

# West Wimmera Shire Council

ANNUAL FINANCIAL REPORT  
for the year ended 30 June 2024

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*The best of country living*



# Annual Financial Report

for the year ended 30 June 2024

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## Content Overview

These financial statements are General Purpose Financial Statements and cover the consolidated operations for West Wimmera Shire Council

All figures presented in these financial statements are presented in Australian Currency.

These financial statements were authorised for issue by the Council on 23 September 2024  
Council has the power to amend and reissue these financial statements.

## Annual Financial Report

for the year ended 30 June 2024

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### Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.

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**Abbas Mehr CA FCCA FIPA FFA**

**Chief Financial Officer**

**Dated:** 24 September 2024

Edenhope

In our opinion, the accompanying financial statements present fairly the financial transactions of West Wimmera Shire Council for the year ended 30 June 2024 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.

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**Tim Meyer**

**Mayor**

**Dated:** 24 September 2024

Edenhope

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**Jodie Pretlove**

**Councillor**

**Dated:** 24 September 2024

Edenhope

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**David Bezuidenhout**

**Chief Executive Officer**

**Dated:** 24 September 2024

Edenhope

Annual Financial Report

for the year ended 30 June 2024

Victorian Auditor-General's Office Report

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Insert VAGO Report here

Annual Financial Report  
for the year ended 30 June 2024

Victorian Auditor-General's Office Report (continued)

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## Comprehensive Income Statement

for the year ended 30 June 2024

	Note	2024 \$ '000	2023 \$ '000
<b>Income / Revenue</b>			
Rates and charges	3.1	8,605	8,242
Statutory fees and fines	3.2	132	156
User fees	3.3	743	696
Grants - operating	3.4	5,568	14,624
Grants - capital	3.4	3,514	6,360
Contributions - monetary	3.5	26	126
Net gain on disposal of property, infrastructure, plant and equipment	3.6	292	174
Other income	3.7	2,664	2,951
<b>Total income / revenue</b>		<b>21,544</b>	<b>33,329</b>
<b>Expenses</b>			
Employee costs	4.1	10,687	9,919
Materials and services	4.2	13,829	9,277
Depreciation	4.3	8,052	10,661
Other expenses	4.4	504	453
Share of net losses of associates and joint ventures	6.3	–	133
<b>Total expenses</b>		<b>33,072</b>	<b>30,443</b>
<b>Surplus/(deficit) for the year</b>		<b>(11,528)</b>	<b>2,886</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation gain/(loss)	9.1	–	36,329
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>–</b>	<b>36,329</b>
<b>Total other comprehensive income</b>		<b>–</b>	<b>36,329</b>
<b>Total comprehensive result</b>		<b>(11,528)</b>	<b>39,215</b>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

## Balance Sheet

as at 30 June 2024

	Note	2024 \$ '000	2023 \$ '000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	8,052	20,099
Trade and other receivables	5.1	578	1,098
Prepayments	5.2	21	236
Other financial assets	5.1	18	–
Inventories	5.2	135	141
Contract assets	5.1	–	215
Other assets	5.2	17	–
<b>Total current assets</b>		<b>8,821</b>	<b>21,789</b>
<b>Non-current assets</b>			
Investments in associates, joint arrangements and subsidiaries	6.3	462	529
Property, infrastructure, plant and equipment	6.2	265,833	262,355
Other assets	5.2	1	–
<b>Total non-current assets</b>		<b>266,296</b>	<b>262,884</b>
<b>Total assets</b>		<b>275,117</b>	<b>284,673</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	3,141	2,048
Trust funds and deposits	5.3	94	94
Contract and other liabilities	5.3	958	–
Provisions	5.4	2,301	2,435
<b>Total current liabilities</b>		<b>6,494</b>	<b>4,577</b>
<b>Non-current liabilities</b>			
Provisions	5.4	252	197
<b>Total non-current liabilities</b>		<b>252</b>	<b>197</b>
<b>Total liabilities</b>		<b>6,746</b>	<b>4,774</b>
<b>Net assets</b>		<b>268,371</b>	<b>279,899</b>
<b>Equity</b>			
Accumulated surplus		36,139	46,064
Reserves	9.1	232,232	233,835
<b>Total Equity</b>		<b>268,371</b>	<b>279,899</b>

The above balance sheet should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

for the year ended 30 June 2024

	Note	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000	Other Reserves \$ '000
<b>2024</b>					
<b>Balance at beginning of the financial year</b>		279,899	46,064	229,868	3,967
<b>Surplus/(deficit) for the year</b>		(11,528)	(11,528)	–	–
<b>Other comprehensive income</b>					
Net asset revaluation gain/(loss)	6.2	–	–	–	–
<b>Other comprehensive income</b>		–	–	–	–
<b>Total comprehensive income</b>		(11,528)	(11,528)	–	–
Transfers to other reserves	9.1	(1,603)	–	–	(1,603)
Transfers from other reserves	9.1	1,603	1,603	–	–
<b>Balance at end of the financial year</b>		<b>268,371</b>	<b>36,139</b>	<b>229,868</b>	<b>2,364</b>
<b>2023</b>					
<b>Balance at beginning of the financial year</b>		240,684	41,987	193,539	5,158
<b>Surplus/(deficit) for the year</b>		2,886	2,886	–	–
<b>Other comprehensive income</b>					
Net asset revaluation gain/(loss)	6.2	36,329	–	36,329	–
<b>Other comprehensive income</b>		36,329	–	36,329	–
<b>Total comprehensive income</b>		<b>39,215</b>	<b>2,886</b>	<b>36,329</b>	<b>–</b>
Transfers to other reserves	9.1	–	(1,392)	–	1,392
Transfers from other reserves	9.1	–	2,583	–	(2,583)
<b>Balance at end of the financial year</b>		<b>279,899</b>	<b>46,064</b>	<b>229,868</b>	<b>3,967</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.



## Statement of Cash Flows

for the year ended 30 June 2024

	Note	2024 Inflows/ (Outflows) \$ '000	2023 Inflows/ (Outflows) \$ '000
<b>Cash flows from operating activities</b>			
Rates and charges		8,520	8,242
Statutory fees and fines		132	156
User fees		743	696
Grants - operating		6,110	13,531
Grants - capital		3,514	5,647
Contributions - monetary		26	126
Interest received		602	301
Other receipts		2,882	2,650
Net GST refund/payment		–	1,966
Employee costs		(10,766)	(9,919)
Materials and services		(13,022)	(10,766)
Short-term, low value and variable lease payments		(5)	–
Other payments		406	–
<b>Net cash provided by/(used in) operating activities</b>	9.2	<b>(858)</b>	<b>12,630</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(11,774)	(10,480)
Proceeds from sale of property, infrastructure, plant and equipment		536	684
Proceeds from sale of investments		49	–
<b>Net cash provided by/(used in) investing activities</b>		<b>(11,189)</b>	<b>(9,796)</b>
<b>Cash flows from financing activities</b>			
Trust Funds & Other Deposits		–	(21)
<b>Net cash flow provided by/(used in) financing activities</b>		<b>–</b>	<b>(21)</b>
<b>Net Increase (decrease) in cash and cash equivalents</b>		<b>(12,047)</b>	<b>2,813</b>
Cash and cash equivalents at the beginning of the financial year		20,099	17,286
<b>Cash and cash equivalents at the end of the financial year</b>		<b>8,052</b>	<b>20,099</b>
Financing arrangements	5.5		

The above statement of cash flows should be read in conjunction with the accompanying notes.

## Statement of Capital Works

for the year ended 30 June 2024

	2024 \$ '000	2023 \$ '000
<b>Property</b>		
Land improvements	311	–
<b>Total land</b>	<u>311</u>	<u>–</u>
Buildings	1,649	–
Building improvements	–	1,197
<b>Total buildings</b>	<u>1,649</u>	<u>1,197</u>
<b>Total property</b>	<u>1,960</u>	<u>1,197</u>
<b>Plant and equipment</b>		
Plant, machinery and equipment	1,638	1,797
Fixtures, fittings and furniture	148	–
Computers and telecommunications	–	169
Motor Vehicles	257	–
<b>Total plant and equipment</b>	<u>2,043</u>	<u>1,966</u>
<b>Infrastructure</b>		
Roads	6,751	6,736
Bridges	37	358
Footpaths and cycleways	139	223
Drainage	56	–
Kerbs & Channels	73	–
Capital Works in Progress	715	–
<b>Total infrastructure</b>	<u>7,771</u>	<u>7,317</u>
<b>Total capital works expenditure</b>	<u>11,774</u>	<u>10,480</u>
<b>Represented by:</b>		
New asset expenditure	583	1,165
Asset renewal expenditure	10,053	8,850
Asset upgrade expenditure	1,138	465
<b>Total capital works expenditure</b>	<u>11,774</u>	<u>10,480</u>

The above statement of capital works should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

for the year ended 30 June 2024

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## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 1. Overview

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#### Introduction

The West Wimmera Shire Council was established by an Order of the Governor in Council on 20th January 1995 and is a body corporate.

The Council's main office is located at 49 Elizabeth Street, Edenhope VIC 3318.

#### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

#### Accounting policy information

##### 1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2.)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2.).
- the determination of employee provisions (refer to Note 5.4.).
- the determination of landfill provisions (refer to Note 5.4.)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value.
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgements

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 1. Overview (continued)

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Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

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

Income and expenses are recognised net of the amount of associated GST. 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 balance sheet.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2. Analysis of our results

## Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

	Budget 2024 \$ '000	Actual 2024 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.1 Income / Revenue and expenditure</b>					
<b>Income / Revenue</b>					
Rates and charges	8,618	8,605	(13)	(0.15)%	
Statutory fees and fines	129	132	3	2.33%	
User fees	563	743	180	31.97%	1
Grants - operating	10,926	5,568	(5,358)	(49.04)%	2
Grants - capital	5,655	3,514	(2,141)	(37.86)%	3
Contributions - monetary	25	26	1	4.00%	
Contributions - non monetary	-	-	-	∞	
Net gain on disposal of property, infrastructure, plant and equipment	100	292	192	192.00%	4
Share of net profits of associates and joint ventures	-	-	-	∞	
Other income	1,634	2,664	1,030	63.04%	5
<b>Total income / revenue</b>	<b>27,650</b>	<b>21,544</b>	<b>(6,106)</b>	<b>(22.08)%</b>	
<b>Expenses</b>					
Employee costs	9,811	10,687	(876)	(8.93)%	6
Materials and services	9,144	13,829	(4,685)	(51.24)%	7
Depreciation	7,864	8,052	(188)	(2.39)%	8
Other expenses	504	504	-	0.00%	
<b>Total expenses</b>	<b>27,323</b>	<b>33,072</b>	<b>(5,749)</b>	<b>(21.04)%</b>	
<b>Surplus/(deficit) for the year</b>	<b>327</b>	<b>(11,528)</b>	<b>(11,855)</b>	<b>(3,625.38)%</b>	

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2.1 Performance against budget (continued)

## (i) Explanation of material variations

## Variance Explanation

## Ref

1. The Edenhope Childcare is operating at its full capacity and due to consistent demand of this service in the Shire, the User Fee has indicated positive trends. The facility has achieved break even during the year amid strategic user fee schedule to adequately cover its operating costs.
2. The Commonwealth allocated \$7.406 Million as Financial Assistance Grant for the Council which was partially released in July 2024 and the balance will be released on quarterly basis during FY 2024-25. The Commonwealth also released a directive to recognise this income as FY 2024-25. This delayed release of Financial Assistance Grants and Accounting Guidelines issued for this operating grant resulted in shortfall of Operating Grants as compared to Annual Budget 2023-24.
3. The allocation of Capital Grants by the Commonwealth for projects remained lower than budgeted and the Council had to contribute its own funds from its reserves for execution and completion of certain projects.
4. The management implemented certain business process improvements to strategise liquidation of its Plant and Vehicles Fleet, which has resulted in better optimised proceeds from sale of assets.
5. The Council has delivered additional reimbursable road maintenance works for VicRoads, resulting in higher income from these maintenance jobs. Additionally, the strategic reforms in our Investments segment has also contributed higher than budgeted interest income targets.
6. The substantial change in Workcover impacted this overspend. Also, higher delivery of Capital Works during the year has a direct impact on Employee Costs this year.
7. The Council has delivered \$3.799 Million worth of Capital Works on Community Assets this year. These projects were initiated for funding and Council contribution in previous years and through an accelerated delivery this year, the projects were delivered to the Community. As these projects cannot be capitalised, the costs associated with these projects constitute to this higher spend. The Council considers these projects as important and vital for the Community needs and wellbeing and has prioritised their delivery in this year.
8. Depreciation has mainly remained well aligned with the budget, and the additional assets capitalised during the year have resulted in additional depreciation for this financial year.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2.1 Performance against budget (continued)

	Budget 2024 \$ '000	Actual 2024 \$ '000	Variance \$ '000	Variance %	Ref
<b>2.1.2 Capital works</b>					
<b>Property</b>					
Land improvements	35	311	276	788.57%	1
<b>Total land</b>	<b>35</b>	<b>311</b>	<b>276</b>	<b>788.57%</b>	
Buildings	517	1,649	1,132	218.96%	2
<b>Total buildings</b>	<b>517</b>	<b>1,649</b>	<b>1,132</b>	<b>218.96%</b>	
<b>Total property</b>	<b>552</b>	<b>1,960</b>	<b>1,408</b>	<b>255.07%</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,659	1,638	(21)	(1.27)%	
Fixtures, fittings and furniture	–	148	148	∞	
Motor Vehicles	509	257	(252)	(49.51)%	
<b>Total plant and equipment</b>	<b>2,168</b>	<b>2,043</b>	<b>(125)</b>	<b>(5.77)%</b>	
<b>Infrastructure</b>					
Roads	5,875	6,751	876	14.91%	3
Bridges	50	37	(13)	(26.00)%	
Footpaths and cycleways	140	139	(1)	(0.71)%	
Drainage	60	56	(4)	(6.67)%	
Kerbs & Channels	–	73	73	∞	
Capital Works in Progress	–	715	715	∞	
<b>Total infrastructure</b>	<b>6,125</b>	<b>7,771</b>	<b>1,646</b>	<b>26.87%</b>	
<b>Total capital works expenditure</b>	<b>8,845</b>	<b>11,774</b>	<b>2,929</b>	<b>33.11%</b>	
<b>Represented by:</b>					
New asset expenditure	518	583	65	12.55%	
Asset renewal expenditure	7,220	10,053	2,833	39.24%	
Asset upgrade expenditure	1,107	1,138	31	2.80%	
<b>Total capital works expenditure</b>	<b>8,845</b>	<b>11,774</b>	<b>2,929</b>	<b>33.11%</b>	

## (i) Explanation of material variations

Variance	Explanation
Ref	

1. The Council initiated scoping and planning on various land improvement projects and also delivered much needed amenities upgrade at Band Park - Kaniva.
2. Major works completed on Edenhope Lakeside Caravan Park, Wimmera Cabins Project in Kaniva and refurbishments / renovation of Council Office - Kaniva.
3. During the year, the Council delivered the road renewal and upgrades planned for the year and also completed the infrastructure works in progress on roads carried forward from previous year, resulting in aggregate higher value of capital works delivered.



Notes to the Financial Statements  
for the year ended 30 June 2024

Note 2.1 Performance against budget (continued)

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## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 2.2 Analysis of Council results by program

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#### 2.2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

##### **Finance and Strategy**

Finance and strategy provides efficient, effective and proactive support services across council to enable the delivery of policy commitments, council vision and mission. The provision of these services includes finance services, digital information and technology, property and procurement, strategy and program delivery and program integration and development.

##### **Planning and Development**

The planning services area includes the assessment of city development, health and local laws, planning strategy and urban growth.

##### **Community Life**

Community life provides high quality community focused programs, service delivery and communication to residents. Community life is comprised of community care, connected communities, family services, health communities, leisure and recreational services and social planning and investment.

##### **City Services**

City services is responsible for constructing new infrastructure and maintaining existing infrastructure across a very diverse range of assets that underpin the wellbeing of the community. These assets include capital works engineering services, environment and waste, city works, parks and gardens, emergency management and municipal resources.

##### **Investment and Attraction**

Investment and attraction supports local festivals and events and advocates on behalf of the community for major events, tourism and cultural opportunities. Investment and attraction is responsible for arts and culture, economic development and events and tourism.

##### **People and Organisation Development**

People and organisation development provides efficient and effective services to meet the growing needs of the community. This is underpinned by both customer commitments and customer service strategies. People and organisational development is responsible for business improvement and customer service. Customer service is dedicated to the health, safety and amenity of the community.

##### **Governance and Legal Services**

Governance and legal services provides effective governance oversight of the organisation. Human resource management provides support to the organisation and ensures councils customer focus includes communication and community engagement processes. Service areas include governance and legal services, enterprise risk and legal services.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2.2 Analysis of Council results by program (continued)

## 2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

Functions/activities	Income / Revenue \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income / revenue \$ '000	Total assets \$ '000
<b>2024</b>					
Community Services	2,614	3,754	(1,140)	2,039	5
Corporate Services	9,618	6,242	3,376	222	22,413
Development and Environmental Services	696	1,011	(315)	496	16
Engineering	8,616	21,800	(13,184)	6,325	248,850
Governance	–	221	(221)	–	3,833
<b>Total functions and activities</b>	<b>21,544</b>	<b>33,028</b>	<b>(11,484)</b>	<b>9,082</b>	<b>275,117</b>
<b>2023</b>					
Community Services	2,357	2,882	(525)	1,689	5
Corporate Services	19,279	5,353	13,926	9,843	22,364
Development and Environmental Services	905	2,194	(1,289)	428	12
Engineering	10,630	18,172	(7,542)	9,024	258,559
Governance	25	1,709	(1,684)	–	3,733
<b>Total functions and activities</b>	<b>33,196</b>	<b>30,310</b>	<b>2,886</b>	<b>20,984</b>	<b>284,673</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Funding for the delivery of our services

	2024	2023
	\$ '000	\$ '000

## 3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its current market value determined by Valuer General Victoria.

The valuation base used to calculate general rates for 2023/24 was \$ 6,254 million (2022/23: \$ 5,598 million).

General rates	7,421	7,166
Municipal charge	491	474
Waste management charge	700	583
Supplementary rates and rate adjustments	12	–
Interest on rates and charges	–	19
Pensioner Concessions	(19)	–
<b>Total rates and charges</b>	<b>8,605</b>	<b>8,242</b>

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2023 and the valuation was first applied in the rating year commencing 1 July 2023.

Annual rates and charges are recognised as income when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

## 3.2 Statutory fees and fines

Regulatory Services	60	57
Town planning fees	30	42
Land information certificates	5	15
Permits	37	42
<b>Total statutory fees and fines</b>	<b>132</b>	<b>156</b>

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

## 3.3 User fees

Aged and health services	186	160
Child care/children's programs	299	270
Waste management services	80	79
Other fees and charges	178	187
<b>Total user fees</b>	<b>743</b>	<b>696</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised at a point in time	743	696
<b>Total user fees</b>	<b>743</b>	<b>696</b>

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	3,821	15,445
State funded grants	5,261	5,539
<b>Total grants received</b>	<b>9,082</b>	<b>20,984</b>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	–	8,691
Other	641	–
Commonwealth Home Support Programme	–	393
<b>Recurrent - State Government</b>		
Facilities and Quality	–	25
Aged care	215	168
School crossing supervisors	8	7
Community Support	65	66
Maternal and child health	443	394
Recreation	3	4
Regulatory Services	94	75
Preschool Operating	907	714
Youth Initiatives	86	86
Immunisations	–	4
Other	108	45
<b>Total recurrent operating grants</b>	<b>2,570</b>	<b>10,672</b>
<b>Non-recurrent - Commonwealth Government</b>		
Other	344	–
Children Week	–	1
<b>Non-recurrent - State Government</b>		
Community health	–	63
Other	1	–
Economic Development	52	137
Waste Management Funding	17	276
Apsley Netball Tennis Court Upgrade	–	55
Harrow & District Recreation Reserve	–	74
Youth Affairs	–	9
Public Health	–	20
Records Management	–	170
West Wimmera Cabins	649	481
Council Flood Support	332	500
Infrastructure	1,603	2,166
<b>Total non-recurrent operating grants</b>	<b>2,998</b>	<b>3,952</b>
<b>Total operating grants</b>	<b>5,568</b>	<b>14,624</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	1,528	4,400
Local Roads & Community Infrastructure Projects	964	116
<b>Total recurrent capital grants</b>	<b>2,492</b>	<b>4,516</b>
<b>Non-recurrent - Commonwealth Government</b>		
Heavy Vehicle Safety & Productivity Program	–	1,023
Buildings & Facilities	–	821
Other	344	–
<b>Non-recurrent - State Government</b>		
Other	678	–
<b>Total non-recurrent capital grants</b>	<b>1,022</b>	<b>1,844</b>
<b>Total capital grants</b>	<b>3,514</b>	<b>6,360</b>

**(c) Recognition of grant income**

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 *Income for Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>		
General purpose	5,259	10,778
Other specific purpose grants	3,172	10,018
<b>Revenue recognised under AASB 15 Revenue from Contracts with Customers</b>		
Specific purpose grants	649	188
	<b>9,080</b>	<b>20,984</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024	2023
	\$ '000	\$ '000
<b>(d) Unspent grants received on condition that they be spent in a specific manner:</b>		
<b>Operating</b>		
Balance at start of year	7,262	972
Received during the financial year and remained unspent at balance date	561	7,100
Received in prior years and spent during the financial year	(7,137)	(810)
<b>Balance at year end</b>	<b>686</b>	<b>7,262</b>
<b>Capital</b>		
Balance at start of year	16	509
Received during the financial year and remained unspent at balance date	304	-
Received in prior years and spent during the financial year	(16)	(493)
<b>Balance at year end</b>	<b>304</b>	<b>16</b>

Unspent grants are determined and disclosed on a cash basis.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Funding for the delivery of our services (continued)

	2024 \$ '000	2023 \$ '000
<b>3.5 Contributions</b>		
<b>Monetary contributions</b>		
Monetary	26	126
<b>Total monetary contributions</b>	<b>26</b>	<b>126</b>
<b>Total contributions</b>	<b>26</b>	<b>126</b>

Monetary and non monetary contributions are recognised as income at their fair value when Council obtains control over the contributed asset.

## 3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

<b>Property, infrastructure, plant and equipment</b>		
Proceeds of sale	536	684
Written down value of assets disposed	(244)	(510)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>292</b>	<b>174</b>
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>292</b>	<b>174</b>

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

## 3.7 Other income

Interest	602	301
Reimbursements - Roads	1,751	2,251
Reimbursements - Other	12	36
Insurance / Workcover	127	101
Rent	52	52
Fuel Tax Refund	16	21
Other	104	189
<b>Total other income</b>	<b>2,664</b>	<b>2,951</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 4. The cost of delivering services

	2024 \$ '000	2023 \$ '000
<b>4.1 Employee costs</b>		
<b>(a) Employee costs</b>		
Wages and salaries	8,069	8,156
WorkCover	339	284
Superannuation	1,044	1,052
Fringe benefits tax	30	74
Other	1,205	353
<b>Total employee costs</b>	<b>10,687</b>	<b>9,919</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	27	49
	<u>27</u>	<u>49</u>

Employer contributions payable at reporting date	–	9
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**Accumulation funds**

Employer contributions - other funds	1,198	1,002
	<u>1,198</u>	<u>1,002</u>

Employer contributions payable at reporting date	173	94
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Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

**4.2 Materials and services**

Materials and services	1,385	–
Contract payments	8,331	4,994
General maintenance	74	–
Utilities	433	298
Office administration	14	55
Information technology	463	489
Insurance	1,008	479
Consultants	877	650
Expenses from short term leases	5	–
Other materials and services	775	1,969
Plant and equipment maintenance	464	343
<b>Total materials and services</b>	<b>13,829</b>	<b>9,277</b>

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 4. The cost of delivering services (continued)

	2024 \$ '000	2023 \$ '000
<b>4.3 Depreciation</b>		
<b>Property</b>		
Land improvements	266	257
Heritage buildings	2	1
Buildings - specialised	1,021	961
Buildings - non specialised	38	35
<b>Total depreciation - property</b>	<b>1,327</b>	<b>1,254</b>
<b>Plant and equipment</b>		
Plant machinery and equipment	969	746
Fixtures fittings and furniture	93	75
Motor Vehicles	181	157
<b>Total depreciation - plant and equipment</b>	<b>1,243</b>	<b>978</b>
<b>Infrastructure</b>		
Roads	5,020	7,947
Bridges	49	177
Footways and cycleways	103	97
Drainage	178	63
Kerbs & Channels	132	145
<b>Total depreciation - infrastructure</b>	<b>5,482</b>	<b>8,429</b>
<b>Total depreciation</b>	<b>8,052</b>	<b>10,661</b>

Refer to note 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

## 4.4 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	44	73
Auditors' remuneration - Internal Audit	13	13
Councillors' allowances	211	184
Other	225	172
Operating Rental Leases	11	11
<b>Total other expenses</b>	<b>504</b>	<b>453</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations

	2024 \$ '000	2023 \$ '000
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
<b>Current</b>		
Cash on hand	1	1
Cash at bank	6,544	4,998
Term deposits	1,507	15,100
<b>Total cash and cash equivalents</b>	<b>8,052</b>	<b>20,099</b>
<b>Current</b>		
Other	18	–
<b>Total current other financial assets</b>	<b>18</b>	<b>–</b>
<b>Total cash and cash equivalents and other financial assets</b>	<b>8,070</b>	<b>20,099</b>
<b>Intended allocations</b>		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
Cash held to fund carried forward capital works	715	2,904
Cash held to fund long service leave provision	1,372	1,260
Other discretionary reserves	1,648	35
Trust funds & Deposits (Note 5.3)	106	94
Unspent Grants (Note 3.4)	990	7,278
Cemetery Trust Funds	210	180
<b>Total funds subject to intended allocations</b>	<b>5,041</b>	<b>11,751</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
<b>(c) Trade &amp; Other Receivables</b>		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	325	240
Allowance for expected credit loss	(68)	(68)
<i>Non-statutory receivables</i>		
Other debtors	321	926
<b>Total current trade and other receivables</b>	<b>578</b>	<b>1,098</b>
<b>Total trade and other receivables</b>	<b>578</b>	<b>1,098</b>

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

**(d) Ageing of receivables**

The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	115	444
Past due by up to 30 days	137	414
Past due between 31 and 180 days	15	9
Past due between 181 and 365 days	95	52
Past due by more than 1 year	134	7
<b>Total trade and other receivables</b>	<b>496</b>	<b>926</b>

**(e) Ageing of individually impaired receivables**

At balance date, other debtors representing financial assets with a nominal value of \$ NIL (2023: \$ 942) were impaired. The amount of the allowance raised against these debtors was \$ NIL (2023: \$942). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

**(f) Contract assets****Current**

Contract Assets	–	215
<b>Total Current</b>	<b>–</b>	<b>215</b>
<b>Total contract assets</b>	<b>–</b>	<b>215</b>

Contract assets are recognised when Council has transferred goods or services to the customer but where Council is yet to establish an unconditional right to consideration.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024	2023
	\$ '000	\$ '000

## 5.2 Non-financial assets

## (a) Inventories

## Current

Inventories held for distribution	135	141
<b>Total current inventories</b>	<b>135</b>	<b>141</b>

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

## (b) Other assets

## Current

Other	17	–
<b>Total current other assets</b>	<b>17</b>	<b>–</b>

Prepayments	21	236
<b>Total current Prepayments</b>	<b>21</b>	<b>236</b>

## Non-current

Other	1	–
<b>Total non-current other assets</b>	<b>1</b>	<b>–</b>

## 5.3 Payables, trust funds and deposits and contract and other liabilities

## (a) Trade and other payables

## Current

*Non-statutory payables*

Trade payables	2,310	1,695
Accrued expenses	48	82
Payroll / Entitlements Payable	216	304
Superannuation Payable	173	94
Net GST / FBT payable	(243)	(127)
Other	637	–
<b>Total current trade and other payables</b>	<b>3,141</b>	<b>2,048</b>

## (b) Trust funds and deposits

## Current

Fire services levy	94	94
<b>Total current trust funds and deposits</b>	<b>94</b>	<b>94</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024 \$ '000	2023 \$ '000
<b>(c) Contract and other liabilities</b>		
<b>Contract liabilities</b>		
<b>Current</b>		
<b>Grants received in advance:</b>		
Grants received in advance - operating	542	—
<b>Total grants received in advance</b>	<b>542</b>	<b>—</b>
<b>Total current contract liabilities</b>	<b>542</b>	<b>—</b>
<b>Other liabilities</b>		
<b>Current</b>		
Other	416	—
<b>Total current other liabilities</b>	<b>416</b>	<b>—</b>
<b>Total current contract and other liabilities</b>	<b>958</b>	<b>—</b>

*Trust funds and deposits*

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit..

*Contract liabilities*

Contract liabilities reflect grants received in advance and are subject to AASB 1058 and will be recognised as income upon successful completion of liked projects. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

*Other liabilities*

Other Liabilities include retention money held against contracts which are subject to successful completion and quality assurance in accordance with the relevant contracts. Other liabilities also include community contributions towards community projects which are subject to successful funding application and final delivery of the projects and will be recognised upon completion of the projects.

**Purpose and nature of items**

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	Annual Leave \$ '000	Long Service Leave \$ '000	Rostered Days Off \$ '000	Time in Lieu \$ '000	Total \$ '000
<b>5.4 Provisions</b>					
<b>2024</b>					
Balance at the beginning of the financial year	1,084	1,457	54	37	2,632
Additional provisions	668	95	136	72	971
Amounts used	(694)	(172)	(126)	(58)	(1,050)
<b>Balance at the end of the financial year</b>	<b>1,058</b>	<b>1,380</b>	<b>64</b>	<b>51</b>	<b>2,553</b>
<b>Provisions</b>					
Provisions - current	1,058	1,128	64	51	2,301
Provisions - non-current	–	252	–	–	252
<b>Total Provisions</b>	<b>1,058</b>	<b>1,380</b>	<b>64</b>	<b>51</b>	<b>2,553</b>
<b>2023</b>					
Balance at the beginning of the financial year	1,103	1,455	48	48	2,654
Additional provisions	790	183	123	63	1,159
Amounts used	(809)	(181)	(117)	(74)	(1,181)
<b>Balance at the end of the financial year</b>	<b>1,084</b>	<b>1,457</b>	<b>54</b>	<b>37</b>	<b>2,632</b>
<b>Provisions</b>					
Provisions - current	1,084	1,260	54	37	2,435
Provisions - non-current	–	197	–	–	197
<b>Total Provisions</b>	<b>1,084</b>	<b>1,457</b>	<b>54</b>	<b>37</b>	<b>2,632</b>
				<b>2024</b>	<b>2023</b>
				<b>\$ '000</b>	<b>\$ '000</b>

**(a) Employee provisions****Current provisions expected to be wholly settled within 12 months**

Annual leave	740	705
Long service leave	336	254
Rostered Days Off	64	54
Time in Lieu	51	37
	<b>1,191</b>	<b>1,050</b>

**Current provisions expected to be wholly settled after 12 months**

Annual leave	318	379
Long service leave	792	1,006
	<b>1,110</b>	<b>1,385</b>

**Total current employee provisions****2,301**      **2,435****Non-Current**

Long service leave	252	197
<b>Total Non-Current Employee Provisions</b>	<b>252</b>	<b>197</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	2024	2023
	\$ '000	\$ '000
Aggregate Carrying Amount of Employee Provisions:		
Current	2,301	2,435
Non-current	252	197
<b>Total Aggregate Carrying Amount of Employee Provisions</b>	<b>2,553</b>	<b>2,632</b>

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

*Annual leave*

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

*Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

## Key assumptions:

- discount rate	4.20%	4.15%
- index rate	4.10%	4.00%

## 5.5 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2024.

Bank overdraft	2,000	2,000
Credit card facilities	16	16
<b>Total Facilities</b>	<b>2,016</b>	<b>2,016</b>
Used facilities	7	5
<b>Used facilities</b>	<b>7</b>	<b>5</b>
<b>Unused facilities</b>	<b>2,009</b>	<b>2,011</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

## 5.6 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

## (a) Commitments for expenditure

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
<b>2024</b>					
<b>Operating</b>					
Kaniva Caravan Park / Swimming Pool Maintenance	350	350	350	–	1,050
Cleaning of Council buildings	106	112	–	–	218
Council Amenities Cleaning	–	–	–	–	–
Waste / Recyclables Collection	535	541	573	–	1,649
Kerbs & Gutters / Drainage Maintenance	–	–	–	–	–
Recycling	–	–	–	–	–
Street Cleaning Services	–	–	–	–	–
Swimming pool management	–	–	–	–	–
Landfill Usage Contract	–	–	–	–	–
Library Services Contract	–	–	–	–	–
Town Maintenance - Kaniva	71	75	–	–	146
Town Maintenance - Edenhope	112	119	–	–	231
Street Cleaning Services - Kaniva	68	73	5	–	146
Street Cleaning Services - Edenhope	138	138	138	–	414
IT Support & Management Services	225	239	–	–	464
Goroke Swimming Pool	93	93	–	–	186
Edenhope Swimming Pool	137	145	–	–	282
<b>Total</b>	<b>1,835</b>	<b>1,885</b>	<b>1,066</b>	<b>–</b>	<b>4,786</b>
<b>Capital</b>					
Plant & Fleet	–	–	–	–	–
<b>Total</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>2023</b>					
<b>Operating</b>					
Kaniva Caravan Park / Swimming Pool Maintenance	–	–	–	–	–
Cleaning of Council buildings	126	130	–	–	256
Council Amenities Cleaning	180	183	–	–	363
Waste / Recyclables Collection	115	–	–	–	115
Kerbs & Gutters / Drainage Maintenance	209	225	–	–	434
Recycling	112	–	–	–	112
Street Cleaning Services	390	408	–	–	798

continued on next page ...

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 5. Investing in and financing our operations (continued)

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
Swimming pool management	185	–	–	–	185
Landfill Usage Contract	–	–	–	–	–
Library Services Contract	–	–	–	–	–
Town Maintenance - Kaniva	–	–	–	–	–
Town Maintenance - Edenhope	–	–	–	–	–
Street Cleaning Services - Kaniva	–	–	–	–	–
Street Cleaning Services - Edenhope	–	–	–	–	–
IT Support & Management Services	–	–	–	–	–
Goroke Swimming Pool	–	–	–	–	–
Edenhope Swimming Pool	–	–	–	–	–
<b>Total</b>	<b>1,317</b>	<b>946</b>	<b>–</b>	<b>–</b>	<b>2,263</b>
<b>Capital</b>					
Plant & Fleet	230	–	–	–	230
<b>Total</b>	<b>230</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>230</b>

## Note 6. Assets we manage

## 6.1 Non-current assets classified as "held for sale"

There are no reportable Non current assets classified as held for sale

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

## 6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2023 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Disposal \$ '000	Depreciation \$ '000	Write-off \$ '000	Transfers \$ '000	Carrying amount 30 June 2024 \$ '000
Property	24,192	1,960	–	–	–	(1,325)	–	–	24,827
Plant and equipment	3,984	2,043	–	–	(244)	(1,245)	–	–	4,538
Infrastructure	232,305	7,056	–	–	–	(5,482)	–	1,874	235,753
Work in progress	1,874	715	–	–	–	–	–	(1,874)	715
<b>Total</b>	<b>262,355</b>	<b>11,774</b>	<b>–</b>	<b>–</b>	<b>(244)</b>	<b>(8,052)</b>	<b>–</b>	<b>–</b>	<b>265,833</b>

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	–	571	–	–	571
Infrastructure	1,874	144	–	(1,874)	144
<b>Total</b>	<b>1,874</b>	<b>715</b>	<b>–</b>	<b>(1,874)</b>	<b>715</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land improve- ments \$ '000	Total land and land improve- ments \$ '000	Heritage buildings \$ '000	Buildings specialised \$ '000	Buildings non specialised \$ '000	Total buildings \$ '000	Total property \$ '000
<b>Property</b>								
At fair value 1 July 2023	864	4,570	<b>5,434</b>	180	55,152	2,044	<b>57,376</b>	<b>62,810</b>
Accumulated depreciation at 1 July 2023	–	(2,173)	<b>(2,173)</b>	(154)	(34,990)	(1,301)	<b>(36,445)</b>	<b>(38,618)</b>
	<b>864</b>	<b>2,397</b>	<b>3,261</b>	<b>26</b>	<b>20,162</b>	<b>743</b>	<b>20,931</b>	<b>24,192</b>
<b>Movements in fair value</b>								
Additions	–	311	<b>311</b>	–	1,567	82	<b>1,649</b>	<b>1,960</b>
Contributions	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–	–
Disposal	–	–	–	–	–	–	–	–
Write-off	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	–	–
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–
	<b>–</b>	<b>311</b>	<b>311</b>	<b>–</b>	<b>1,567</b>	<b>82</b>	<b>1,649</b>	<b>1,960</b>
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	–	(266)	<b>(266)</b>	(1)	(1,021)	(37)	<b>(1,059)</b>	<b>(1,325)</b>
Accumulated depreciation of disposals	–	–	–	–	–	–	–	–
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	–	–
	<b>–</b>	<b>(266)</b>	<b>(266)</b>	<b>(1)</b>	<b>(1,021)</b>	<b>(37)</b>	<b>(1,059)</b>	<b>(1,325)</b>
At fair value 30 June 2024	864	4,881	<b>5,745</b>	180	56,719	2,126	<b>59,025</b>	<b>64,770</b>
Accumulated depreciation at 30 June 2024	–	(2,439)	<b>(2,439)</b>	(155)	(36,011)	(1,338)	<b>(37,504)</b>	<b>(39,943)</b>
<b>Carrying amount</b>	<b>864</b>	<b>2,442</b>	<b>3,306</b>	<b>25</b>	<b>20,708</b>	<b>788</b>	<b>21,521</b>	<b>24,827</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Motor Vehicles \$ '000	Total \$ '000	Total plant and equipment \$ '000
<b>Plant and Equipment</b>					
At fair value 1 July 2023	10,121	1,789	882	12,792	12,792
Accumulated depreciation at 1 July 2023	(7,027)	(1,517)	(264)	(8,808)	(8,808)
	<b>3,094</b>	<b>272</b>	<b>618</b>	<b>3,984</b>	<b>3,984</b>
<b>Movements in fair value</b>					
Additions	1,638	148	257	2,043	2,043
Contributions	-	-	-	-	-
Revaluation	-	-	-	-	-
Disposal	(803)	-	(178)	(981)	(981)
Write-off	-	-	-	-	-
Transfers	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-
	<b>835</b>	<b>148</b>	<b>79</b>	<b>1,062</b>	<b>1,062</b>
<b>Movements in accumulated depreciation</b>					
Depreciation and amortisation	(969)	(95)	(181)	(1,245)	(1,245)
Accumulated depreciation of disposals	619	-	118	737	737
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	-	-
	<b>(350)</b>	<b>(95)</b>	<b>(63)</b>	<b>(508)</b>	<b>(508)</b>
At fair value 30 June 2024	10,956	1,936	961	13,853	13,853
Accumulated depreciation at 30 June 2024	(7,377)	(1,611)	(327)	(9,315)	(9,315)
<b>Carrying amount</b>	<b>3,579</b>	<b>325</b>	<b>634</b>	<b>4,538</b>	<b>4,538</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Roads \$ '000	Bridges \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Kerbs & Channels \$ '000	Total \$ '000	Work in progress \$ '000	Total infra- structure \$ '000
<b>Infrastructure</b>								
At fair value 1 July 2023	317,722	4,499	5,012	15,934	9,010	352,177	1,874	354,051
Accumulated depreciation at 1 July 2023	(103,192)	(2,063)	(1,122)	(10,133)	(3,362)	(119,872)	–	(119,872)
	<u>214,530</u>	<u>2,436</u>	<u>3,890</u>	<u>5,801</u>	<u>5,648</u>	<u>232,305</u>	<u>1,874</u>	<u>234,179</u>
<b>Movements in fair value</b>								
Additions	6,751	37	139	56	73	7,056	715	7,771
Contributions	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–	–
Disposal	–	–	–	–	–	–	–	–
Write-off	–	–	–	–	–	–	–	–
Transfers	1,874	–	–	–	–	1,874	(1,874)	–
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–
	<u>8,625</u>	<u>37</u>	<u>139</u>	<u>56</u>	<u>73</u>	<u>8,930</u>	<u>(1,159)</u>	<u>7,771</u>
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(5,020)	(50)	(103)	(177)	(132)	(5,482)	–	(5,482)
Accumulated depreciation of disposals	–	–	–	–	–	–	–	–
Accumulated depreciation on revaluation	–	–	–	–	–	–	–	–
Impairment losses recognised in operating result	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	–	–
	<u>(5,020)</u>	<u>(50)</u>	<u>(103)</u>	<u>(177)</u>	<u>(132)</u>	<u>(5,482)</u>	<u>–</u>	<u>(5,482)</u>
At fair value 30 June 2024	326,347	4,535	5,151	15,990	9,083	361,106	715	361,821
Accumulated depreciation at 30 June 2024	(108,212)	(2,112)	(1,225)	(10,310)	(3,494)	(125,353)	–	(125,353)
<b>Carrying amount</b>	<u>218,135</u>	<u>2,423</u>	<u>3,926</u>	<u>5,680</u>	<u>5,589</u>	<u>235,753</u>	<u>715</u>	<u>236,468</u>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

*Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

**Asset recognition thresholds and depreciation periods**

	<b>Depreciation Period years</b>	<b>Threshold Limit \$ '000</b>
<b>Land and land improvements</b>		
land		5
land improvements	6 - 50 years	5
<b>Buildings</b>		
buildings	30 - 120 years	5
building and leasehold improvements	30 - 120 years	5
<b>Plant and Equipment</b>		
heritage plant and equipment	3 - 40 years	1
plant, machinery and equipment	3 - 10 years	1
others	3 - 10 years	1
<b>Infrastructure</b>		
roads - pavements, substructure, formation and earthworks	17 - 75 years	5
roads - kerb, channel and minor culverts and other	75 years	5
bridges - deck and substructure	75 years	5
bridges - others	50 - 70 years	5
footpaths and cycleways	35 - 80 years	5
aerodromes	35 - 80 years	5
others	25 - 50 years	5
Intangible assets	70 - 80 years	5

*Land under roads*

Council recognises land under roads it controls at fair value.

*Depreciation and amortisation*

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

*Repairs and maintenance*

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

*Valuation of land and buildings*

Valuation of land and buildings were undertaken by a qualified independent valuer Australian Geographic Information Systems (AGIS). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The Council's Buildings and Structures have been assessed for their condition and age for revaluation during this financial year. This valuation has been conducted by an independent accredited professional valuer and the impact of revaluation has been incorporated in this years financial statements. Any surplus arising as part of this revaluation has been reflected in the relevant asset valuation reserves.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Land	–	864	–	Nov/22	Full
Specialised land	–	–	88	Nov/22	Full
Land improvements	–	–	3,143	Nov/22	Full
Heritage buildings	–	–	24	Nov/22	Full
Buildings	–	–	20,708	Nov/22	Full
Building improvements	–	–	–	Nov/22	Full
<b>Total</b>	<b>–</b>	<b>864</b>	<b>23,963</b>		

*Valuation of Infrastructure*

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation..

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2024 are as follows:



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Roads	–	–	218,168	Jun/23	Unit Rate Index
Bridges	–	–	2,424	Jun/23	Unit Rate Index
Footpaths and cycleways	–	–	3,926	Jun/23	Unit Rate Index
Drainage	–	–	5,680	Jun/23	Unit Rate Index
Recreational, leisure & community facilities	–	–	–	Jun/23	Unit Rate Index
Waste management	–	–	–	Jun/23	Unit Rate Index
Parks, open space & streetscapes	–	–	–	Jun/23	Unit Rate Index
Aerodromes	–	–	–	Jun/23	Unit Rate Index
Kerbs & Channel	–	–	5,555	Jun/23	Unit Rate Index
<b>Total</b>	–	–	<b>235,753</b>		

**Description of significant unobservable inputs into level 3 valuations**

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 30% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently Council records no land under roads.

**Specialised buildings** are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$350 to \$1700 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 40 years to 60 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

**Reconciliation of specialised land**

	2024 \$ '000	2023 \$ '000
Municipal Office Land	90	90
Community Services Land	73	73
Infrastructure and Works Operations Land	113	113
Recreational and Sundry Council Land	500	500
<b>Total specialised land</b>	<b>776</b>	<b>776</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	2024 \$ '000	2023 \$ '000
<b>6.3 Investments in associates, joint arrangements and subsidiaries</b>		
<b>(a) Investments in associates</b>		
Investments in associates and joint arrangements accounted for by the equity method are:		
Wimmera Regional Library Corporation	298	354
Wimmera Southern Mallee Development Limited (formerly Wimmera Development Association)	164	175
<b>Total investments in associates and joint arrangements</b>	<b>462</b>	<b>529</b>
<b>Wimmera Regional Library Corporation</b>		
<i>Background</i>		
Council's investment in the Wimmera Regional Library Corporation is based on the equity method of accounting.	29.27%	29.27%
<b>Fair value of Council's investment in Wimmera Regional Library Corporation</b>	<b>298</b>	<b>354</b>
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus(deficit) at start of year	3	299
Reported surplus(deficit) for year	10	1,966
Transfers (to) from reserves	(59)	59
<b>Council's share of accumulated surplus(deficit) at end of year</b>	<b>(46)</b>	<b>2,324</b>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	–	141
Transfers (to) from reserves	–	(59)
Change in equity share apportionment	–	(77)
<b>Council's share of reserves at end of year</b>	<b>–</b>	<b>5</b>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	354	440
Share of surplus(deficit) for year	(56)	(68)
Change in equity share apportionment	–	(18)
<b>Carrying value of investment at end of year</b>	<b>298</b>	<b>354</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	2024 \$ '000	2023 \$ '000
<b>Wimmera Southern Mallee Development Limited (formerly Wimmera Development Association)</b>		
<i>Background</i>		
Council's investment in the Wimmera Southern Mallee Development Limited (formerly Wimmera Development Association) is based on the equity method of accounting.	6.89%	7.76%
<b>Fair value of Council's investment in Wimmera Southern Mallee Development Limited (formerly Wimmera Development Association)</b>	<b>164</b>	<b>175</b>
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus(deficit) at start of year	154	194
Reported surplus(deficit) for year	(10)	(47)
Transfers (to) from reserves	–	7
<b>Council's share of accumulated surplus(deficit) at end of year</b>	<b>144</b>	<b>154</b>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	21	28
Transfers (to) from reserves	–	(7)
<b>Council's share of reserves at end of year</b>	<b>21</b>	<b>21</b>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	174	221
Share of surplus(deficit) for year	(10)	(47)
<b>Carrying value of investment at end of year</b>	<b>164</b>	<b>174</b>

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	2024 \$ '000	2023 \$ '000
<b>(b) Asset Management Committees</b>		
All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.		
The Council is the Asset Management Committee for the Edenhope, Goroke and Kaniva Cemeteries. The assets and liabilities of the Committees have been included in Council's financial statement and are summarised below:		
<b>Edenhope Cemetery</b>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	43	40
<b>Total Current assets</b>	<b>43</b>	<b>40</b>
<b>Net assets</b>	<b>–</b>	<b>40</b>
<b>Income</b>		
Fees and Charges	66	32
<b>Total Income</b>	<b>66</b>	<b>32</b>
<b>Expenses</b>		
Other Materials & Services	63	26
<b>Total Expenses</b>	<b>63</b>	<b>26</b>
<b>Surplus(Loss) for period</b>	<b>3</b>	<b>6</b>
Net cash provided by / (used in) operating activities	3	–
<b>Goroke Cemetery</b>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	36	23
<b>Total Current assets</b>	<b>36</b>	<b>23</b>
<b>Net assets</b>	<b>–</b>	<b>23</b>
<b>Income</b>		
Fees and Charges	23	22
<b>Total Income</b>	<b>23</b>	<b>22</b>
<b>Expenses</b>		
Other Materials & Services	11	17
<b>Total Expenses</b>	<b>11</b>	<b>17</b>
<b>Surplus(Loss) for period</b>	<b>12</b>	<b>5</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Assets we manage (continued)

	2024 \$ '000	2023 \$ '000
<b>Kaniva Cemetery</b>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	131	117
<b>Total Current assets</b>	<b>131</b>	<b>117</b>
<b>Net Assets</b>	<b>–</b>	<b>117</b>
<b>Income</b>		
Fees and Charges	55	15
<b>Total Income</b>	<b>55</b>	<b>15</b>
<b>Expenses</b>		
Other Materials & Services	41	33
<b>Total Expenses</b>	<b>41</b>	<b>33</b>
<b>Surplus(Loss) for period</b>	<b>14</b>	<b>(18)</b>
<b>Summarised Statement of Cash Flows</b>		
Net cash provided by / (used in) operating activities	10	–
Net cash provided by / (used in) investing activities	4	–
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>14</b>	<b>–</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 7. People and relationships

## 7.1 Council and key management remuneration

**(a) Related Parties***Parent entity*

West Wimmera Shire Council is the parent entity.

*Subsidiaries and Associates*

Interests in subsidiaries and associates are detailed in Note 6.3.

**(b) Key Management Personnel**

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of West Wimmera Shire Council. The Councillors, Chief Executive Officer and Directors are deemed KMP.

Details of KMP at any time during the year are:

**Councillors**

Mayor Tim Meyer  
 Cr. Jodie Pretlove  
 Cr. Richard Hicks  
 Cr. Bruce Meyer  
 Cr. Tom Houlihan  
 Chief Executive Officer David Bezuidenhout  
 Director Corporate & Community Services James Bentley  
 Director Infrastructure Development & Works Brendan Pearce

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
<b>Total Number of Councillors</b>	5	5
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	3	3
<b>Total Number of Key Management Personnel</b>	<b>8</b>	<b>8</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 7. People and relationships (continued)

**(c) Remuneration of Key Management Personnel**

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Other long-term employee benefits** include long service leave, other long service benefits or deferred compensation.

**Post-employment benefits** include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Termination benefits** include termination of employment payments, such as severance packages.

	2024 \$ '000	2023 \$ '000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	676	636
Other long-term employee benefits	69	59
<b>Total</b>	<b>745</b>	<b>695</b>

	2024 No.	2023 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$10,000 - \$19,999	1	–
\$20,000 - \$29,999	1	3
\$30,000 - \$39,999	2	1
\$40,000 - \$49,999	–	1
\$80,000 - \$89,999	1	–
\$150,000 - \$159,999	–	1
\$160,000 - \$169,999	–	1
\$170,000 - \$179,999	2	–
\$220,000 - \$229,999	–	1
\$250,000 - \$259,999	1	–
	<b>8</b>	<b>8</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 7. People and relationships (continued)

**(d) Remuneration of other senior staff**

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

Total remuneration of other senior staff was as follows:

	2024 \$ '000	2023 \$ '000
Short-term employee benefits	-	-
Other long-term employee benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The number of other senior staff are shown below in their relevant income bands:

	2024 No.	2023 No.
Income Range:		
\$170,000 - \$179,999	-	-
\$180,000 - \$189,999	-	-
\$190,000 - \$199,999	-	-
	<b>-</b>	<b>-</b>

	2024 \$ '000	2023 \$ '000
Total remuneration for the reporting year for other senior staff included above, amounted to:	-	-

## 7.2 Related party disclosure

**(a) Transactions with related parties**

During the year, the Library services were provided in coordination with Horsham Rural City Council and there has been a quarterly payment made to Horsham Rural City Council in accordance with a Service and Funding Agreement signed between Horsham Rural City Council and West Wimmera Shire Council.

**(b) Outstanding balances with related parties**

There are no outstanding balances or outstanding transactions with the related parties reportable for this financial year.

**(c) Loans to/from related parties**

There are no loans during this financial year between Council and related parties.

**(d) Commitments to/from related parties**

There are no commitments to / from related parties for this financial year.



## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 8. Managing uncertainties

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#### 8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

##### (a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

At balance date the Council are not aware of any contingent assets.

##### (b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

##### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

##### Landfill

Council does not operate a landfill site within its boundaries. There are no former licenced landfill sites within the shire.

##### Insurance claims

Council does not have any outstanding insurance claim as at 30 June 2024.

##### Legal matters

There are no known matters under litigation or a legal settlement which may result in any contingent costs to the Council.

##### Building cladding

Council does not have any potential contingents that exist in relation to rectification works or other matters associated with building cladding.

##### Liability Mutual Insurance

Council is (was) a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

##### MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2023. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

##### (c) Guarantees for loans to other entities

The Council has not acted as a Guarantor for any liabilities against any other entities and / or Community Groups. Therefore there is no reportable matters or any financial obligation arising in future.

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 8. Managing uncertainties (continued)

#### 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 Fair Value Measurement. AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
- are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
- are to be applied prospectively for annual periods beginning on or after 1 January 2024;
- would not necessarily change practice for some not-for-profit public sector entities; and
- do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.

Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

#### 8.3 Financial instruments

##### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank <&and/or TCV>> borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

##### (b) Market risk

Market risk is the risk that the fair value or future cash flows of Council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

##### **Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2021*.

Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 8. Managing uncertainties (continued)

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There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- Council has a policy for establishing credit limits for the entities Council deals with;
- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

#### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

#### (e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 8. Managing uncertainties (continued)

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 4.10%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

## 8.4 Fair value measurement

*Fair Value Hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from < > to < > years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

<b>Asset Class</b>	<b>Revaluation frequency</b>
Land	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	3 to 5 years
Recreational, leisure and community facilities	3 to 5 years
Waste management	3 to 5 years
Parks, open space and streetscapes	3 to 5 years
Aerodromes	3 to 5 years
Other infrastructure	3 to 5 years

Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 8. Managing uncertainties (continued)

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which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

#### *Impairment of assets*

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### 8.5 Events occurring after balance date

The Wimmera Regional Library Corporation ceased to trade on 30 June 2023. The dissolution process is still a work in progress and there has been an equity adjustment for financial year 2023-24.

As of 1 July 2023, Horsham Rural City Council assumed direct management of library services and a five-year service level agreement, with an extension option of 3 years, was entered into with West Wimmera Shire Council. The service level agreement is based on the previous library corporation's funding and service agreement.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increase (decrease) \$ '000	Balance at end of reporting period \$ '000
<b>9.1 Reserves</b>			
<b>(a) Asset revaluation reserves</b>			
<b>2024</b>			
<b>Property</b>			
Land and land improvements	767	–	767
Buildings	14,414	–	14,414
	<b>15,181</b>	<b>–</b>	<b>15,181</b>
<b>Infrastructure</b>			
Roads	202,509	–	202,509
Bridges	517	–	517
Footpaths and cycleways	6,461	–	6,461
Drainage	4,470	–	4,470
Kerbs & Channels	732	–	732
	<b>214,689</b>	<b>–</b>	<b>214,689</b>
<b>Total asset revaluation reserves</b>	<b>229,870</b>	<b>–</b>	<b>229,870</b>
<b>2023</b>			
<b>Property</b>			
Land and land improvements	767	–	767
Buildings	7,566	6,848	14,414
	<b>8,333</b>	<b>6,848</b>	<b>15,181</b>
<b>Infrastructure</b>			
Roads	174,745	27,762	202,507
Bridges	–	517	517
Footpaths and cycleways	5,991	470	6,461
Drainage	4,470	–	4,470
Kerbs & Channels	–	732	732
	<b>185,206</b>	<b>29,481</b>	<b>214,687</b>
<b>Total asset revaluation reserves</b>	<b>193,539</b>	<b>36,329</b>	<b>229,868</b>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
<b>(b) Other reserves</b>				
<b>2024</b>				
<b>Restricted reserves</b>				
Plant replacement	771	–	–	771
Quarry restoration	121	–	–	121
Capital improvement	323	–	–	323
Rates revaluation	399	–	–	399
Elections	35	–	–	35
Carried Forward project Reserve	2,318	–	(1,603)	715
<b>Total Other reserves</b>	<b>3,967</b>	<b>–</b>	<b>(1,603)</b>	<b>2,364</b>
<b>2023</b>				
<b>Restricted reserves</b>				
Plant replacement	771	–	–	771
Quarry restoration	121	–	–	121
Capital improvement	323	–	–	323
Rates revaluation	399	–	–	399
Elections	35	–	–	35
Carried Forward project Reserve	3,509	1,392	(2,583)	2,318
<b>Total Other reserves</b>	<b>5,158</b>	<b>1,392</b>	<b>(2,583)</b>	<b>3,967</b>

Description of nature and purpose of each of Council's discretionary reserves are:

The Plant Replacement is funded by the Plant Operating Surplus and is maintained to replace all major items of Plant and Equipment but excludes utility and fleet replacements.

The Quarry Restoration Reserve was generated via a charge against the sale price of quarry stocks that was retained to restore the quarry sites to natural levels once quarrying has ceased. There have been no further charges (other than nominal interest) generated for this reserve since the 1997/98 financial year as the retained reserve is considered adequate to undertake restoration works.

Capital Improvement Reserve is generated via transfers from Surplus Funds from time to time as determined by Council for use on any significant capital infrastructure projects.

Rates Revaluation Reserve provides funds to undertake each property revaluation for rating purposes every two years.

The Elections Reserve provides funds to undertake Council Elections every 4th year. The scheduled Victorian Council Elections during 2024-25 will result in additional reserves created during the next budget.

The Kindergarten Operations Reserve provides that unspent budgeted funds from each year are brought forward and made available for kindergarten spending in future years. In this way negative effects of falling enrolments can be minimised.

The Carried Forward Projects Reserve provides for all budgeted amounts which have not been spent as at 30 June and which are required to be carried forward to the next financial year and are not budgeted in the next financial year.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 9. Other matters (continued)

	2024 \$ '000	2023 \$ '000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	(11,528)	2,886
<b>Non-cash adjustments:</b>		
Depreciation/amortisation	8,052	10,661
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(292)	(174)
Net share of net profits of associates and joint ventures	–	132
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	520	(748)
(Increase)/decrease in inventories	6	39
(Increase)/decrease in prepayments	215	(207)
Increase/(decrease) in contract assets	215	–
Increase/(decrease) in other assets	(18)	–
Increase/(decrease) in trade and other payables	1,093	63
Increase/(decrease) in provisions	(79)	(22)
(Decrease)/increase in contract and other liabilities	958	–
<b>Net cash provided by/(used in) operating activities</b>	<b>(858)</b>	<b>12,630</b>

## 9.3 Superannuation

Council makes all of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

**Accumulation**

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

**Defined Benefit**

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of [Employer name] in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

**Funding Arrangements**

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.8% pa.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 9. Other matters (continued)

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

**Employer contributions***(a) Regular contributions*

On the basis of the results of the 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

*(b) Funding calls*

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

**The 2023 triennial actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

	<b>2023</b>	<b>2022</b>
	(Triennial)	(Interim)
	<b>\$m</b>	<b>\$m</b>
- A VBI Surplus	84.7	44.6
- A total service liability surplus	123.6	105.8
- A discounted accrued benefits surplus	141.9	111.9

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2023.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2023.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 9. Other matters (continued)

**The 2024 interim actuarial investigation**

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.6% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

**The 2020 triennial investigation**

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2020 Triennial investigation \$m	2023 Triennial investigation \$m
Net investment return	5.6% pa 2.5% pa for two years and 2.75% pa thereafter	5.7% pa 3.50% pa
Salary inflation		
Price inflation	2.0% pa	2.8% pa

**Superannuation contributions**

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of scheme	Rate	2024 \$ '000	2023 \$ '000
Vision Super	Defined benefits	11.00%	54	27
Vision Super	Accumulation	11.00%	420	407
Other Super Funds	Accumulation	11.00%	612	615

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2024.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$23,958.88

## Note 10. Changes in accounting policies

There have been no changes to accounting policies in the 2023-24 year.