75%	Communication was conducted through social media, Councils website, the Weekly Connect and the Mayor's column. Council also attends Chamber of Commerce and other community group meetings.	


Achieve organisational decision making which is strategic and not ad hoc.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.4.1 Continue to review, develop and adopt policies, strategies and plans which gives clear framework and leads to strategic decision making.	Number of policies reviewed and adopted.	Progressing	50%	Council adopted the 2023-2024 Operational Plan at June 2023 meeting. This Operational Plan established the strategic direction for Council in accordance with the Community Strategic Plan and Development Program. The ability to review policies was significantly impacted by staff resources.	


Achieve redundancy within our organisational structure, and provide effective pathways for our people by successfully becoming a learning organisation.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.5.1 Deliver innovative workplace solutions which increase our attraction and retention of talent.	Attraction and retention rate against State average.	Progressing	30%	A review of senior staff packages was completed to ensure parity with the industry standard. Council has initiated a values based cultural change which is expected to result in increased retention of staff.	
	Number of solutions and uptake.				

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.5.2 Resource the Annual Training Plan which facilitates the successful delivery of commitments made in the Delivery Plan and Operational Plan.	Annual Training Plan resourced and delivered.	Progressing	50%	Appraisals are completed annually to capture contemporary training requirements. These are collated to create the Annual Training Plan. The 2022-2023 Training Plan has been heavily impacted by staff shortages and the ability to obtain access to training courses.	


DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.5.3 Implement WH&S systems and strategies which achieve operational efficiencies and improves our safety culture.	WH&S systems and strategies continuously updated and improved.	Progressing	50%	Tool box and depot meetings continued to highlight workplace safety for the public, staff and themselves. Improvements have been limited by the ability to attract suitably qualified WH&S staff.	


Complete a Service Delivery Review for the whole of organisation and deliver a full-Service Delivery Review Program for rollout in Jul 2024.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.3.6.1 Establish which specific functions and operations require a Service Delivery Review Program.	As required by OLG, develop and action the Service Delivery Review and Service Delivery Review Program within required timeframe.	Not Progressing	0%	The level of staff resourcing has not enabled the progression of the Service Delivery Review Programs.	

Succeed in placing customers and the community at the heart of service delivery, and succeed in achieving a culture of continuous improvement.

Develop and adopt strategies including Customer Service Excellence which positively influences the way we think and do business.

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.4.1.1 Develop customer focused procedures including; Customer Service Policy; Complaints Handling; Customer Response System. Deliver a long-term solution to records management.	Relevant customer focused documentation and policies developed.	Progressing	50%	Council's customer service team has experienced a large number of changes within its staffing. Council has remained focused on providing quality service to all customers, both internal and external. Preliminary work has been undertaken on Customer Service Standards as a precursor to the development of the Customer Service Policy.	

DP Action Name	Target	Status	Progress	Annual Comment	Indicator
L1.4.1.2 Deliver a long-term solution to records management.	Record Management system implemented.	Progressing	35%	Council has decided to transition to an electronic Records Management System. Preliminary information has been gathered on record requirements across Council to inform the next stage in the transition.	

Coonamble Shire Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2023



Coonamble Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023



Coonamble Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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

Coonamble Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

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

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Coonamble Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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 13 September 2023.



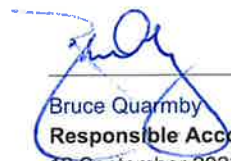
Tim Horan
Mayor
13 September 2023



Bill Fisher
Councillor
13 September 2023



Paul Gallagher
General Manager
13 September 2023



Bruce Quarmby
Responsible Accounting Officer
13 September 2023

Coonamble Shire Council

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023 \$ '000		Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
	Income from continuing operations			
7,399	Rates and annual charges	B2-1	7,076	6,818
10,244	User charges and fees	B2-2	8,082	6,286
898	Other revenues	B2-3	998	787
10,652	Grants and contributions provided for operating purposes	B2-4	13,740	11,337
20,855	Grants and contributions provided for capital purposes	B2-4	3,242	1,643
289	Interest and investment income	B2-5	1,166	206
100	Other income	B2-6	83	80
–	Net gain from the disposal of assets	B4-1	133	2
50,437	Total income from continuing operations		34,520	27,159
	Expenses from continuing operations			
9,453	Employee benefits and on-costs	B3-1	8,144	8,078
12,111	Materials and services	B3-2	10,866	6,561
6	Borrowing costs	B3-3	28	9
6,954	Depreciation, amortisation and impairment of non-financial assets	B3-4	6,760	6,641
978	Other expenses	B3-5	1,038	819
29,502	Total expenses from continuing operations		26,836	22,108
20,935	Operating result from continuing operations		7,684	5,051
20,935	Net operating result for the year attributable to Council		7,684	5,051
80	Net operating result for the year before grants and contributions provided for capital purposes		4,442	3,408

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

Coonamble Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
Net operating result for the year – from Income Statement		7,684	5,051
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<u>23,940</u>	15,155
Total items which will not be reclassified subsequently to the operating result		23,940	15,155
Total other comprehensive income for the year		23,940	15,155
Total comprehensive income for the year attributable to Council		31,624	20,206

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

Coonamble Shire Council

Statement of Financial Position

as at 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	6,538	5,417
Investments	C1-2	31,250	28,250
Receivables	C1-4	11,477	7,071
Inventories	C1-5	1,529	941
Other		227	128
Total current assets		51,021	41,807
Non-current assets			
Receivables	C1-4	465	271
Infrastructure, property, plant and equipment (IPPE)	C1-6	342,707	315,490
Right of use assets	C2-1	64	102
Investments accounted for using the equity method	D2-2	88	75
Total non-current assets		343,324	315,938
Total assets		394,345	357,745
LIABILITIES			
Current liabilities			
Payables	C3-1	2,787	2,786
Income received in advance	C3-1	397	382
Contract liabilities	C3-2	8,081	3,384
Lease liabilities	C2-1	37	37
Borrowings	C3-3	46	44
Employee benefit provisions	C3-4	1,514	1,704
Total current liabilities		12,862	8,337
Non-current liabilities			
Lease liabilities	C2-1	29	66
Borrowings	C3-3	403	448
Employee benefit provisions	C3-4	77	93
Provisions	C3-5	549	–
Total non-current liabilities		1,058	607
Total liabilities		13,920	8,944
Net assets		380,425	348,801
EQUITY			
Accumulated surplus		196,838	189,154
IPPE revaluation reserve	C4-1	183,587	159,647
Council equity interest		380,425	348,801
Total equity		380,425	348,801

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

Coonamble Shire Council

Statement of Changes in Equity

for the year ended 30 June 2023

	Notes	2023			2022		
		Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July		189,154	159,647	348,801	184,103	144,492	328,595
Restated opening balance		189,154	159,647	348,801	184,103	144,492	328,595
Net operating result for the year		7,684	–	7,684	5,051	–	5,051
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	23,940	23,940	–	15,155	15,155
Other comprehensive income		–	23,940	23,940	–	15,155	15,155
Total comprehensive income		7,684	23,940	31,624	5,051	15,155	20,206
Closing balance at 30 June		196,838	183,587	380,425	189,154	159,647	348,801

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

Coonamble Shire Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023 \$ '000		Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
Cash flows from operating activities				
<i>Receipts:</i>				
7,390	Rates and annual charges		7,060	6,649
9,193	User charges and fees		6,874	5,675
292	Interest received		1,143	198
31,169	Grants and contributions		18,985	14,363
–	Bonds, deposits and retentions received		32	12
1,914	Other		2,505	1,864
<i>Payments:</i>				
(9,444)	Payments to employees		(8,259)	(8,521)
(12,109)	Payments for materials and services		(13,205)	(7,272)
(6)	Borrowing costs		(28)	(9)
–	Bonds, deposits and retentions refunded		(30)	(57)
(826)	Other		(1,064)	(751)
27,573	Net cash flows from operating activities	G1-1	14,013	12,151
Cash flows from investing activities				
<i>Receipts:</i>				
50,000	Sale of investments		51,250	35,500
–	Sale of real estate assets		–	50
–	Proceeds from sale of IPPE		414	–
<i>Payments:</i>				
(50,000)	Purchase of investments		(54,250)	(50,500)
(31,983)	Payments for IPPE		(10,226)	(5,323)
(31,983)	Net cash flows from investing activities		(12,812)	(20,273)
Cash flows from financing activities				
<i>Receipts:</i>				
350	Proceeds from borrowings		–	–
<i>Payments:</i>				
(53)	Repayment of borrowings		(43)	(58)
(37)	Principal component of lease payments		(37)	(22)
260	Net cash flows from financing activities		(80)	(80)
(4,150)	Net change in cash and cash equivalents		1,121	(8,202)
8,668	Cash and cash equivalents at beginning of year		5,417	13,619
4,518	Cash and cash equivalents at end of year	C1-1	6,538	5,417
13,000	plus: Investments on hand at end of year	C1-2	31,250	28,250
17,518	Total cash, cash equivalents and investments		37,788	33,667

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

Coonamble Shire Council

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

A About Council and these financial statements	12
A1-1 Basis of preparation	12
B Financial Performance	14
B1 Functions or activities	14
B1-1 Functions or activities – income, expenses and assets	14
B1-2 Components of functions or activities	15
B2 Sources of income	16
B2-1 Rates and annual charges	16
B2-2 User charges and fees	17
B2-3 Other revenues	18
B2-4 Grants and contributions	19
B2-5 Interest and investment income	21
B2-6 Other income	21
B3 Costs of providing services	22
B3-1 Employee benefits and on-costs	22
B3-2 Materials and services	23
B3-3 Borrowing costs	23
B3-4 Depreciation, amortisation and impairment of non-financial assets	24
B3-5 Other expenses	25
B4 Gains or losses	26
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	26
B5 Performance against budget	27
B5-1 Material budget variations	27
C Financial position	30
C1 Assets we manage	30
C1-1 Cash and cash equivalents	30
C1-2 Financial investments	30
C1-3 Restricted and allocated cash, cash equivalents and investments	32
C1-4 Receivables	34
C1-5 Inventories	36
C1-6 Infrastructure, property, plant and equipment	38
C2 Leasing activities	42
C2-1 Council as a lessee	42
C2-2 Council as a lessor	45
C3 Liabilities of Council	48
C3-1 Payables	48
C3-2 Contract Liabilities	50
C3-3 Borrowings	51
C3-4 Employee benefit provisions	53
C3-5 Provisions	54

Coonamble Shire Council

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

C4 Reserves	56
C4-1 Nature and purpose of reserves	56
D Council structure	57
D1 Results by fund	57
D1-1 Income Statement by fund	57
D1-2 Statement of Financial Position by fund	58
D2 Interests in other entities	59
D2-1 Subsidiaries	59
D2-2 Interests in joint arrangements	59
D2-3 Interests in associates	60
D2-4 Unconsolidated structured entities	60
E Risks and accounting uncertainties	61
E1-1 Risks relating to financial instruments held	61
E2-1 Fair value measurement	65
E3-1 Contingencies	72
F People and relationships	75
F1 Related party disclosures	75
F1-1 Key management personnel (KMP)	75
F1-2 Councillor and Mayoral fees and associated expenses	78
F1-3 Other related parties	79
F2 Other relationships	80
F2-1 Audit fees	80
G Other matters	81
G1-1 Statement of Cash Flows information	81
G2-1 Commitments	82
G3-1 Events occurring after the reporting date	83
G4 Statement of performance measures	84
G4-1 Statement of performance measures – consolidated results	84
G4-2 Statement of performance measures by fund	85
H Additional Council disclosures (unaudited)	87
H1-1 Statement of performance measures – consolidated results (graphs)	87
H1-2 Council information and contact details	89

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 13 September 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

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

Historical cost convention

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

Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

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

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 C1-4.

Monies and other assets received by Council

The Consolidated Fund

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

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

- General purpose operations
- Water service
- Sewerage service

A1-1 Basis of preparation (continued)

Goods and Services Tax (GST)

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

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

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

Volunteer services

Council has no material reliance on volunteer services and there is no financial impact on the financial statements as presented.

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2023 reporting period.

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

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.

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 for the first time at 30 June 2023.

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	
	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000
Functions or activities										
Administration	13,907	11,776	5,091	5,394	8,816	6,382	4,692	4,036	59,699	44,528
Public order and safety	945	625	970	927	(25)	(302)	400	206	4,486	3,457
Health	7	14	287	199	(280)	(185)	–	–	23	457
Environment	476	482	1,383	947	(907)	(465)	–	3	17,760	16,252
Community service and education	45	3	140	119	(95)	(116)	40	3	437	780
Housing and community amenities	247	224	563	558	(316)	(334)	40	39	8,680	6,789
Water supplies	1,715	1,507	1,782	1,469	(67)	38	57	120	23,664	21,935
Sewerage supplies	1,248	938	886	843	362	95	56	–	23,415	22,299
Recreation and culture	488	499	2,061	2,041	(1,573)	(1,542)	426	445	11,007	10,242
Mining, manufacturing and construction	2,716	2,227	3,066	2,101	(350)	126	–	–	9,846	8,965
Transport and Communication	12,078	8,048	9,426	6,381	2,652	1,667	11,248	7,756	230,826	217,616
Economic Affairs	648	816	1,181	1,129	(533)	(313)	23	372	4,502	4,425
Total functions and activities	34,520	27,159	26,836	22,108	7,684	5,051	16,982	12,980	394,345	357,745

B1-2 Components of functions or activities

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

Administration

includes Council's governance function, corporate support and other support services, engineering works and any council policy compliance.

Public order and safety

includes Council's fire and emergency services levy, fire protection, emergency services, animal control and other public order and safety

Health

includes administration and inspection costs for health services as well as provision of residential accommodation for medical professionals.

Environment

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

Community service and education

includes administration and education; aged and disabled services; youth services and programs; other community services

Housing and community amenities

includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation.

Water supplies

water services

Sewerage supplies

sewer services

Recreation and culture

includes public libraries; museums; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks and gardens; and other sporting, recreational and cultural services

Mining, manufacturing and construction

includes building control, quarries and pits and mineral resources

Transport and Communication

(urban local, urban regional); includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic Affairs

includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; saleyards and markets; real estate development and other business undertakings.

B2 Sources of income

B2-1 Rates and annual charges

	2023 \$ '000	2022 \$ '000
Ordinary rates		
Residential	759	730
Farmland	4,158	4,051
Business	167	164
Less: pensioner rebates (mandatory)	(44)	(66)
Rates levied to ratepayers	5,040	4,879
Pensioner rate subsidies received	24	36
Total ordinary rates	5,064	4,915
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	396	393
Water supply services	767	731
Sewerage services	874	794
Less: pensioner rebates (mandatory)	(61)	(43)
Annual charges levied	1,976	1,875
Pensioner annual charges subsidies received:		
– Water	13	14
– Sewerage	11	13
– Domestic waste management	12	1
Total annual charges	2,012	1,903
Total rates and annual charges	7,076	6,818

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

Accounting policy

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

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

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

B2-2 User charges and fees

	Timing	2023 \$ '000	2022 \$ '000
Specific user charges (per s502 - specific 'actual use' charges)			
Domestic waste management services	2	5	–
Water supply services	2	763	620
Sewerage services	2	147	123
Waste management services (non-domestic)	2	78	78
Total specific user charges		993	821
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Building regulation	2	27	23
Building services – other	2	3	4
Planning and building regulation	2	–	1
Regulatory/ statutory fees	2	3	3
Registration fees	2	9	18
Section 10.7 certificates (EP&A Act)	2	19	17
Section 603 certificates	2	11	12
Town planning	2	34	27
Other	2	2	–
Total fees and charges – statutory/regulatory		108	105
(ii) Fees and charges – other (incl. general user charges (per s608))			
Caravan park	2	26	28
Cemeteries	2	134	123
Park rents	2	1	1
Quarry revenues	2	2,688	2,204
Transport for NSW works (state roads not controlled by Council)	2	3,603	2,664
Saleyards	2	120	94
Swimming centres	2	10	23
Water connection fees	2	6	7
Private works	2	330	156
Recreational grounds fees	2	35	25
Other	2	28	35
Total fees and charges – other		6,981	5,360
Total other user charges and fees		7,089	5,465
Total user charges and fees		8,082	6,286
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)		8,082	6,286
Total user charges and fees		8,082	6,286

Accounting policy

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

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

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

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

B2-3 Other revenues

	Timing	2023 \$ '000	2022 \$ '000
Legal fees recovery – rates and charges (extra charges)	1	62	55
Commissions and agency fees	2	104	108
Diesel rebate	1	112	94
Insurance claims recoveries	1	58	16
Sales – general	2	40	19
Reimbursement – bushfire	2	536	401
Other	1	86	94
Total other revenue		998	787

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	318	258
Other revenue recognised at a point in time (2)	680	529
Total other revenue	998	787

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

		Operating 2023 \$ '000	Operating 2022 \$ '000	Capital 2023 \$ '000	Capital 2022 \$ '000
	Timing				
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance	1	1,466	2,357	-	-
Payment in advance - future year allocation					
Financial assistance	1	5,446	3,626	-	-
Amount recognised as income during current year					
		6,912	5,983	-	-
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Water supplies	1	-	120	57	-
Sewerage services	1	-	-	56	-
Bushfire and emergency services	1	-	-	400	-
Tourism	1	-	-	-	41
Employment and training programs	2	28	2	-	-
Community care	1	58	33	-	-
Community centres	1	-	-	-	67
Economic development	1	15	118	-	-
Floodplain management	2	-	3	-	-
Heritage and cultural	1	-	3	-	-
Library – per capita	2	74	73	-	-
Street lighting	2	40	39	-	-
Recreation and culture	1	-	117	304	136
Storm/flood damage	1	647	1,591	-	-
Transport (other roads and bridges funding)	1	4,484	498	1,910	859
Community Drought Program	1	49	127	-	-
Other specific grants	1	-	-	515	540
Transport (roads to recovery)	2	-	931	-	-
Bushfire services	1	-	206	-	-
Community services	1	7	-	-	-
Transport for NSW contributions (regional roads, block grant)	2	1,426	1,493	-	-
Total special purpose grants and non-developer contributions – cash					
		6,828	5,354	3,242	1,643
Total special purpose grants and non-developer contributions (tied)					
		6,828	5,354	3,242	1,643
Total grants and non-developer contributions					
		13,740	11,337	3,242	1,643
Comprising:					
– Commonwealth funding		6,961	6,914	515	599
– State funding		6,779	4,423	2,727	1,044
		13,740	11,337	3,242	1,643

Unspent grants and contributions

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

Operating 2023	Operating 2022	Capital 2023	Capital 2022
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B2-4 Grants and contributions (continued)

	\$ '000	\$ '000	\$ '000	\$ '000
Unspent grants and contributions				
Unspent funds at 1 July	1,325	916	3,349	1,110
Add: Funds received and recognised as revenue in the current year	5,795	531	2,164	2,666
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(1,110)	(122)	(23)	–
Less: Funds received in prior year but revenue recognised and funds spent in current year	(14)	–	(1,670)	(427)
Unspent funds at 30 June	5,996	1,325	3,820	3,349

Accounting policy**Grants and contributions – enforceable agreement with sufficiently specific performance obligations**

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

The performance obligations vary according to the agreement but include achievement of specified levels of service, delivery of specific goods or services or the completion of agreed asset development. 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

	2023 \$ '000	2022 \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	62	60
– Cash and investments	1,104	146
Total interest and investment income (losses)	1,166	206
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	24	26
General Council cash and investments	853	113
Restricted investments/funds – external:		
Water fund operations	118	31
Sewerage fund operations	164	30
Domestic waste management operations	7	6
Total interest and investment income	1,166	206

Accounting policy

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

B2-6 Other income

	Notes	2023 \$ '000	2022 \$ '000
Rental income			
Other lease income			
Residential Premises		22	23
Leaseback fees - council vehicles		21	14
Council Land - NEI		19	26
Aerodrome Lease Fees		8	12
Total other lease income		70	75
Total rental income	C2-2	70	75
Net share of interests in joint ventures and associates using the equity method			
Joint ventures		13	5
Total net share of interests in joint ventures and associates using the equity method	D2-2	13	5
Total other income		83	80

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2023 \$ '000	2022 \$ '000
Salaries and wages	6,067	6,522
Employee leave entitlements (ELE)	1,107	550
Superannuation	599	633
Workers' compensation insurance	320	330
Fringe benefit tax (FBT)	24	19
Other	331	275
Total employee costs	8,448	8,329
Less: capitalised costs	(304)	(251)
Total employee costs expensed	8,144	8,078
Number of 'full-time equivalent' employees (FTE) at year end	82	81

Accounting policy

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

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

	Notes	2023 \$ '000	2022 \$ '000
Raw materials and consumables		4,897	2,344
Contractor and consultancy costs			
– Administration		102	–
– Building, electrical, plumbing		143	142
– External plant hire		772	485
– Planning		31	52
– Quarry		1,262	320
- Water Supply		80	77
– Waste management		491	349
– Aerodrome Grounds Maintenance		46	17
Contractor and consultancy costs – other		318	174
Audit Fees	F2-1	73	64
Advertising		73	131
Bank charges		20	19
Computer software charges		125	103
Councillor and Mayoral fees and associated expenses	F1-2	199	170
Electricity and heating		372	402
Election expenses		–	37
Fire control expenses		–	2
Insurance		541	465
Office expenses (including computer expenses)		75	59
Postage		18	25
Printing and stationery		22	38
Royalties		109	128
Street Cleaning		294	227
Street lighting		124	126
Subscriptions and publications		92	92
Telephone and communications		41	43
Training costs (other than salaries and wages)		160	110
Travel expenses		110	86
Valuation fees		23	22
Other expenses		79	91
Legal expenses:			
– Legal expenses: planning and development		5	16
– Legal expenses: other		169	145
Total materials and services		10,866	6,561
Total materials and services		10,866	6,561

B3-3 Borrowing costs

(i) Interest bearing liability costs

Interest on leases		2	1
Interest on loans		26	8
Total interest bearing liability costs		28	9
Total interest bearing liability costs expensed		28	9
Total borrowing costs expensed		28	9

Accounting policy

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

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

	Notes	2023 \$ '000	2022 \$ '000
Depreciation and amortisation			
Plant and equipment		937	1,180
Office equipment		102	94
Land improvements (depreciable)		19	18
Infrastructure:	C1-6		
– Buildings – non-specialised		134	65
– Buildings – specialised		504	463
– Other structures		460	401
– Roads		3,425	3,314
– Bridges		159	155
– Footpaths		31	31
– Stormwater drainage		160	160
– Water supply network		421	412
– Sewerage network		370	325
Right of use assets	C2-1	38	23
Total depreciation, amortisation and impairment for non-financial assets		6,760	6,641

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets and Note C2-1 for right of use assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because 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.

Other 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). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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

B3-5 Other expenses

	Notes	2023 \$ '000	2022 \$ '000
Impairment of receivables			
Other		23	–
Total impairment of receivables	C1-4	23	–
Other			
Contributions/levies to other levels of government		75	75
– Emergency services levy (includes FRNSW, SES, and RFS levies)		739	554
– Other contributions/levies		117	116
Donations, contributions and assistance to other organisations (Section 356)		84	74
Total other		1,015	819
Total other expenses		1,038	819

Accounting policy

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

Impairment expenses are recognised when identified.

B4 Gains or losses

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

	Notes	2023 \$ '000	2022 \$ '000
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		407	–
Less: carrying amount of plant and equipment assets sold/written off		(281)	–
Gain (or loss) on disposal		126	–
Gain (or loss) on disposal of infrastructure	C1-6		
Proceeds from disposal – infrastructure		7	–
Less: carrying amount of infrastructure assets sold/written off		–	(22)
Gain (or loss) on disposal		7	(22)
Gain (or loss) on disposal of real estate assets held for sale	C1-5		
Proceeds from disposal – real estate assets		–	50
Less: carrying amount of real estate assets sold/written off		–	(26)
Gain (or loss) on disposal		–	24
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		51,250	35,500
Less: carrying amount of investments sold/redeemed/matured		(51,250)	(35,500)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		133	2

Accounting policy

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

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 15 June 2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Revenues				
Rates and annual charges	7,399	7,076	(323)	(4)% U
User charges and fees	10,244	8,082	(2,162)	(21)% U
Council's ability to generate income from User charges and fees was adversely affected by the prevailing economic and climatic conditions experienced throughout the year.				
Other revenues	898	998	100	11% F
Council adopted a conservative approach for estimating the level of other revenue that was expected to be received in the 2022/2023 financial year.				
Operating grants and contributions	10,652	13,740	3,088	29% F
Council adopted a conservative approach in estimating the level of income that would be received from Operational grants in the 2022/2023 financial year. Council was fortunate to receive additional unplanned operational grants during the 2022/2023 financial year.				
Capital grants and contributions	20,855	3,242	(17,613)	(84)% U
At the time of the preparation of the 2022/2023 operational budget, Council included income for a number of Capital grants that it had formally been awarded. Unfortunately, due to a number of operational constraints the delivery of these capital grant programs has been delayed and as such Council was not able to recognise the associated income from these programs.				
Interest and investment revenue	289	1,166	877	303% F
Both short term and long term factors have combined to drive interest rates higher than anticipated to be received at the time the 2022/2023 operational budget was prepared and adopted by Council.				
Net gains from disposal of assets	-	133	133	∞ F
In the setting of the 2022/2023 Operational Budget, Council adopted a conservative income estimate for the projected Net gains from the disposal of assets. Additional revenue was received from the sale of assets originally planned for the 2021/2022 financial year.				
Other income	100	83	(17)	(17)% U
Council's budgeted other income was adversely affected by the cancellation of the lease agreements of Council properties.				
Expenses				
Employee benefits and on-costs	9,453	8,144	1,309	14% F
In preparing the 2022/2023 operational budget, Council budgeted for all the positions within its organisational structure to be filled. However, during the 2022/2023 financial year Council's organisational structure had a number of vacancies for extended periods of time.				
Materials and services	12,111	10,866	1,245	10% F

continued on next page ...

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----		
<p>The delivery of Council's planned 2022/2023 operational works program was adversely affected by a combination the prevailing economic and climatic conditions experienced throughout the 2022/2023 financial year.</p>					
Borrowing costs	6	28	(22)	(367)%	U
<p>Council's planned borrowing costs were adversely affected by market pressures experienced throughout the 2022/2023 financial year which led to a significant increase in interest rates payable.</p>					
Depreciation, amortisation and impairment of non-financial assets	6,954	6,760	194	3%	F
Other expenses	978	1,038	(60)	(6)%	U

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Statement of cash flows				
Cash flows from operating activities	27,573	14,013	(13,560)	(49)% U
Council was unsuccessful in obtaining funding for a number of budgeted capital grants and contributions that were anticipated to be brought to account in the 2022/2023 financial year.				
Cash flows from investing activities	(31,983)	(12,812)	19,171	(60)% F
Throughout the 2022/2023 financial year, prevailing economic and climatic conditions adversely impacted Council's delivery of its planned Capital works program.				
Cash flows from financing activities	260	(80)	(340)	(131)% U
As part of its 2022/2023 operational budget, Council had included the planned borrowing of funds to complete a capital works project. Council did not take up the option to draw down the loan funds during the 2022/2023 financial year.				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2023 \$ '000	2022 \$ '000
Cash assets		
Cash on hand and at bank	6,538	1,917
Cash equivalent assets		
– Short-term deposits	–	3,500
Total cash and cash equivalents	6,538	5,417

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	6,538	5,417
Balance as per the Statement of Cash Flows	6,538	5,417

Accounting policy

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

C1-2 Financial investments

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Debt securities at amortised cost				
Long term deposits	31,250	–	28,250	–
Total	31,250	–	28,250	–
Total financial investments	31,250	–	28,250	–
Total cash assets, cash equivalents and investments	37,788	–	33,667	–

Accounting policy

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

C1-2 Financial investments (continued)

Amortised cost

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

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

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

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

	2023 \$ '000	2022 \$ '000
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	37,788	33,667
Less: Externally restricted cash, cash equivalents and investments	<u>(18,701)</u>	<u>(13,955)</u>
Cash, cash equivalents and investments not subject to external restrictions	19,087	19,712

External restrictions

External restrictions – included in liabilities

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

Specific purpose unexpended grants – general fund	6,630	3,271
Specific purpose unexpended grants – water fund	55	113
External restrictions – included in liabilities	6,685	3,384

External restrictions – other

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

Specific purpose unexpended grants (recognised as revenue) – general fund	3,023	1,229
Specific purpose unexpended grants (recognised as revenue) – water fund	52	61
Specific purpose unexpended grants (recognised as revenue) – sewer fund	56	–
Water fund	3,088	3,558
Sewer fund	4,955	4,597
Domestic waste management	842	1,126
External restrictions – other	12,016	10,571
Total external restrictions	18,701	13,955

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.

	2023 \$ '000	2022 \$ '000
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	19,087	19,712
Less: Internally restricted cash, cash equivalents and investments	<u>(19,042)</u>	<u>(17,070)</u>
Unrestricted and unallocated cash, cash equivalents and investments	45	2,642

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

	2023 \$ '000	2022 \$ '000
Internal allocations		
At 30 June, Council has internally allocated funds to the following:		
Plant and vehicle replacement	4,654	4,873
Employees leave entitlement	895	895
Carry over works	539	525
Aerodrome	50	50
Caravan park	25	25
Cemetery	77	77
Common	75	65
Depot improvements	9	9
Development	797	297
Election expenses	13	13
Emergency services building	–	200
Financial assistance grant (in advance)	5,446	3,626
Footpath replacement	80	80
Kerb and gutter replacement	70	20
Levee reserve	87	107
Local environmental plan	25	25
Office equipment	126	126
Other community development	97	119
Premises refurbishment	1,277	1,389
Quarry	1,481	1,360
Quarry rehabilitation	180	170
Recreational facilities	192	172
Road reloaming	809	809
Road reserve sealed	619	619
Rural fire service	36	36
Showground	80	80
Single invitation contract	200	200
Strategic plan review	20	20
Street lighting	40	40
Urban streets	95	95
Weir improvement	18	18
Bore Baths Establishment Reserve	493	493
Unspent Loan Funds	437	437
Total internal allocations	19,042	17,070

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

	2023 \$ '000	2022 \$ '000
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	45	2,642

C1-4 Receivables

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Rates and annual charges	574	358	612	304
Interest and extra charges	72	77	61	65
User charges and fees	5,164	165	3,652	63
Accrued revenues				
– Other income accruals	86	–	86	–
Government grants and subsidies	5,475	–	2,781	–
Net GST receivable	374	–	121	–
Total	11,745	600	7,313	432
Less: provision for impairment				
Rates and annual charges	(195)	(100)	(210)	(85)
User charges and fees	(73)	(35)	(32)	(76)
Total provision for impairment – receivables	(268)	(135)	(242)	(161)
Total net receivables	11,477	465	7,071	271
Externally restricted receivables				
Water supply				
– Rates and availability charges	654	–	144	–
– Other	144	134	442	91
Sewerage services				
– Rates and availability charges	264	–	178	–
– Other	103	–	104	–
Total external restrictions	1,165	134	868	91
Unrestricted receivables	10,312	331	6,203	180
Total net receivables	11,477	465	7,071	271

	2023 \$ '000	2022 \$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	403	403
Balance at the end of the year	403	403

Accounting policy

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

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

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

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.

C1-4 Receivables (continued)

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:

- 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 1 year past due, whichever occurs first.

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

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

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
(i) Inventories at cost				
Real estate for resale	140	-	140	-
Stores and materials	273	-	238	-
Trading stock	1,116	-	563	-
Total inventories at cost	1,529	-	941	-
Total inventories	1,529	-	941	-

(ii) Other disclosures

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
(a) Details for real estate development				
Industrial/commercial	140	-	140	-
Total real estate for resale	140	-	140	-
(Valued at the lower of cost and net realisable value)				
Represented by:				
Acquisition costs	140	-	140	-
Total costs	140	-	140	-
Total real estate for resale	140	-	140	-
Movements:				
Real estate assets at beginning of the year	140	-	166	-
- WDV of sales (expense)	-	-	(26)	-
Total real estate for resale	140	-	140	-

(b) Current inventories not anticipated to be settled within the next 12 months

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

	2023 \$ '000	2022 \$ '000
Real estate for resale	54	94
	54	94

C1-5 Inventories (continued)

Accounting policy

Raw materials and stores, work in progress and finished goods

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

Land held for resale

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period							At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	3,266	–	3,266	3,484	1,442	–	–	(1,797)	–	–	6,394	–	6,394
Office equipment	3,256	(2,658)	598	77	–	–	(102)	–	–	–	3,333	(2,761)	572
Plant and equipment	11,646	(7,888)	3,758	1,688	31	(281)	(937)	–	–	–	12,336	(8,077)	4,259
Land:													
– Crown land	860	–	860	–	–	–	–	–	–	321	1,181	–	1,181
– Operational land	2,498	–	2,498	–	29	–	–	–	–	621	3,148	–	3,148
– Community land	633	–	633	–	–	–	–	–	–	109	742	–	742
Land improvements – non-depreciable	36	–	36	–	–	–	–	–	–	–	36	–	36
Land improvements – depreciable	964	(146)	818	72	–	–	(19)	–	–	–	1,036	(165)	871
Infrastructure:													
– Buildings – non-specialised	5,393	(1,031)	4,362	118	–	–	(134)	81	50	489	6,180	(1,214)	4,966
– Buildings – specialised	34,421	(13,669)	20,752	119	56	–	(504)	105	(50)	1,260	36,655	(14,916)	21,739
– Other structures	23,231	(7,721)	15,510	63	–	–	(460)	576	–	3,208	29,354	(10,456)	18,898
– Roads	255,738	(67,597)	188,141	1,103	828	–	(3,425)	851	–	12,978	276,121	(75,646)	200,475
– Bridges	26,466	(4,177)	22,289	–	–	–	(159)	–	–	1,205	27,903	(4,568)	23,335
– Footpaths	1,841	(544)	1,297	–	–	–	(31)	19	–	63	1,950	(602)	1,348
– Bulk earthworks (non-depreciable)	8,503	–	8,503	–	–	–	–	–	–	765	9,269	–	9,269
– Stormwater drainage	12,228	(4,833)	7,395	–	41	–	(160)	–	–	781	13,564	(5,508)	8,056
– Water supply network	26,607	(9,139)	17,468	485	44	–	(421)	58	–	1,433	29,406	(10,339)	19,067
– Sewerage network	28,534	(11,228)	17,306	43	8	–	(370)	107	–	707	30,180	(12,378)	17,802
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):													
– Quarry assets	–	–	–	–	–	–	–	–	549	–	549	–	549
Total infrastructure, property, plant and equipment	446,121	(130,631)	315,490	7,252	2,479	(281)	(6,722)	–	549	23,940	489,337	(146,630)	342,707

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

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

	At 1 July 2021			Asset movements during the reporting period							At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
By aggregated asset class	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	3,332	–	3,332	2,388	532	–	–	(2,986)	–	–	3,266	–	3,266
Plant and equipment	11,542	(6,708)	4,834	–	104	–	(1,180)	–	–	–	11,646	(7,888)	3,758
Office equipment	3,220	(2,564)	656	–	36	–	(94)	–	–	–	3,256	(2,658)	598
Land:													
– Operational land	2,485	–	2,485	–	13	–	–	–	–	–	2,498	–	2,498
– Community land	633	–	633	–	–	–	–	–	–	–	633	–	633
– Crown land	860	–	860	–	–	–	–	–	–	–	860	–	860
Land improvements – non-depreciable	36	–	36	–	–	–	–	–	–	–	36	–	36
Land improvements – depreciable	963	(127)	836	–	–	–	(18)	–	–	–	964	(146)	818
Infrastructure:													
– Buildings – non-specialised	3,687	(966)	2,721	36	367	–	(65)	1,303	–	–	5,393	(1,031)	4,362
– Buildings – specialised	29,111	(10,693)	18,418	12	42	–	(463)	335	–	2,408	34,421	(13,669)	20,752
– Other structures	20,349	(6,881)	13,468	183	112	–	(401)	699	–	1,449	23,231	(7,721)	15,510
– Roads	249,136	(67,467)	181,669	1,547	73	(10)	(3,314)	649	–	7,526	255,738	(67,597)	188,141
– Bridges	25,901	(3,931)	21,970	–	–	–	(155)	–	–	473	26,466	(4,177)	22,289
– Footpaths	1,814	(505)	1,309	–	–	–	(31)	–	–	20	1,841	(544)	1,297
– Bulk earthworks (non-depreciable)	8,503	–	8,503	–	–	–	–	–	–	–	8,503	–	8,503
– Stormwater drainage	12,013	(4,590)	7,423	–	–	–	(160)	–	–	131	12,228	(4,833)	7,395
– Water supply network	26,628	(8,348)	18,280	35	–	–	(412)	–	(436)	–	26,607	(9,139)	17,468
– Sewerage network	29,097	(15,544)	13,553	505	–	(12)	(325)	–	–	3,584	28,534	(11,228)	17,306
Total infrastructure, property, plant and equipment	429,310	(128,324)	300,986	4,706	1,279	(22)	(6,618)	–	(436)	15,591	446,121	(130,631)	315,490

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

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

Accounting policy

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

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

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

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

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

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

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 100	Flood control structures	80 to 100
Reticulation pipes: other	25 to 80		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Formation	Infinite	Bulk earthworks	Infinite
Sub-Base	100 to 200	Swimming pools	50
Base	45 to 60	Unsealed roads	20
Sealed roads: surface	20 to 30	Other open space/recreational assets	20 to 50
Unsealed roads: surface	20 to 30		
Bridge: Box Culvert	60 to 100		
Bridge: Standard	100 to 175		
Road pavements	45 to 60		
Kerb, gutter and footpaths	40 to 100		

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

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

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

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

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 30/06/23			as at 30/06/22		
	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000
Water supply						
WIP	469	–	469	58	–	58
Infrastructure	29,406	10,339	19,067	26,607	9,139	17,468
Total water supply	29,875	10,339	19,536	26,665	9,139	17,526
Sewerage services						
WIP	235	–	235	114	–	114
Infrastructure	30,180	12,378	17,802	28,534	11,228	17,306
Total sewerage services	30,415	12,378	18,037	28,648	11,228	17,420
Domestic waste management						
Land						
– Operational land	71	–	71	45	–	45
– Improvements non-depreciable	62	–	62	62	–	62
Infrastructure	1,325	406	919	1,035	411	624
Total domestic waste management	1,458	406	1,052	1,142	411	731
Total restricted infrastructure, property, plant and equipment	61,748	23,123	38,625	56,455	20,778	35,677

C2 Leasing activities

C2-1 Council as a lessee

Office equipment

Leases for office 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.

(a) Right of use assets

	Office Equipment \$ '000	Total \$ '000
2023		
Opening balance at 1 July	102	102
Depreciation charge	(38)	(38)
Balance at 30 June	64	64
2022		
Opening balance at 1 July	33	33
Additions to right-of-use assets	112	112
Adjustments to right-of-use assets due to re-measurement of lease liability	(20)	(20)
Depreciation charge	(23)	(23)
Balance at 30 June	102	102

(b) Lease liabilities

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Lease liabilities	37	29	37	66
Total lease liabilities	37	29	37	66

C2-1 Council as a lessee (continued)

(c) The maturity analysis

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

	< 1 year \$ '000	1 – 5 years \$ '000	> 5 years \$ '000	Total \$ '000	Total per Statement of Financial Position \$ '000
2023					
Cash flows	38	29	–	67	66
2022					
Cash flows	38	67	–	105	103
		2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Total lease liabilities relating to unrestricted assets		37	29	37	66
Total lease liabilities		37	29	37	66

(d) Income Statement

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

	2023 \$ '000	2022 \$ '000
Interest on lease liabilities	2	1
Depreciation of right of use assets	38	23
	40	24

(e) Statement of Cash Flows

	2023 \$ '000	2022 \$ '000
Total cash outflow for leases	38	23
	38	23

(f) Leases at significantly below market value – concessionary / peppercorn leases

Accounting policy

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

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

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

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-

C2-1 Council as a lessee (continued)

of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

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

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

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

Exceptions to lease accounting

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

Leases at significantly below market value / Concessionary leases

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

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note C1-6) and/or IPP&E (refer in this note part (v) below) in the Statement of Financial Position.

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

	2023 \$ '000	2022 \$ '000
Lease income (excluding variable lease payments not dependent on an index or rate)	70	75
Total income relating to operating leases for Council assets	70	75

C2-2 Council as a lessor (continued)

Reconciliation of IPPE assets leased out as operating leases

	Plant & Equipment 2023 \$ '000	Plant & Equipment 2022 \$ '000	Buildings 2023 \$ '000	Buildings 2022 \$ '000	Land 2023 \$ '000	Land 2022 \$ '000	Other Structures 2023 \$ '000	Other Structures 2022 \$ '000
Opening balance as at 1 July	198	235	1,433	1,291	888	888	163	183
Additions renewals	355	–	52	166	–	–	–	–
Carrying value of disposals	(106)	–	–	–	–	–	–	–
Depreciation expense	(52)	(37)	(20)	(24)	–	–	(20)	(20)
Adjustments and transfers	44	–	590	–	–	–	–	–
Revaluation increments to equity (ARR)	–	–	159	–	215	–	115	–
Closing balance as at 30 June	439	198	2,214	1,433	1,103	888	258	163

C2-2 Council as a lessor (continued)

	2023 \$ '000	2022 \$ '000
(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:		
Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:		
< 1 year	68	76
1–2 years	70	80
2–3 years	71	81
3–4 years	72	82
4–5 years	74	83
> 5 years	75	84
Total undiscounted lease payments to be received	430	486

Accounting policy

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

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

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

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

C3 Liabilities of Council

C3-1 Payables

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Payables				
Goods and services – operating expenditure	1,388	–	1,084	–
Goods and services – capital expenditure	335	–	830	–
Accrued expenses:				
– Salaries and wages	264	–	144	–
– Other expenditure accruals	4	–	11	–
Other payables	601	–	524	–
Security bonds, deposits and retentions	195	–	193	–
Total payables	2,787	–	2,786	–
Income received in advance				
Payments received in advance	397	–	382	–
Total income received in advance	397	–	382	–
Total payables	3,184	–	3,168	–

Payables relating to restricted assets

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Externally restricted assets				
Water	250	–	114	–
Sewer	48	–	19	–
Payables relating to externally restricted assets	298	–	133	–
Total payables relating to restricted assets	298	–	133	–
Total payables relating to unrestricted assets	2,886	–	3,035	–
Total payables	3,184	–	3,168	–

C3-1 Payables (continued)

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

	2023 \$ '000	2022 \$ '000
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	160	158
Total payables	160	158

Accounting policy

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

Payables

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

C3-2 Contract Liabilities

		2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
	Notes				
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	7,939	-	3,326	-
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	142	-	58	-
Total grants received in advance		8,081	-	3,384	-
Total contract liabilities		8,081	-	3,384	-

Notes

(i) Council has received funding to construct assets including sporting facilities, water supply and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

Contract liabilities relating to restricted assets

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Externally restricted assets				
Water	55	-	113	-
Unspent grants held as contract liabilities (excl. Water & Sewer)	6,630	-	3,271	-
Contract liabilities relating to externally restricted assets	6,685	-	3,384	-
Total contract liabilities relating to restricted assets	6,685	-	3,384	-
Total contract liabilities	8,081	-	3,384	-

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

	2023 \$ '000	2022 \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	1,670	1,110
Operating grants (received prior to performance obligation being satisfied)	11	58
Total revenue recognised that was included in the contract liability balance at the beginning of the period	1,681	1,168

Significant changes in contract liabilities

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Previously income received in advance was recognised for reciprocal contracts. The increase in a contract liability is primarily due to grants in the scope of AASB 15 and capital grants received by Council to acquire or construct assets which will be under Council's control. Previously, revenue was recognised on receipt of the funds.

C3-2 Contract Liabilities (continued)

Accounting policy

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

C3-3 Borrowings

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Loans – unsecured	46	403	44	448
Total borrowings	46	403	44	448

Borrowings relating to restricted assets

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Total borrowings relating to unrestricted assets	46	403	44	448
Total borrowings	46	403	44	448

(a) Changes in liabilities arising from financing activities

	2022		Non-cash movements				2023
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loan – unsecured	492	(43)	–	–	–	–	449
Lease liability (Note C2-1b)	103	(37)	–	–	–	–	66
Total liabilities from financing activities	595	(80)	–	–	–	–	515

	2021		Non-cash movements				2022
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loan – unsecured	550	(58)	–	–	–	–	492
Lease liability (Note C2-1b)	33	(21)	111	–	–	(20)	103
Total liabilities from financing activities	583	(79)	111	–	–	(20)	595

C3-3 Borrowings (continued)

(b) Financing arrangements

	2023 \$ '000	2022 \$ '000
Total facilities		
Bank overdraft facilities ¹	250	250
Credit cards/purchase cards	35	35
Total financing arrangements	285	285
Undrawn facilities		
– Bank overdraft facilities	250	250
– Credit cards/purchase cards	35	35
Total undrawn financing arrangements	285	285

Additional financing arrangements information

Breaches and defaults

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

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy

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

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

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

C3-4 Employee benefit provisions

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Annual leave	736	–	764	–
Long service leave	778	77	940	93
Total employee benefit provisions	1,514	77	1,704	93

Employee benefit provisions relating to restricted assets

There are no restricted assets (external or internal) applicable to the above provisions

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

	2023 \$ '000	2022 \$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	709	868
	709	868

Description of and movements in provisions

	ELE provisions		
	Annual leave \$ '000	Long service leave \$ '000	Total \$ '000
2023			
At beginning of year	764	1,033	1,797
Additional provisions	466	117	583
Amounts used (payments)	(494)	(295)	(789)
Total ELE provisions at end of year	736	855	1,591
2022			
At beginning of year	893	1,289	2,182
Additional provisions	490	59	549
Amounts used (payments)	(619)	(315)	(934)
Total ELE provisions at end of year	764	1,033	1,797

C3-4 Employee benefit provisions (continued)

Accounting policy

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

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

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

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

C3-5 Provisions

	2023 Current \$ '000	2023 Non-Current \$ '000	2022 Current \$ '000	2022 Non-Current \$ '000
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	549	–	–
Sub-total – asset remediation/restoration	–	549	–	–
Total provisions	–	549	–	–

Description of and movements in provisions

	Asset remediation \$ '000	Other provisions Total \$ '000
2023		
Additional provisions	549	549
Total other provisions at end of year	549	549

Accounting policy

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

C3-5 Provisions (continued)

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.

Nature and purpose of provisions

Asset remediation

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the tip and quarry as a result of past operations.

Asset remediation – quarries

Restoration

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. 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.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date, and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process, and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, 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 property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Close-down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

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

	General 2023 \$ '000	Water 2023 \$ '000	Sewer 2023 \$ '000
Income from continuing operations			
Rates and annual charges	5,320	880	876
User charges and fees	6,984	931	167
Interest and investment revenue	884	118	164
Other revenues	972	12	14
Grants and contributions provided for operating purposes	13,740	–	–
Grants and contributions provided for capital purposes	3,129	57	56
Net gains from disposal of assets	133	–	–
Other income	83	–	–
Total income from continuing operations	31,245	1,998	1,277
Expenses from continuing operations			
Employee benefits and on-costs	8,080	38	26
Materials and services	9,043	1,322	501
Borrowing costs	28	–	–
Depreciation, amortisation and impairment of non-financial assets	5,969	421	370
Other expenses	1,038	–	–
Total expenses from continuing operations	24,158	1,781	897
Operating result from continuing operations	7,087	217	380
Net operating result for the year	7,087	217	380
Net operating result attributable to each council fund	7,087	217	380
Net operating result for the year before grants and contributions provided for capital purposes	3,958	160	324

D1-2 Statement of Financial Position by fund

	General 2023 \$ '000	Water 2023 \$ '000	Sewer 2023 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	5,314	450	774
Investments	24,268	2,745	4,237
Receivables	10,312	798	367
Inventories	1,529	–	–
Other	227	–	–
Total current assets	41,650	3,993	5,378
Non-current assets			
Receivables	331	134	–
Infrastructure, property, plant and equipment	305,134	19,536	18,037
Investments accounted for using the equity method	88	–	–
Right of use assets	64	–	–
Total non-current assets	305,617	19,670	18,037
Total assets	347,267	23,663	23,415
LIABILITIES			
Current liabilities			
Payables	2,620	119	48
Income received in advance	266	131	–
Contract liabilities	8,026	55	–
Lease liabilities	37	–	–
Borrowings	46	–	–
Employee benefit provision	1,514	–	–
Total current liabilities	12,509	305	48
Non-current liabilities			
Lease liabilities	29	–	–
Borrowings	403	–	–
Employee benefit provision	77	–	–
Provisions	549	–	–
Total non-current liabilities	1,058	–	–
Total liabilities	13,567	305	48
Net assets	333,700	23,358	23,367
EQUITY			
Accumulated surplus	168,940	15,030	12,868
Revaluation reserves	164,760	8,328	10,499
Council equity interest	333,700	23,358	23,367
Total equity	333,700	23,358	23,367

D2 Interests in other entities

D2-1 Subsidiaries

Council has no interest in any controlled entities (subsidiaries).

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

D2-2 Interests in joint arrangements

Net carrying amounts – Council's share

	Place of business	Nature of relationship	Interest in ownership		2023	2022
			2023	2022	\$ '000	\$ '000
Northern Western Library Service	Coonamble	Joint venture	25.0%	25.0%	88	75
Total carrying amounts – material joint ventures					88	75

Material joint ventures

Council has incorporated the following joint venture into its consolidated financial statements.

Details

	Principal activity	Measurement method
Northern Western Library Service	Provision of Library Services	At cost

Relevant interests and fair values

	Interest in outputs		Proportion of voting power	
	2023	2022	2023	2022
Northern Western Library Service	25.0%	25.0%	25.0%	25.0%

D2-2 Interests in joint arrangements (continued)

Summarised financial information for joint ventures

	Northern Western Library Service	
	2023 \$ '000	2022 \$ '000
Statement of financial position		
Current assets		
Cash and cash equivalents	100	44
Non-current assets		
Net assets	354	300
Statement of comprehensive income		
Income	259	255
Other expenses	(206)	(237)
Profit/(loss) from continuing operations	53	18
Profit/(loss) for the period	53	18
Total comprehensive income	53	18
Share of income – Council (%)	25.0%	25.0%
Profit/(loss) – Council (\$)	13	5
Total comprehensive income – Council (\$)	13	5
Reconciliation of the carrying amount		
Opening net assets (1 July)	300	282
Profit/(loss) for the period	13	18
Closing net assets	313	300
Council's share of net assets (%)	25.0%	25.0%
Council's share of net assets (\$)	88	75

County Councils

Council is a member of the Castlereagh Macquarie County Council, a body corporate established under the Local Government Act 1993 (NSW) to control noxious weeds. Council is one of five constituent members and does not have significant influence over the County Council.

Accordingly, the County Council has not been consolidated in the financial statements.

D2-3 Interests in associates

Council has no interest in any associates.

D2-4 Unconsolidated structured entities

Council has no interest in any unconsolidated structured entities.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

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

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

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

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

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

	Carrying value 2023 \$ '000	Carrying value 2022 \$ '000	Fair value 2023 \$ '000	Fair value 2022 \$ '000
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	6,538	5,417	6,538	5,417
Receivables	11,942	7,342	11,942	7,342
Investments				
– Debt securities at amortised cost	31,250	28,250	31,250	28,250
Total financial assets	49,730	41,009	49,730	41,009
Financial liabilities				
Payables	2,787	2,786	2,787	2,786
Loans/advances	449	492	449	492
Total financial liabilities	3,236	3,278	3,236	3,278

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

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

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

(a) Market risk – interest rate and price risk

	2023	2022
	\$ '000	\$ '000
<p>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.</p>		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	349	337
Impact of a 10% movement in price of investments		
– Equity / Income Statement	–	–

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

(b) Credit risk

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

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

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

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

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.

	Not yet overdue \$ '000	overdue rates and annual charges < 5 years \$ '000	≥ 5 years \$ '000	Total \$ '000
2023				
Gross carrying amount	–	813	119	932
2022				
Gross carrying amount	–	841	75	916

Receivables - non-rates and annual charges and contract assets

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

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

	Not yet overdue \$ '000	0 - 30 days \$ '000	Overdue debts			Total \$ '000
			31 - 60 days \$ '000	61 - 90 days \$ '000	> 91 days \$ '000	
2023						
Gross carrying amount	8,916	231	180	1,395	691	11,413
Expected loss rate (%)	0.93%	0.02%	1.37%	0.38%	2.63%	0.95%
ECL provision	83	–	2	5	18	108
2022						
Gross carrying amount	5,381	289	110	151	898	6,829
Expected loss rate (%)	0.62%	1.00%	4.50%	6.00%	6.50%	1.59%
ECL provision	33	3	5	9	58	108

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

(c) Liquidity risk

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

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

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

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

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

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

	Weighted average interest rate %	Subject to no maturity \$ '000	payable in: ≤ 1 Year \$ '000	1 - 5 Years \$ '000	> 5 Years \$ '000	Total cash outflows \$ '000	Actual carrying values \$ '000
2023							
Payables	0.00%	195	2,592	–	–	2,787	2,787
Borrowings	5.40%	–	46	212	191	449	449
Total financial liabilities		195	2,638	212	191	3,236	3,236
2022							
Payables	0.00%	193	2,593	–	–	2,786	2,786
Borrowings	5.40%	–	44	200	248	492	492
Total financial liabilities		193	2,637	200	248	3,278	3,278

E2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment

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

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

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

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

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

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022	2023	2022
Recurring fair value measurements									
Infrastructure, property, plant and equipment C1-6									
Plant and equipment				–	–	4,259	3,758	4,259	3,758
Office Equipment				–	–	572	598	572	598
Crown land	01/07/2023	01/07/19		–	–	1,181	860	1,181	860
Operational land	01/07/2023	01/07/19		–	–	3,148	2,498	3,148	2,498
Community land	01/07/2023	01/07/19		–	–	742	633	742	633
Buildings – non-specialised	30/06/2023	30/06/20	1,417	1,363	3,549	2,999	4,966	4,362	
Buildings – specialised	30/06/2023	30/06/20	–	–	21,739	20,752	21,739	20,752	
Other Structures	30/06/2023	30/06/20	–	–	18,898	15,510	18,898	15,510	
Roads	30/06/2020	30/06/20	–	–	200,475	188,141	200,475	188,141	
Bridges	30/06/2020	30/06/20	–	–	23,335	22,289	23,335	22,289	
Footpaths	30/06/2020	30/06/20	–	–	1,348	1,297	1,348	1,297	
Stormwater Drainage	30/06/2020	30/06/20	–	–	8,056	7,395	8,056	7,395	
Water Supply network	30/06/2022	30/06/22	–	–	19,067	17,468	19,067	17,468	
Sewerage network	30/06/2022	30/06/22	–	–	17,802	17,306	17,802	17,306	
Bulk Earthworks	30/06/2022	30/06/18	–	–	9,269	8,503	9,269	8,503	
Land Improvements	30/06/2022	30/06/18	–	–	907	854	907	854	
Quarry Assets	30/06/2023		–	–	549	–	549	–	
Total infrastructure, property, plant and equipment			1,417	1,363	334,896	310,861	336,313	312,224	

Transfers between level 1 and level 2 fair value hierarchies

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

E2-1 Fair value measurement (continued)

Valuation techniques

Infrastructure, property, plant and equipment (IPPE)

Plant and Equipment, Office Equipment and Furniture and Fittings

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

- Plant and Equipment - Graders, trucks, rollers, tractors and motor vehicles.
- Office Equipment - Computers, photocopiers, calculators etc.
- Furniture & Fittings - Chairs, desks and display boards.

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

Operational and Community Land

Operational and Community Land are based on either the Land Value provided by the Valuer-General or where the Valuer-General did not provide a Land Value having regard to the highest and best use for the land. Operational Land is based on the Valuer value as these are representative of the actual market values in the Coonamble Shire LGA. As these rates were not considered to be observable market evidence they have been classified as level 3.

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

Buildings - Non-Specialised and Specialised

Non-Specialised and Specialised Buildings were revalued utilising APV Valuers & Asset Management consultants during the 2022/2023 financial year with an effective date of 30/06/2023.

Depending on the specific asset the valuation approach may have included the adoption of a singular or multiple techniques.

- The Market approach has been applied where there is a principal market which provides observable evidence of the Fair Value of the asset
- The income approach has been applied for assets where the income generating capability of the asset provides the best estimate of the assets Fair Value
- The Cost approach was used for assets which are not commonly traded. Typically, these include assets that public and not-for-profit sector entities use to provide services to the public for no or minimal charge

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

Other Structures

Other Structures were also revalued utilising APV Valuers & Asset Management consultants during the 2022/2023 financial year with an effective date of 30/06/2023.

The various asset types identified included Airport Assets, Fences, Hardstand and Internal Roads, Landscaping, Lighting, Miscellaneous, Park Assets, Pool Assets, Saleyards and Sporting Equipment.

Depending on the specific asset the valuation approach may have included the adoption of a singular or multiple techniques.

- The Market approach has been applied where there is a principal Market which provides observable evidence of the Fair Value of the asset
- The income approach has been applied for assets where the income generating capability of the asset provides the best estimate of the assets Fair Value
- The Cost approach was used for assets which are not commonly traded. Typically these include assets that public and not-for-profit sector entities use to provide services to the public for no or minimal charge

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

Roads

Roads were revalued during the 2018/2019 financial year. To ensure the appropriate carrying fair value, Council have applied the indices as provided by APV Valuers and Asset Management Consultants, to the desktop valuation completed at 30/06/2023. Roads comprise road carriageway, roadside shoulders and kerb and gutter. No market-based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this class.

Bridges

E2-1 Fair value measurement (continued)

Bridges were revalued during the 2018/2019 financial year. To ensure the appropriate carrying fair value, Council have applied the indicies as provided by APV Valuers and Asset Management Consultants, to the desktop valuation completed at 30/06/2023.

While all bridges were physically inspected and unit rates based on square metres were used there was no reliable market evidence (Level 2) as other inputs (such as estimates of residual value and pattern of consumption) require extensive professional judgement that impacts significantly on the final determination of fair value.

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

Footpaths

Footpaths were revalued during the 2018/2019 financial year. To ensure the appropriate carrying fair value, Council have applied the indicies as provided by APV Valuers and Asset Management Consultants, to the desktop valuation completed at 30/06/2023.

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

Drainage Infrastructure

Drainage Infrastructure Assets were revalued during the 2018/2019 financial year. To ensure the appropriate carrying fair value, Council have applied the indicies as provided by APV Valuers and Asset Management Consultants, to the desktop valuation completed at 30/06/2022.

Assets within this class comprise culverts, open channels, storm water pipes, pits and other storm water structures.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets.

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

This assest class will be revalued during the 2023/2024 financial year, with any change in value to be recorded to ensure the fair value of the asset is reported.

Water Supply Network

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

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets.

These assets were revalued by APV Valuers Pty Ltd with effective date of 30 June 2022. These assets are also indexed each subsequent year following a comprehensive revaluation, in line with the NSW Reference Rates Manual as published by the Office of Water.

Sewerage Network

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

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets.

These assets were revalued by APV Valuers Pty Ltd with effective date of 30 June 2022. These assets are also indexed each subsequent year following a comprehensive revaluation, in line with the NSW Reference Rates Manual as published by the Office of Water.

E2-1 Fair value measurement (continued)

Swimming Pools

Assets within this class comprise Council's outdoor swimming pool. The swimming pool was valued externally by APV Valuers & Asset Management with an effective date of 30/06/2023. The approach estimated the replacement cost for each pool by componentising its significant parts.

While some elements of gross replacement values may be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

Previously these assets had been valued internally by Council staff.

Bulk Earthworks/Land Improvements

Assets within this class comprise Bulk Earthworks, turf surfaces, irrigation and other misc land improvements etc. All assets in this class were valued in-house by experienced engineering staff. To ensure fair value of these assets are recorded, these assets were indexed by the appropriate indices as supplied to Council by APV Valuers & Asset Management.

While some elements of gross replacement values may be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

This asset class will be revalued through the 2023/2024 financial year, with any change in value recorded to ensure the fair value of the assets is recorded.

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.

	Fair value (30/6/23) 2023 \$ '000	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment			
Buildings non specialised	3,549	Values provided by external consultant	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Buildings Specialised	21,739	Values provided by external consultant	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Other Structures	18,898	Values provided by external consultant	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Road Infrastructure	200,475	Cost approach used to approximate fair value	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Stormwater drainage	8,056	Cost approach used to approximate fair value	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Water Supply	19,067	Cost approach used to approximate fair value	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Sewerage network	17,802	Cost approach used to approximate fair value	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Plant & Equipment	4,259	Cost approach used to approximate fair value	Gross replacement cost, Remaining useful life, Residual value
Operational land	3,148	Land values obtained from the NSW Valuer General	Land value based on price per square meter
Community land	742	Land values obtained from the NSW Valuer General	Land value based on price per square meter
Crown Land	1,181	Land values obtained from the NSW Valuer General	Land value based on price per square meter
Bulk Earthworks	9,269	Cost approach used to approximate fair value	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Land Improvements	907	Cost approach used to approximate fair value.	Gross replacement cost, Asset condition, Remaining useful life, Residual value
Quarry Assets	549	Cost approach used to approximate fair value.	Gross replacement cost, Asset condition, Remaining useful life, Residual value

E2-1 Fair value measurement (continued)

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

	Water supply network		Sewerage network		Plant and equipment		Operational / Crown Land	
	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000
Opening balance	17,468	18,280	17,306	13,553	4,356	5,490	2,498	2,485
Total gains or losses for the period								
Other movements								
Purchases (GBV)	587	35	158	505	1,796	140	29	13
Disposals (WDV)	–	–	–	(12)	(248)	–	–	–
Depreciation and impairment	(421)	(412)	(370)	(325)	(1,072)	(1,274)	–	–
Revaluation increment to ARR	1,433	(436)	707	3,584	–	–	621	–
Rounding & other movement	–	1	1	1	(1)	–	–	–
Closing balance	19,067	17,468	17,802	17,306	4,831	4,356	3,148	2,498

	Community / Crown Land		Land improvements		Bulk earthworks		Buildings non-specialised	
	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000
Opening balance	1,493	1,493	854	872	8,503	8,503	2,999	1,392
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	–	–	–	–	–	–	50	–
Purchases (GBV)	–	–	72	–	–	–	97	1,670
Depreciation and impairment	–	–	(19)	(18)	–	–	(86)	(63)
Revaluation increment to ARR	430	–	–	–	765	–	489	–
Rounding & other movement	–	–	–	–	1	–	–	–
Closing balance	1,923	1,493	907	854	9,269	8,503	3,549	2,999

E2-1 Fair value measurement (continued)

	Building specialised		Other structures		Roads infrastructure		Stormwater drainage	
	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000
Opening balance	20,752	18,418	15,510	13,468	211,727	204,948	7,395	7,423
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	(50)	–	–	–	–	–	–	–
Purchases (GBV)	280	389	639	994	2,801	2,269	41	–
Disposals (WDV)	–	–	–	–	–	(10)	–	–
Depreciation and impairment	(504)	(463)	(460)	(401)	(3,615)	(3,500)	(160)	(160)
Revaluation increment to ARR	1,260	2,408	3,208	1,449	14,246	8,019	781	131
Rounding & other movement	1	–	1	–	(1)	1	(1)	1
Closing balance	21,739	20,752	18,898	15,510	225,158	211,727	8,056	7,395

	Quarry assets		Total	
	2023 \$ '000	2022 \$ '000	2023 \$ '000	2022 \$ '000
Opening balance	–	–	310,861	296,325
Purchases (GBV)	–	–	6,500	6,015
Disposals (WDV)	–	–	(248)	(22)
Depreciation and impairment	–	–	(6,707)	(6,616)
Revaluation increment to ARR	–	–	23,940	15,155
Rounding & other movement	549	–	550	4
Closing balance	549	–	334,896	310,861

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

Following the desktop revaluation of Council Buildings and other structures as at 30/6/2019 by external consultants a number of buildings, 8 in total, were valued based on observable market evidence (level 2). Level 2 input was adjusted in line with the basis of valuation.

Highest and best use

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

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

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

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

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

* For 180 Point Members, Employers are required to contribute 7.5% of salaries for the year ending 30 June 2023 (increasing to 8.5% in line with the increase in 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.

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 2023 was \$70,315.18. The last formal valuation of the Scheme was performed by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2022.

The amount of additional contributions included in the total employer contribution advised above is \$32,366.16. Council's expected contribution to the plan for the next annual reporting period is \$55,233.36.

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

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

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

The share of any funding surplus or deficit that is broadly attributed to Council is estimated to be in the order of 0.16% as at 30 June 2023.

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	6.0% for FY22/23 2.5% per annum thereafter

* Plus promotional increases

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

(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.

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) Garbage Depot Reinstatement

Garbage is disposed of in pits at the Coonamble Depot. When a new pit is required the old pit is reinstated at the same time as the digging of the new pit. As a result reinstatement costs are expensed each year. Should current practices change, it will be necessary to consider the need to establish a Garbage Depot Remediation provision.

(iii) Gravel Pits Reinstatement

Council's practice with regard to remediation of road reserve and private property gravel pits to construct water storage for future road maintenance or a farm dam in return for the use of material where feasible. If this is not feasible for whatever reason then the pit is scarified and seeded upon completion of works undertaken and expensed accordingly, therefor future remediation costs are zero.

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:

	2023	2022
	\$ '000	\$ '000
Compensation:		
Short-term benefits	580	1,004
Post-employment benefits	59	81
Other long-term benefits	35	22
Termination benefits	13	368
Total	687	1,475

F1-1 Key management personnel (KMP) (continued)

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction	Transactions during the year \$ '000 Ref	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2023					
Quarry Sales	1	11	-	-	-
Provision of short-term accommodation	2	31	-	-	-
Provision of Contract Services	3	12	-	-	-
Provision of Information Technology Equipment	4	32	-	-	-
2022					
Quarry Sales	1	35	-	-	-
Provision of short-term accommodation	2	-	-	-	-
Provision of Contract Services	3	11	-	-	-
Provision of Information Technology Equipment	4	47	-	-	-

1 Council supplies various materials from its Quarry operations to the public. A KMP is an owner operator of a business that purchases product from the Quarry. All product is sold as per Council's adopted fee's and charges

2 During the 2022/23 Operaitonal year, Council was required to source short term accommodation as part of its operations . In accordance with Council's procurement policy quotations were sought and quotations received with the works awarded in accrodance with normal commerical terms. A KMP is an owner of one of the buisnesses that provided Council with accommodation.

3 As per Council's Operational Budget and Plan, Council was required to engage contractors to provide various contract services for Council throughout the year. In accordance with Council's adopted procurement policy quotations were sought and received with the works awarded in accordance with normal commercial terms. Of these contractors awarded works one (1) was controlled by either a KMP or a close relative of a KMP.

F1-1 Key management personnel (KMP) (continued)

- 4 As per Council's Operational Budget and Plan , Council was required to procure quantities of I.T equipment from various suppliers throughout the year. In accordance with Council's adopted procurement policy quotations were sought and recieved with the works awarded in accordance with normal commercial terms. Of these suppliers awarded Council orders , one (1) was controlled by a close relative of a KMP.

F1-2 Councillor and Mayoral fees and associated expenses

	2023	2022
	\$ '000	\$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	22	19
Councillors' fees	104	85
Other Councillors' expenses (including Mayor)	73	66
Total	199	170

F1-3 Other related parties

		Transactions during the year \$ '000 Ref	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2023						
Library Services	1	13	–	Membership of Library Co-op	–	–
2022						
Library Services	1	64	–	Membership of Library Co-op	–	–

1 Council is a member of a Joint venture being the North Western Library Co-operative with three other Councils, each council contributes and equal amount to the joint venture each year for the operation of the service which is to purchase books and e-resources for the benefit of the residents and ratepayers in the four local government areas.

F2 Other relationships

F2-1 Audit fees

	2023 \$ '000	2022 \$ '000
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	73	64
Remuneration for audit and other assurance services	73	64
Total Auditor-General remuneration	73	64
Total audit fees	73	64

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

	2023 \$ '000	2022 \$ '000
Net operating result from Income Statement	7,684	5,051
Add / (less) non-cash items:		
Depreciation and amortisation	6,760	6,641
(Gain) / loss on disposal of assets	(133)	(2)
Share of net (profits)/losses of associates/joint ventures using the equity method	(13)	(5)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(4,600)	(1,909)
(Increase) / decrease of inventories	(588)	14
(Increase) / decrease of other current assets	(99)	5
Increase / (decrease) in payables	304	423
Increase / (decrease) in other accrued expenses payable	113	(25)
Increase / (decrease) in other liabilities	94	127
Increase / (decrease) in contract liabilities	4,697	2,216
Increase / (decrease) in employee benefit provision	(206)	(385)
Net cash flows from operating activities	14,013	12,151

G2-1 Commitments

Capital commitments (exclusive of GST)

	2023 \$ '000	2022 \$ '000
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	1,339	946
Plant and equipment	3,929	2,456
Water Mains	80	310
Sewer Infrastructure	210	89
Other Structures	1,237	426
Road infrastructure	7,867	5,563
Total commitments	14,662	9,790
These expenditures are payable as follows:		
Within the next year	14,662	9,790
Total payable	14,662	9,790
Sources for funding of capital commitments:		
Unrestricted general funds	72	372
Future grants and contributions	2,593	1,976
Unexpended grants	6,960	3,826
Externally restricted reserves	290	399
Internally restricted reserves	4,310	2,732
Unexpended loans	437	437
Insurance Claim proceeds	-	48
Total sources of funding	14,662	9,790

Details of capital commitments

The capital commitments relate primarily to the completion of the following grant funded programs listed below, coupled with the supply and delivery of plant and equipment which Council has on order.

- Fixing Local Roads Grant Program.
- Regional and Local Roads Repair Program.
- Local Roads and Community Infrastructure Program.
- Roads of Strategic Importance Program.
- Stronger Country Communities Fund Program.

G3-1 Events occurring after the reporting date

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

G4 Statement of performance measures

G4-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022 2021		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	4,296	13.80%	13.33%	7.47%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	31,132				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	17,392	50.60%	52.20%	49.16%	> 60.00%
Total continuing operating revenue ¹	34,374				
3. Unrestricted current ratio					
Current assets less all external restrictions	31,101	6.21x	7.09x	7.74x	> 1.50x
Current liabilities less specific purpose liabilities	5,010				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	11,084	102.63x	112.93x	138.74x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	108				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	786	9.89%	9.97%	7.57%	< 10.00%
Rates and annual charges collectable	7,947				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	37,788	20.01	24.21	20.30	> 3.00
Monthly payments from cash flow of operating and financing activities	1,889	months	months	months	months

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

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

G4-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2023	2022	2023	2022	2023	2022	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	13.71%	13.37%	8.24%	14.23%	26.54%	10.93%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	45.76%	47.44%	97.15%	93.00%	95.61%	100.00%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	6.21x	7.09x	13.09x	19.02x	112.04x	256.79x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	91.04x	100.72x	∞	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	7.29%	8.32%	15.69%	12.22%	19.41%	17.58%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	16.68 months	27.14 months	60.09 months	7.51 months	80.18 months	3.86 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note 23a above.

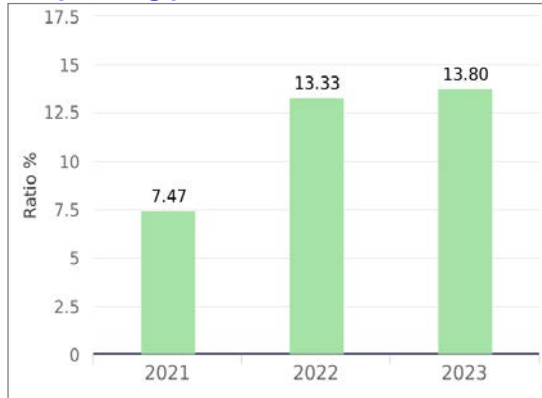
(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

H Additional Council disclosures (unaudited)

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

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2022/23 result

2022/23 ratio 13.80%

Council's Operating performance ratio exceeds the industry benchmark.

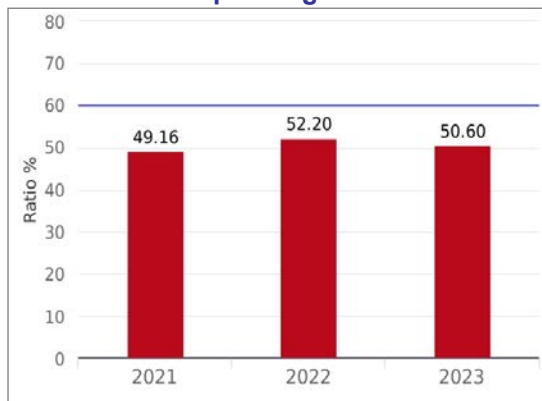
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

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

Commentary on 2022/23 result

2022/23 ratio 50.60%

During the 2022/2023 financial year, Council received significant additional income in the form of Government grants and contributions. It is through the receipt of these additional funds that Council's 2022/2023 result does not meet the industry benchmark of 60%.

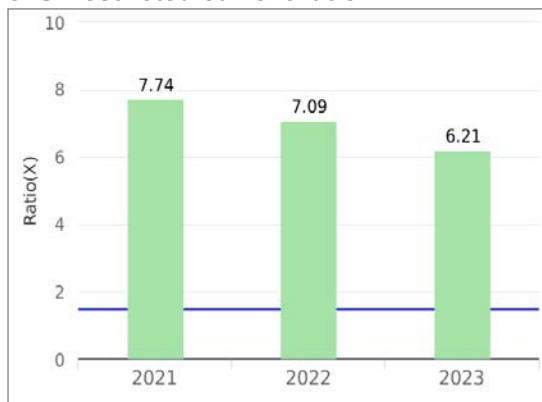
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result

2022/23 ratio 6.21x

Whilst Council's Unrestricted current ratio has declined from the prior year, it should be noted that it still exceeds the industry benchmark of 1.5. This indicates that Council has the capability to satisfy its debts as and when they fall due.

Benchmark: — > 1.50x

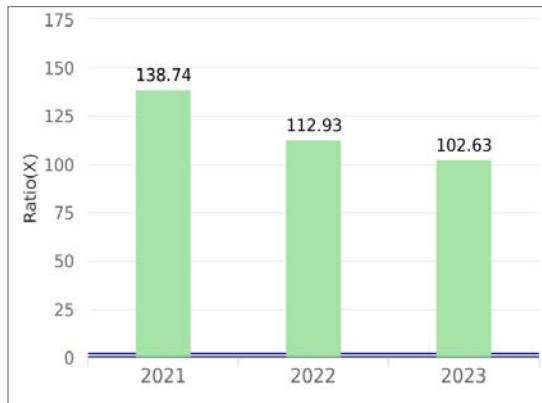
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

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

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2022/23 result

2022/23 ratio 102.63x

The Debt Service Ratio indicates that Council has sufficient operating cash to service its debts.

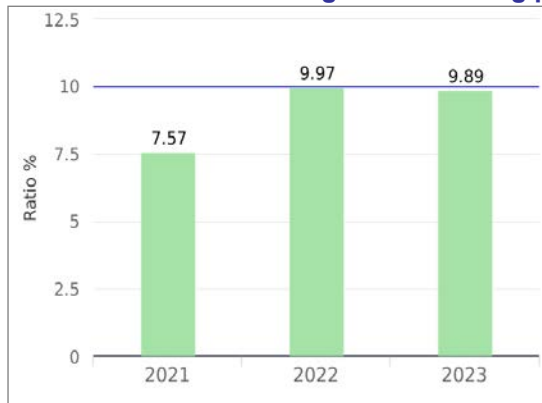
Benchmark: — > 2.00x

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result

2022/23 ratio 9.89%

Whilst Council's 2022/23 ratio remains below the industry benchmark it should be noted that Council will need to focus its attention on implementing appropriate control measures to ensure that the ratio does not deteriorate any further.

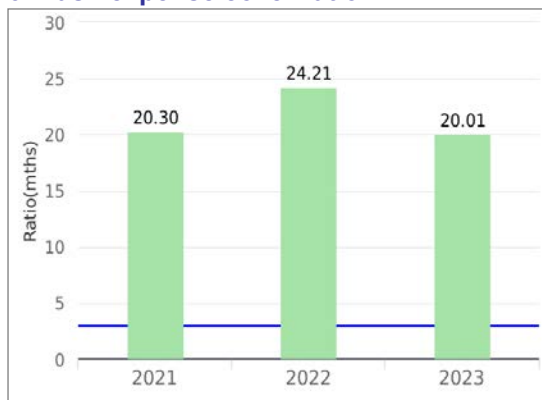
Benchmark: — < 10.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2022/23 result

2022/23 ratio 20.01 months

The ratio is well above the industry standard of 3 months. This indicates that Council has sufficient liquidity to mitigate most unforeseen future events.

Benchmark: — > 3.00months

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

80 Castlereagh Street
Coonamble NSW 2829

Contact details

Mailing Address:

PO Box 249
Coonamble NSW 2829

Telephone: 02 68271900

Facsimile: 02 68221626

Opening hours:

8:30am - 5:00pm
Monday to Friday

Internet: www.coonambleshire.nsw.gov.au

Email: council@coonambleshire.nsw.gov.au

Officers

Paul Gallagher
General Manager

Bruce Quarmby
Responsible Accounting Officer

Auditors

Auditor General of NSW

Elected members

Cr. Tim Horan
Mayor

Councillors

Cr. Adam Cohen (Deputy Mayor)
Cr. Pat Cullen
Cr. Barbara Deans
Cr. Bill Fisher (Deputy Mayor)
Cr. Terry Lees
Cr. Brian Sommerville

Other information

ABN: 19 499 848 443



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Coonamble Shire Council

To the Councillors of Coonamble Shire Council

Opinion

I have audited the accompanying financial statements of Coonamble Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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

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



Cathy Wu
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY



Cr Tim Horan
 Mayor
 Coonamble Shire Council
 PO BOX 249
 COONAMBLE NSW 2829

Contact: Cathy Wu
 Phone no: 02 9275 7212
 Our ref: R008-16585809-47292

31 October 2023

Dear Mayor

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

I have audited the general purpose financial statements (GPFS) of the Coonamble Shire Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

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

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2023 \$m	2022 \$m	Variance %
Rates and annual charges revenue	7.1	6.8	↑ 3.8
Grants and contributions revenue	17.0	13.0	↑ 30.8
Operating result from continuing operations	7.7	5.1	↑ 52.1
Net operating result before capital grants and contributions	4.4	3.4	↑ 30.3

Rates and annual charges revenue of \$7.1 million increased by \$258,000 (3.8 per cent) in 2022–2023. This was mainly due to Council’s approved Special Rate Variation of 2.0 per cent.

Grants and contributions revenue of \$17.0 million increased by \$4.0 million (30.8 per cent) in 2022–2023. This was due to:

- receipt of additional funding for road repairs
- receiving over 90 per cent of the financial assistance grants for 2023–24 in advance (75 per cent in advance in 2021–22).

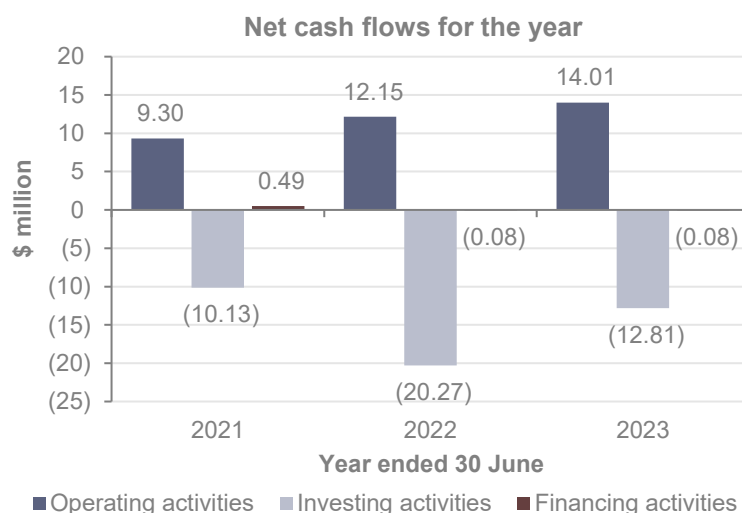
Council’s operating result of \$7.7 million (including the effect of depreciation and amortisation expense of \$6.8 million) was \$2.6 million higher than the 2021–22 result primarily due to increased revenue from grants and contributions, as noted above.

The net operating result before capital grants and contributions of \$4.4 million was \$1.0 million higher than the 2021–22 result. This was due to the increase in grants and contributions revenue, as noted above, less the increase in capital grants of \$1.6 million.

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. There was a net cash inflow of \$1.1 million in 2023 to a closing balance of \$6.5 million at 30 June 2023.

The increase was mostly due to increased sale of investments.



FINANCIAL POSITION

Cash and investments

Cash and investments	2023	2022	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	37.8	33.7	<ul style="list-style-type: none"> • External restrictions include unspent specific purpose grants, water and sewerage funds, and domestic waste management charges. • Balances are internally restricted due to Council policy or decisions for forward plans including works program.
Restricted cash and investments:			
• External restrictions	18.7	14.0	
• Internal allocations	19.0	17.1	

Debt

After repaying principal and interest of \$108,000, total debt as at 30 June 2023 was \$449,000 (2022: \$492,000).

PERFORMANCE

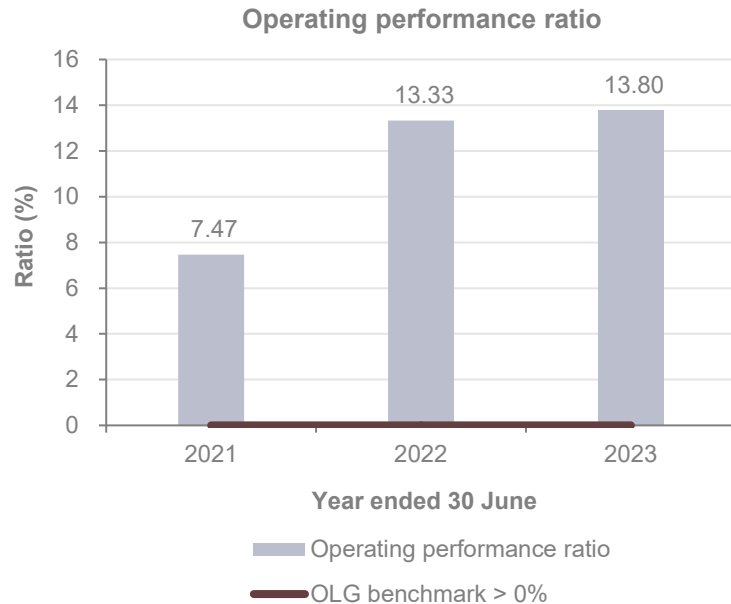
Performance measures

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

Operating performance ratio

The Council met the OLG benchmark for the current reporting period. The ratio remained consistent with last year.

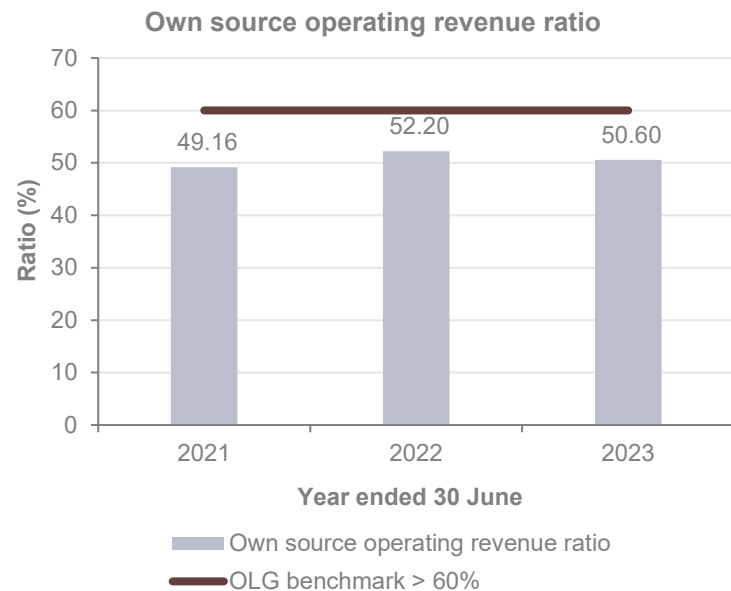
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

The Council did not meet the OLG benchmark for the current reporting period. The ratio has remained consistent over the past three years.

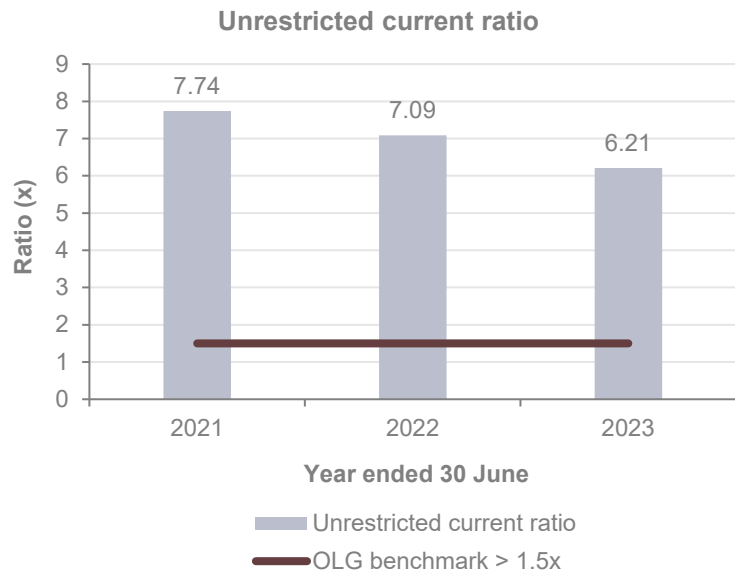
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

The Council met the OLG benchmark for the current reporting period. The ratio remained consistent over the past three years.

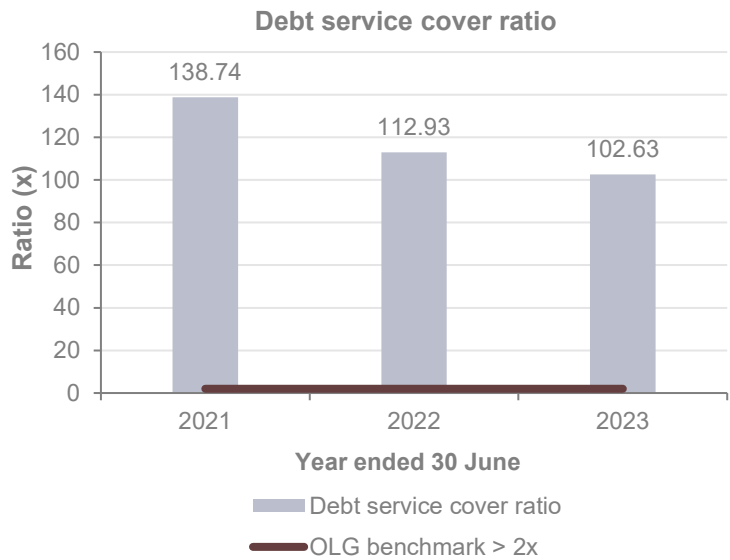
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

The Council exceeded the OLG benchmark for the current reporting period. The ratio remained consistent over the past three years.

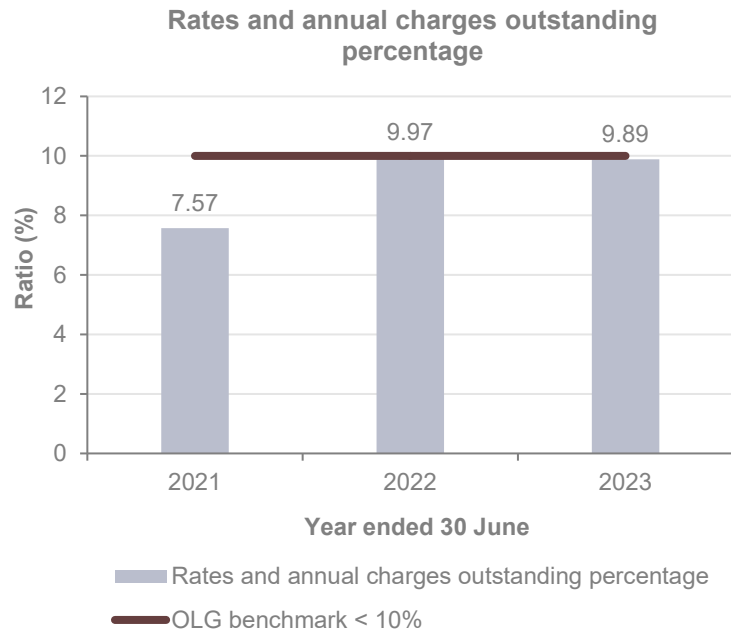
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

The Council met the OLG benchmark for the current reporting period. The ratio remained consistent with last year.

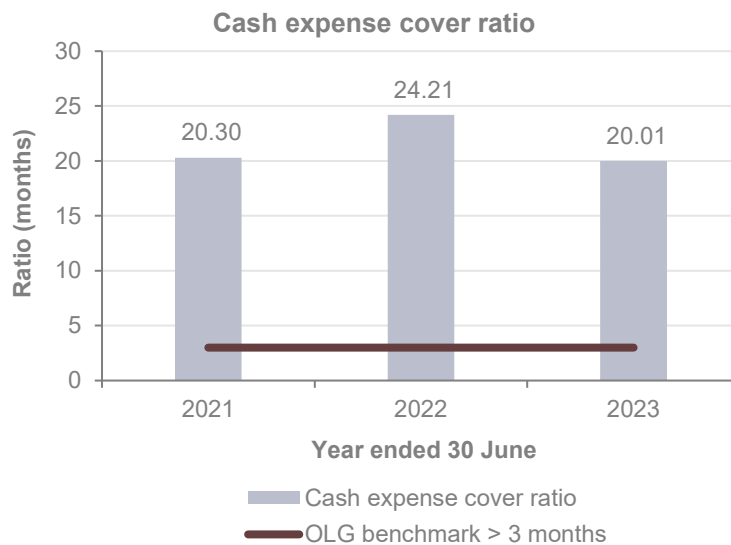
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for metropolitan councils.



Cash expense cover ratio

The Council exceeded the OLG benchmark for the current reporting period. The ratio remained consistent over the past three years.

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 \$7.3 million compared to \$4.7 million for the prior year. Renewals consisted mostly of capital work in progress, plant and equipment, and road assets.

The level of asset renewals during the year represented 109 per cent 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.



Cathy Wu
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Coonamble Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2023



Coonamble Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

Contents	Page
Statement by Councillors and Management	3
Special Purpose Financial Statements:	
Income Statement of water supply business activity	4
Income Statement of sewerage business activity	5
Income Statement of Quarry	6
Statement of Financial Position of water supply business activity	7
Statement of Financial Position of sewerage business activity	8
Statement of Financial Position of Quarry	9
Note – Significant Accounting Policies	10
Auditor's Report on Special Purpose Financial Statements	13

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).

Coonamble Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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 Planning and Environment, *Water's Regulatory and assurance framework for local water utilities*.

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

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

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

Signed in accordance with a resolution of Council made on 13 September 2023.



Tim Horan
Mayor
13 September 2023



Bill Fisher
Councillor
13 September 2023



Paul Gallagher
General Manager
13 September 2023



Bruce Quarmby
Responsible Accounting Officer
13 September 2023

Coonamble Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2023

	2023 \$ '000	2022 \$ '000
Income from continuing operations		
Access charges	880	834
User charges	925	717
Fees	6	7
Interest and investment income	118	31
Grants and contributions provided for operating purposes	–	120
Other income	12	6
Total income from continuing operations	1,941	1,715
Expenses from continuing operations		
Employee benefits and on-costs	38	46
Materials and services	1,312	1,002
Depreciation, amortisation and impairment	421	412
Water purchase charges	10	11
Total expenses from continuing operations	1,781	1,471
Surplus (deficit) from continuing operations before capital amounts	160	244
Grants and contributions provided for capital purposes	57	–
Surplus (deficit) from continuing operations after capital amounts	217	244
Surplus (deficit) from all operations before tax	217	244
Less: corporate taxation equivalent (25%) [based on result before capital]	(40)	(61)
Surplus (deficit) after tax	177	183
Plus accumulated surplus	14,813	14,569
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	40	61
Closing accumulated surplus	15,030	14,813
Return on capital %	0.8%	1.4%
Subsidy from Council	625	397
Calculation of dividend payable:		
Surplus (deficit) after tax	177	183
Less: capital grants and contributions (excluding developer contributions)	(57)	–
Surplus for dividend calculation purposes	120	183
Potential dividend calculated from surplus	60	92

Coonamble Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2023

	2023 \$ '000	2022 \$ '000
Income from continuing operations		
Access charges	876	798
User charges	161	134
Fees	6	–
Interest and investment income	164	30
Other income	14	8
Total income from continuing operations	1,221	970
Expenses from continuing operations		
Employee benefits and on-costs	26	59
Materials and services	501	468
Depreciation, amortisation and impairment	370	325
Net loss from the disposal of assets	–	12
Total expenses from continuing operations	897	864
Surplus (deficit) from continuing operations before capital amounts	324	106
Grants and contributions provided for capital purposes	56	–
Surplus (deficit) from continuing operations after capital amounts	380	106
Surplus (deficit) from all operations before tax	380	106
Less: corporate taxation equivalent (25%) [based on result before capital]	(81)	(27)
Surplus (deficit) after tax	299	79
Plus accumulated surplus	12,488	12,382
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	81	27
Closing accumulated surplus	12,868	12,488
Return on capital %	1.8%	0.6%
Subsidy from Council	401	532
Calculation of dividend payable:		
Surplus (deficit) after tax	299	79
Less: capital grants and contributions (excluding developer contributions)	(56)	–
Surplus for dividend calculation purposes	243	79
Potential dividend calculated from surplus	122	40

Coonamble Shire Council

Income Statement of Quarry

for the year ended 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
Income from continuing operations		
User charges	3,401	3,502
Total income from continuing operations	3,401	3,502
Expenses from continuing operations		
Employee benefits and on-costs	355	325
Materials and services	2,554	1,638
Depreciation, amortisation and impairment	160	177
Total expenses from continuing operations	3,069	2,140
Surplus (deficit) from continuing operations before capital amounts	332	1,362
Surplus (deficit) from continuing operations after capital amounts	332	1,362
Surplus (deficit) from all operations before tax	332	1,362
Less: corporate taxation equivalent (25%) [based on result before capital]	(83)	(341)
Surplus (deficit) after tax	249	1,021
Plus accumulated surplus	8,965	7,603
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	83	341
Closing accumulated surplus	9,297	8,965
Return on capital %	19.5%	116.5%

Coonamble Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2023

	2023 \$ '000	2022 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	450	920
Investments	2,745	2,812
Receivables	798	586
Total current assets	3,993	4,318
Non-current assets		
Receivables	134	91
Infrastructure, property, plant and equipment	19,536	17,526
Total non-current assets	19,670	17,617
Total assets	23,663	21,935
LIABILITIES		
Current liabilities		
Contract liabilities	55	113
Payables	119	26
Income received in advance	131	88
Total current liabilities	305	227
Total liabilities	305	227
Net assets	23,358	21,708
EQUITY		
Accumulated surplus	15,030	14,813
Revaluation reserves	8,328	6,895
Total equity	23,358	21,708

Coonamble Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2023

	2023 \$ '000	2022 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	774	278
Investments	4,237	4,319
Receivables	367	282
Total current assets	5,378	4,879
Non-current assets		
Infrastructure, property, plant and equipment	18,037	17,420
Total non-current assets	18,037	17,420
Total assets	23,415	22,299
LIABILITIES		
Current liabilities		
Payables	48	19
Total current liabilities	48	19
Total liabilities	48	19
Net assets	23,367	22,280
EQUITY		
Accumulated surplus	12,868	12,488
Revaluation reserves	10,499	9,792
Total equity	23,367	22,280

Coonamble Shire Council

Statement of Financial Position of Quarry

as at 30 June 2023

	2023 Category 2 \$ '000	2022 Category 2 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	6,771	7,055
Inventories	1,104	551
Receivables	270	190
Total current assets	8,145	7,796
Non-current assets		
Infrastructure, property, plant and equipment	1,701	1,169
Total non-current assets	1,701	1,169
Total assets	9,846	8,965
LIABILITIES		
Current liabilities		
Provisions	549	–
Total current liabilities	549	–
Total liabilities	549	–
Net assets	9,297	8,965
EQUITY		
Accumulated surplus	9,297	8,965
Total equity	9,297	8,965

Note – Significant Accounting Policies

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

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

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

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

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

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

Council does not operate any Category 1 business activities.

Category 2

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

a. Water Supply Service

Comprising the whole of the water supply operations and net assets servicing Coonamble Shire.

b. Sewerage Service

Comprising the whole of the sewerage reticulation and treatment operations and net assets system servicing Coonamble Shire.

c. Quarry Operations

Extraction and production of road making materials.

Taxation equivalent charges

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

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

Note – Significant Accounting Policies (continued)

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

Notional rate applied (%)

Corporate income tax rate – 25%

Land tax – the first \$755,000 of combined land values attracts 0%. For the combined land values in excess of \$755,000 up to \$4,616,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

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

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

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

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

Income tax

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

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

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

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

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 25% is/is not the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

Note – Significant Accounting Policies (continued)

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

The rate of return is calculated as follows:

Operating result before capital income + interest expense

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

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

(iii) Dividends

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

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

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

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2023 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

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



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Coonamble Shire Council

To the Councillors of Coonamble Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Coonamble Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2023, the Statement of Financial Position of each Declared Business Activity as at 30 June 2023 and Significant Accounting Policies note.

The Declared Business Activities of the Council are:

- Water supply
- Sewerage
- Quarry.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's Declared Business Activities as at 30 June 2023, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant Accounting Policies note and the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Cathy Wu
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY

Coonamble Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2023



Coonamble Shire Council

Special Schedules

for the year ended 30 June 2023

Contents

Page

Special Schedules:

Permissible income for general rates 3

Report on infrastructure assets as at 30 June 2023 6

Coonamble Shire Council

Permissible income for general rates

	Notes	Calculation 2022/23 \$ '000	Calculation 2023/24 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	5,002	5,132
Plus or minus adjustments ²	b	4	2
Notional general income	c = a + b	5,006	5,134
Permissible income calculation			
Or rate peg percentage	e	2.00%	3.70%
Or plus rate peg amount	i = e x (c + g)	100	190
Sub-total	k = (c + g + h + i + j)	5,106	5,324
Plus (or minus) last year's carry forward total	l	58	33
Less valuation objections claimed in the previous year	m	1	–
Sub-total	n = (l + m)	59	33
Total permissible income	o = k + n	5,165	5,357
Less notional general income yield	p	5,132	5,377
Catch-up or (excess) result	q = o – p	33	(20)
Carry forward to next year ³	t = q + r + s	33	(20)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Coonamble Shire Council

To the Councillors of Coonamble Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Coonamble Shire Council (the Council) for the year ending 30 June 2024.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code) and is in accordance with the books and records of the Council.

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprises the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2023'.

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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



Cathy Wu
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY

Coonamble Shire Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost		2022/23 Required maintenance ^a	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Buildings	Buildings – non-specialised	291	461	55	44	5,044	6,258	13.1%	17.1%	43.9%	17.1%	8.8%
	Buildings – specialised	1,323	2,110	250	124	26,781	41,697	13.1%	17.1%	43.9%	17.1%	8.8%
	Other	–	–	–	–	(5,120)	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	1,614	2,571	305	168	26,705	47,955	13.1%	17.1%	43.9%	17.1%	8.8%
Other structures	Other structures	999	1,519	105	247	18,898	31,811	33.9%	12.4%	38.7%	15.0%	0.0%
	Sub-total	999	1,519	105	247	18,898	31,811	33.9%	12.4%	38.7%	15.0%	0.0%
Roads	Roads	6,279	14,001	1,545	3,005	200,475	276,121	16.9%	42.1%	39.7%	0.5%	0.8%
	Bridges	–	–	26	1	23,335	27,903	71.8%	28.2%	0.0%	0.0%	0.0%
	Footpaths	130	200	94	69	1,348	1,950	60.2%	28.6%	1.2%	5.0%	5.0%
	Bulk earthworks	–	–	5	7	8,503	8,503	100.0%	0.0%	0.0%	0.0%	0.0%
	Other	–	–	–	–	766	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	6,409	14,201	1,670	3,082	234,427	314,477	24.3%	39.6%	34.9%	0.5%	0.7%
Water supply network	Water supply network	726	1,496	270	558	19,067	29,406	25.7%	41.0%	21.6%	10.8%	0.9%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	726	1,496	270	558	19,067	29,406	25.7%	41.0%	21.6%	10.8%	0.9%
Sewerage network	Sewerage network	998	2,141	299	169	17,802	30,180	16.7%	16.6%	47.4%	16.0%	3.3%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	998	2,141	299	169	17,802	30,180	16.7%	16.6%	47.4%	16.0%	3.3%
Stormwater drainage	Stormwater drainage	15	150	20	79	8,056	13,564	1.8%	7.5%	87.8%	0.6%	2.3%
	Other	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	15	150	20	79	8,056	13,564	1.8%	7.5%	87.8%	0.6%	2.3%
Total – all assets		10,761	22,078	2,669	4,303	324,955	467,393	22.7%	33.1%	37.6%	4.8%	1.8%

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

Infrastructure asset condition assessment 'key'

- | | | |
|---|----------------------------|---------------------------------------|
| 1 | Excellent/very good | No work required (normal maintenance) |
| 2 | Good | Only minor maintenance work required |

continued on next page ...

Coonamble Shire Council

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

3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Coonamble Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2023	Indicator 2023	Indicators		Benchmark
			2022	2021	
Buildings and infrastructure renewals ratio					
Asset renewals ¹	5,415	95.60%	88.36%	141.04%	> 100.00%
Depreciation, amortisation and impairment	5,664				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	10,761	3.25%	3.78%	3.41%	< 2.00%
Net carrying amount of infrastructure assets	331,349				
Asset maintenance ratio					
Actual asset maintenance	4,303	161.22%	106.14%	106.65%	> 100.00%
Required asset maintenance	2,669				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	22,078	4.72%	5.50%	4.93%	
Gross replacement cost	467,393				

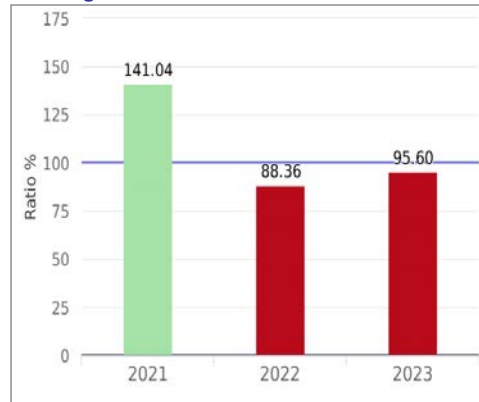
(*) All asset performance indicators are calculated using classes identified in the previous table.

(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.

Coonamble Shire Council

Report on infrastructure assets as at 30 June 2023

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result

22/23 ratio 95.60%

Due to a combination of prevailing climatic conditions and supply chain delays for key components throughout the 2022/23 financial year, Council's ability to deliver on its infrastructure renewal program was detrimentally impacted. Plans have been put in place for the 2023/24 year to bring the renewal ratio up to the agreed benchmark.

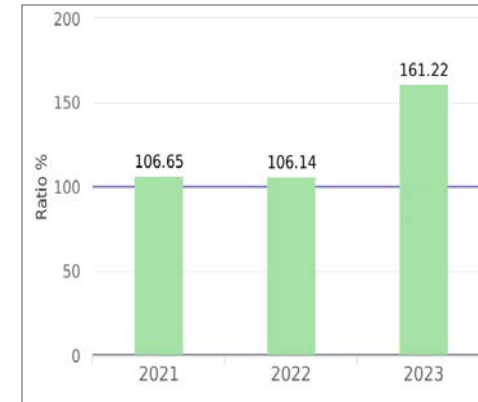
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

22/23 ratio 161.22%

Council continues to sufficiently fund the required maintenance of its assets, therefore ensuring these assets are maintained in a satisfactory condition.

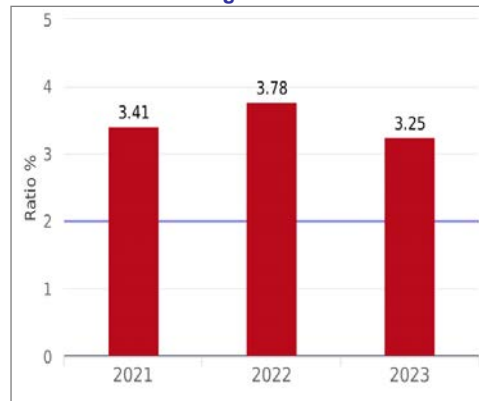
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result

22/23 ratio 3.25%

During the 2022/23 financial year, Council's infrastructure ratio has decreased slightly from the 2022 result. Council's planned 2023/24 infrastructure renewal program has been structured so as to start to address the growing ratio.

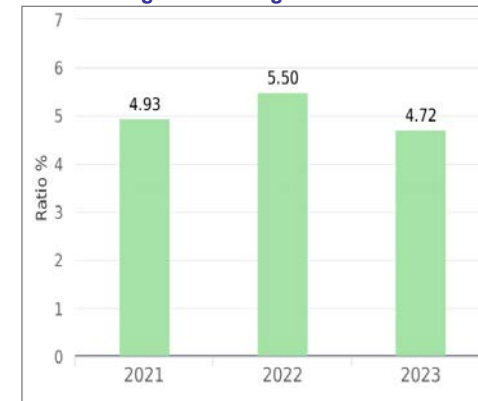
Benchmark: — < 2.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

22/23 ratio 4.72%

Due to the community's expectation of higher levels from Council assets this ratio is indeed higher than Council's infrastructure backlog ratio.

Coonamble Shire Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2023	2022	2023	2022	2023	2022	
Buildings and infrastructure renewals ratio							
Asset renewals ¹							
Depreciation, amortisation and impairment	85.84%	68.77%	226.37%	225.73%	75.41%	190.77%	> 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	3.07%	3.64%	3.81%	4.16%	5.61%	5.56%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	170.29%	113.88%	206.67%	161.15%	56.52%	44.19%	> 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	4.52%	5.37%	5.09%	5.42%	7.09%	7.24%	

(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.