



2023-24

Financial Statements



Randwick City Council
a sense of community

2023-24

Randwick City Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024

General Purpose Financial Statements

for the year ended 30 June 2024

Contents	Page
Understanding Council's Financial Statements	2
Statement by Councillors and Management	3
Primary Financial Statements:	
Income Statement	4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Contents for the notes to the Financial Statements	9
Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	75
On the Financial Statements (Sect 417 [3])	78

Overview

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

30 Frances Street
Randwick NSW 2031

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.randwick.nsw.gov.au .

Randwick City Council

General Purpose Financial Statements

for the year ended 30 June 2024

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

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

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Randwick City Council

General Purpose Financial Statements

for the year ended 30 June 2024

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

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

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

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

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

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

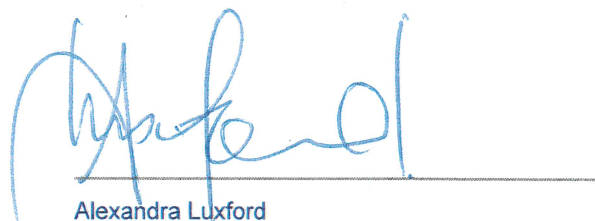
Signed in accordance with a resolution of Council made on 27 August 2024.



Philipa Veitch

Mayor

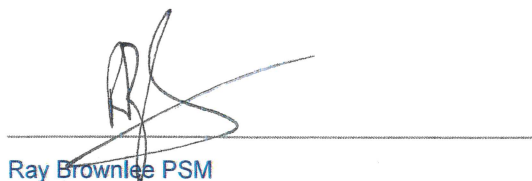
27 August 2024



Alexandra Luxford

Councillor

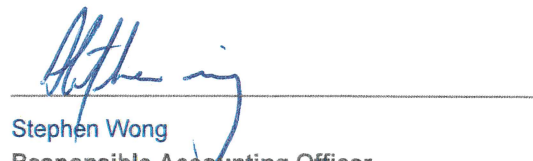
27 August 2024



Ray Brownlee PSM

General Manager

27 August 2024



Stephen Wong

Responsible Accounting Officer

27 August 2024

Randwick City Council

Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
Revenue from continuing operations				
141,279	Rates and annual charges	B2-1	141,022	135,706
22,204	User charges and fees	B2-2	24,676	23,832
6,311	Other revenues	B2-3	9,804	8,571
7,330	Grants and contributions provided for operating purposes	B2-4	9,772	13,579
5,780	Grants and contributions provided for capital purposes	B2-4	27,872	11,813
4,429	Interest and investment income	B2-5	7,609	4,436
4,356	Other income	B2-6	5,555	4,219
191,689	Total Revenue from continuing operations		226,310	202,156
Expenses from continuing operations				
82,711	Employee benefits and on-costs	B3-1	78,768	73,675
65,880	Materials and services	B3-2	79,159	69,080
625	Borrowing costs	B3-3	615	786
30,851	Depreciation, amortisation and impairment of non-financial assets	B3-4	27,353	27,795
5,628	Other expenses	B3-5	5,324	4,615
—	Net loss from the disposal of assets	B4-1	5,988	3,455
185,695	Total expenses from continuing operations		197,207	179,406
5,994	Operating result from continuing operations		29,103	22,750
5,994	Net operating result for the year attributable to Council		29,103	22,750
Net operating result for the year before grants and contributions provided for capital purposes				
214			1,231	10,937

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

Randwick City Council

Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	2023
Net operating result for the year – from Income Statement		29,103	22,750
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	38,871	67,613
Total items which will not be reclassified subsequently to the operating result		38,871	67,613
Total other comprehensive income for the year		38,871	67,613
Total comprehensive income for the year attributable to Council		67,974	90,363

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

Randwick City Council

Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	10,260	8,007
Investments	C1-2	127,731	98,064
Receivables	C1-4	11,819	12,792
Other	C1-7	1,412	1,277
Inventories	C1-5	596	605
Total current assets		151,818	120,745
Non-current assets			
Investments	C1-2	16,000	45,000
Receivables	C1-4	653	626
Infrastructure, property, plant and equipment (IPPE)	C1-6	2,032,839	1,969,268
Right of use assets		224	227
Total non-current assets		2,049,716	2,015,121
Total assets		2,201,534	2,135,866
LIABILITIES			
Current liabilities			
Payables	C3-1	24,152	19,959
Income received in advance	C3-1	3,005	3,536
Contract liabilities	C3-2	3,716	7,682
Lease liabilities		3	5
Borrowings	C3-3	3,199	3,129
Employee benefit provisions	C3-4	23,434	21,437
Total current liabilities		57,509	55,748
Non-current liabilities			
Income received in advance	C3-1	19,835	20,771
Lease liabilities		234	237
Borrowings	C3-3	22,606	25,805
Employee benefit provisions	C3-4	782	711
Total non-current liabilities		43,457	47,524
Total liabilities		100,966	103,272
Net assets		2,100,568	2,032,594
EQUITY			
Accumulated surplus	C4-1	923,209	894,106
IPPE revaluation reserve	C4-1	1,177,359	1,138,488
Council equity interest		2,100,568	2,032,594
Total equity		2,100,568	2,032,594

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

Randwick City Council

Statement of Changes in Equity

for the year ended 30 June 2024

\$ '000	Notes	2024			2023		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		894,106	1,138,488	2,032,594	871,356	1,070,875	1,942,231
Correction of prior period errors		–	–	–	–	–	–
Restated opening balance		894,106	1,138,488	2,032,594	871,356	1,070,875	1,942,231
Net operating result for the year		29,103	–	29,103	22,750	–	22,750
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	38,871	38,871	–	67,613	67,613
Other comprehensive income		–	38,871	38,871	–	67,613	67,613
Total comprehensive income		29,103	38,871	67,974	22,750	67,613	90,363
Closing balance at 30 June		923,209	1,177,359	2,100,568	894,106	1,138,488	2,032,594

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

Randwick City Council

Statement of Cash Flows

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
Cash flows from operating activities				
Receipts:				
141,108	Rates and annual charges		141,271	137,811
22,218	User charges and fees		27,225	35,625
4,460	Interest received		7,289	3,051
13,099	Grants and contributions		27,553	27,784
322	Bonds, deposits and retentions received		3,269	2,048
11,438	Other		24,639	24,841
Payments:				
(82,092)	Payments to employees		(76,601)	(72,715)
(66,015)	Payments for materials and services		(84,796)	(73,589)
(625)	Borrowing costs		(615)	(786)
—	Bonds, deposits and retentions refunded		(2,808)	(1,555)
(5,512)	Other		(9,500)	(16,156)
38,401	Net cash flows from operating activities	F1-1	56,926	66,359
Cash flows from investing activities				
Receipts:				
70,790	Sale of investments		82,500	99,000
3,174	Proceeds from sale of IPPE		972	821
Payments:				
(57,250)	Purchase of investments		(82,832)	(110,500)
(48,808)	Payments for IPPE		(52,184)	(58,131)
(32,094)	Net cash flows from investing activities		(51,544)	(68,810)
Cash flows from financing activities				
Payments:				
(3,523)	Repayment of borrowings		(3,129)	(3,061)
(3,523)	Net cash flows from financing activities		(3,129)	(3,061)
2,784	Net change in cash and cash equivalents		2,253	(5,512)
12,756	Cash and cash equivalents at beginning of year		8,007	13,519
15,540	Cash and cash equivalents at end of year	C1-1	10,260	8,007
—	Investments on hand at end of year	C1-2	143,731	143,064
15,540	Total cash, cash equivalents and investments		153,991	151,071

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

Randwick City Council

Contents for the notes to the Financial Statements for the year ended 30 June 2024

A About Council and these financial statements	11
A1-1 Basis of preparation	11
B Financial Performance	13
B1 Functions or activities	13
B1-1 Functions or activities – income, expenses and assets	13
B1-2 Components of functions or activities	14
B2 Sources of income	15
B2-1 Rates and annual charges	15
B2-2 User charges and fees	16
B2-3 Other revenues	18
B2-4 Grants and contributions	19
B2-5 Interest and investment income	24
B2-6 Other income	24
B3 Costs of providing services	25
B3-1 Employee benefits and on-costs	25
B3-2 Materials and services	26
B3-3 Borrowing costs	26
B3-4 Depreciation, amortisation and impairment of non-financial assets	27
B3-5 Other expenses	28
B4 Gains or losses	29
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	29
B5 Performance against budget	30
B5-1 Material budget variations	30
C Financial position	32
C1 Assets we manage	32
C1-1 Cash and cash equivalents	32
C1-2 Financial investments	33
C1-3 Restricted and allocated cash, cash equivalents and investments	34
C1-4 Receivables	36
C1-5 Inventories	38
C1-6 Infrastructure, property, plant and equipment	39
C1-7 Other	42
C2 Leasing activities	43
C2-1 Council as a lessor	43
C3 Liabilities of Council	44
C3-1 Payables	44
C3-2 Contract Liabilities	45
C3-3 Borrowings	46
C3-4 Employee benefit provisions	47

Randwick City Council

Contents for the notes to the Financial Statements for the year ended 30 June 2024

C4 Reserves	48
C4-1 Nature and purpose of reserves	48
D Risks and accounting uncertainties	49
D1-1 Risks relating to financial instruments held	49
D2-1 Fair value measurement	53
D3-1 Contingencies	60
E People and relationships	63
E1 Related party disclosures	63
E1-1 Key management personnel (KMP)	63
E1-2 Councillor and Mayoral fees and associated expenses	64
E2 Other relationships	65
E2-1 Audit fees	65
F Other matters	66
F1-1 Statement of Cash Flows information	66
F2-1 Commitments	67
F3 Statement of developer contributions as at 30 June 2024	68
F3-1 Summary of developer contributions	68
F3-2 S7.4 planning agreements	68
F4 Statement of performance measures	69
F4-1 Statement of performance measures – consolidated results	69
G Additional Council disclosures (unaudited)	71
G1-1 Statement of performance measures – consolidated results (graphs)	71
G1-2 Council information and contact details	74

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 27 August 2024. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

Historical cost convention

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

Significant accounting estimates and judgements

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

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

Significant judgements in applying the Council's accounting policies

- (i) Impairment of receivables

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

Monies and other assets received by Council

The Consolidated Fund

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

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

- General purpose operations

The Trust Fund

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

No trust funds are currently held by the Council.

Volunteer services

Council does not have material dependence on volunteer services. Volunteers are utilised in Library Services, Aquatic Services, Cultural Events & Sustainability. These services are not recognised due to their nature as a large percentage of services would not go ahead should there not be volunteers to undertake the roles and their non-material value.

A1-1 Basis of preparation (continued)

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2024 reporting period.

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

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

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective for the first time at 30 June 2024.

Those newly adopted standards did not have an impact on Council's reported financial position, financial performance and/or associated financial statement disclosures.

The revised AASB 101 Presentation of Financial Statements was considered and disclosures have been updated to disclose only material accounting policies.

B Financial Performance

B1 Functions or activities

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

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

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Functions or activities										
Strategic Planning	13,101	8,636	1,924	2,042	11,177	6,594	12,606	8,238	4,345	4,305
Development Assessment	2,023	2,347	5,304	4,392	(3,281)	(2,045)	–	–	4,345	4,305
Community Development	1,686	1,513	4,159	3,737	(2,473)	(2,224)	1,041	857	11,366	11,264
Economic Development and Placemaking	574	835	5,680	4,626	(5,106)	(3,791)	11	252	43,200	42,720
Environmental Sustainability	585	128	2,613	2,073	(2,028)	(1,945)	527	106	90,096	88,751
Health, Building & Regulatory Services	2,421	1,899	4,473	4,421	(2,052)	(2,522)	–	–	38,000	37,653
Library Services	600	643	5,587	5,200	(4,987)	(4,557)	447	494	28,064	27,626
Recreation Business Services	10,498	8,772	9,034	7,800	1,464	972	–	–	48,914	48,478
Waste, Cleansing and Public Safety	50,422	47,422	53,675	49,914	(3,253)	(2,492)	–	18	255,543	246,368
Integrated Transport	2,902	2,870	2,088	1,749	814	1,121	73	85	182,501	180,831
Infrastructure Services	15,666	13,393	34,528	27,947	(18,862)	(14,554)	11,742	8,363	1,232,155	1,190,158
Technical Services	1,006	1,769	27,218	26,761	(26,212)	(24,992)	942	1,537	11,472	11,429
Customer Service & Governance Management	5,451	4,917	13,862	14,221	(8,411)	(9,304)	3	2	20,318	14,362
People Management	116	76	2,819	2,423	(2,703)	(2,347)	116	75	4,356	4,317
Finance	118,964	106,651	9,224	8,377	109,740	98,274	10,007	5,280	172,818	170,676
Information Management and Technology Services	293	285	12,640	11,588	(12,347)	(11,303)	129	85	44,135	42,795
Communications	2	–	1,859	1,656	(1,857)	(1,656)	–	–	4,347	4,307
Change and Performance Service	–	–	520	479	(520)	(479)	–	–	5,559	5,521
Total functions and activities	226,310	202,156	197,207	179,406	29,103	22,750	37,644	25,392	2,201,534	2,135,866

B1-2 Components of functions or activities

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

Strategic Planning

- Strategic land use planning
- Creation of land use and development controls
- Implementation of land use and development controls

Development Assessment

- Assessment of Development Applications
- Assessment of other Development Related Applications

Community Development

- Community capacity building
- Community support

Economic Development and Placemaking

- Economic Development
- Placemaking

Environmental Sustainability

- Environmental Sustainability

Health, Building & Regulatory Services

- Regulation and Compliance
- Approvals & Certification
- Prevention of crime and anti-social behaviour

Library Services

- Information services
- Library spaces

Recreation Business Services

- Leisure Centre Facilities Management
- Leisure Centre Programs and Service

Waste, Cleansing and Public Safety

- Waste and Recycling Services
- Public Place Cleansing
- Plant & Fleet Management
- Public Safety

Integrated Transport

- Transport Planning & Facilities

Infrastructure Services

- Asset construction
- Asset Maintenance
- Emergency Management
- Tree & Plant Management

Technical Services

- Asset Lifecycle Planning
- Asset Management & Control
- Floodplain Management

Customer Service & Governance Management

- Property and Land Management
- Customer Service Management
- Procurement Management
- Governance Management
- Enterprise Risk Management

People Management

- Employee On-board Management
- Employee Development and Retention Management

Finance

- Accounting
- Financial Management and Control

Information Management and Technology Services

- Information Management
- Technology Management

Communications

- Community engagement

Change and Performance Service

- Performance Management
- Change Management
- Internal Audit

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2024	2023
Ordinary rates		
Residential	74,364	71,611
Business	20,908	20,183
Less: pensioner rebates (mandatory)	(640)	(667)
Rates levied to ratepayers	94,632	91,127
Pensioner rate subsidies received	352	366
Total ordinary rates	94,984	91,493
Special rates		
Environmental	5,312	5,117
Less: pensioner rebates (Council policy)	(98)	(101)
Rates levied to ratepayers	5,214	5,016
Total special rates	5,214	5,016
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	39,956	38,343
Stormwater management services	1,141	1,139
Section 611 charges	160	162
Less: pensioner rebates (mandatory)	(311)	(320)
Less: pensioner rebates (Council policy)	(293)	(304)
Annual charges levied	40,653	39,020
Pensioner annual charges subsidies received:		
– Domestic waste management	171	177
Total annual charges	40,824	39,197
Total rates and annual charges	141,022	135,706

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

Material accounting policy information

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

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

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

B2-2 User charges and fees

\$ '000	Timing	2024	2023
Specific user charges (per s502 - specific 'actual use' charges)			
Waste management services (non-domestic)	2	1,598	1,488
Total specific user charges		1,598	1,488
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Planning and building regulation	2	1,943	2,215
Regulatory/ statutory fees	2	2,722	2,207
Alignment fees	2	78	74
Construction zones	2	1,501	1,605
Other	2	51	52
Total fees and charges – statutory/regulatory		6,295	6,153
(ii) Fees and charges – other (incl. general user charges (per s608))			
Leaseback fees – Council vehicles	2	488	486
Bus shelter advertising fees	2	398	392
Cemetery fees	2	29	38
Child care centre fees	2	485	488
Community facilities and park hire	2	1,903	2,647
Enquiries	2	85	64
Filming permits	2	148	150
Home maintenance services	2	47	50
Leisure centre fees	1	9,039	7,621
Library	2	12	8
Microfilm prints & Photocopying	2	233	236
Parking meters	2	1,072	1,025
Parking schemes and traffic management	2	162	152
Road and other infrastructure reinstatements	2	1,617	2,061
Sale of recycled materials	2	54	102
Shrub and tree sales	2	261	325
Other	2	750	346
Total fees and charges – other		16,783	16,191
Total other user charges and fees		23,078	22,344
Total user charges and fees		24,676	23,832
Timing of revenue recognition for user charges and fees			
User charges and fees recognised at a point in time (2)		15,637	16,216
User charges and fees recognised over time (1)		9,039	7,616
Total user charges and fees		24,676	23,832

B2-2 User charges and fees (continued)

Material accounting policy information

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 14 days of the provision of the service or in some cases such as facility hire, casual gym or swim activities, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

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

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

B2-3 Other revenues

\$ '000	Timing	2024	2023
Fines – parking	2	6,990	6,623
Fines – other	2	377	450
Legal fees recovery – rates and charges	2	244	239
Legal fees recovery – other	2	105	66
Commissions and agency fees	2	361	64
Insurance claims recoveries	2	267	4
Other	2	232	221
Aquatic centre kiosk and merchandise sales	2	1,228	904
Total other revenue		9,804	8,571

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	–	–
Other revenue recognised at a point in time (2)	9,804	8,571
Total other revenue	9,804	8,571

Material accounting policy information for other revenue

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

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

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

B2-4 Grants and contributions

\$ '000	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	36	167	–	–
Financial assistance – local roads component	2	–	1,053	–	–
Payment in advance - future year allocation					
Financial assistance	2	4,088	4,989	–	–
Amount recognised as income during current year		4,124	6,209	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Child care	2	513	407	–	–
Community centres	2	–	–	1,360	83
Environmental programs	2	448	206	–	–
Community services	2	474	374	–	–
Library	2	447	494	–	–
Street lighting	2	422	442	–	–
Transport (roads to recovery)	2	798	436	–	–
Recreation and culture - La Perouse Museum	2	33	–	–	903
Transport (other roads and bridges funding)	2	–	–	2,329	92
Local Community & Roads Infrastructure	2	–	–	365	1,403
Community services - Lexington Hub Community Worker	2	55	–	–	–
Greening Our City Tree Planting	2	941	757	–	–
NSW Severe Weather and Flooding Recovery Grant	2	–	1,000	–	–
Streets as Shared Spaces	2	–	250	–	–
At the Heart of the Village - Clovelly & Carrington Rd Plaza	1	–	–	1,928	254
At the Heart of the Village - Waratah Ave	1	–	–	1,942	196
Regional and Local Roads Repair Program	1	–	1,965	937	357
Other specific grants	2	22	126	179	–
Souths Sydney Rabbitohs - Heffron Centre Contributions	2	132	–	–	–
WIRES Contribution	2	91	–	–	–
Driveways	2	427	268	88	14
Ex gratia rates	2	23	20	–	–
Tree amenity income	2	114	69	–	–
Transport for NSW contributions (regional roads, block grant)	2	436	427	278	273
Paid parental leave scheme	2	116	75	–	–
Interest free loan for IT devices	2	129	40	–	–
Other contributions	2	27	14	–	–
Total special purpose grants and non-developer contributions – cash		5,648	7,370	9,406	3,575
Non-cash contributions					
Land	2	–	–	1,997	–
Drainage	2	–	–	253	–
Property	2	–	–	833	–
Roads		–	–	1,105	–
Parks	2	–	–	1,672	–
Total other contributions – non-cash		–	–	5,860	–
Total special purpose grants and non-developer contributions (tied)		5,648	7,370	15,266	3,575

continued on next page ...

B2-4 Grants and contributions (continued)

\$ '000	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Total grants and non-developer contributions		9,772	13,579	15,266	3,575
Comprising:					
– Commonwealth funding		5,635	7,249	365	1,403
– State funding		3,057	5,416	8,953	1,434
– Other funding		1,080	914	5,948	738
		9,772	13,579	15,266	3,575

The timing column notation (above) identifies the revenue recognition pattern for material items of Council's revenue:

- (1) indicates income recognised under AASB 15 or AASB 1058 “over time”,
 (2) indicates income recognised under AASB 15 or AASB 1058 “at a point in time”.

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Developer contributions:						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
	F3					
Cash contributions						
s7.4 – Voluntary Planning Agreements - General		2	–	–	–	700
s7.4 – Voluntary Planning Agreements - Affordable Housing		2	–	–	6,367	345
s7.12 – Fixed development consent levies - General		2	–	–	4,357	5,690
s7.12 - Fixed development consent levies - K2K Infrastructure			–	–	1,882	1,503
Total developer contributions – cash			–	–	12,606	8,238
Total developer contributions			–	–	12,606	8,238
Total contributions			–	–	12,606	8,238
Total grants and contributions			9,772	13,579	27,872	11,813
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			–	–	4,807	–
Grants and contributions recognised at a point in time (2)			9,772	13,579	23,065	11,813
Total grants and contributions			9,772	13,579	27,872	11,813

The timing column notation (above) identifies the revenue recognition pattern for material items of Council's revenue:

- (1) indicates income recognised under AASB 15 or AASB 1058 "over time",
(2) indicates income recognised under AASB 15 or AASB 1058 "at a point in time".

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

\$ '000	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Unspent grants and contributions				
Unspent funds at 1 July	5,116	2,117	489	782
Add: funds recognised as revenue in the current period but not yet spent	532	3,173	102	–
Less: funds recognised in a previous reporting period now spent	(3,005)	(174)	(31)	(293)
Unspent funds at 30 June	2,643	5,116	560	489
Contributions				
Unspent funds at 1 July	–	–	20,008	15,764
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	12,651	8,282
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	(8,756)	(4,038)
Unspent contributions at 30 June	–	–	23,903	20,008

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to agreements. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

B2-4 Grants and contributions (continued)

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

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

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

B2-5 Interest and investment income

\$ '000	2024	2023
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	318	289
– Cash and investments	7,265	4,147
– Other	26	–
Total interest and investment income (losses)	7,609	4,436
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	227	205
General Council cash and investments	7,207	4,066
Restricted investments/funds – external:		
Developer contributions		
– Section 7.12 fixed development consent levies	13	14
– Section 7.2 affordable housing	32	30
Domestic waste management operations	22	20
Domestic waste management operations – overdue annual charges	88	82
Stormwater management operations – overdue annual charges	2	2
Restricted investments/funds – internal:		
Internally restricted assets	18	17
Total interest and investment income	7,609	4,436

B2-6 Other income

\$ '000	Notes	2024	2023
Reversal of impairment losses on receivables			
Other		49	–
Total reversal of impairment losses on receivables	C1-4	49	–
Rental income			
Lease Income		5,171	4,056
Total lease income		5,171	4,056
Total rental income	C2-1	5,171	4,056
Fair value increment on investments			
Fair value increment on investments through profit and loss		17	–
Fair value increment on investments (other)		318	163
Total Fair value increment on investments		335	163
Total other income		5,555	4,219

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2024	2023
Salaries and wages	61,225	57,947
Travel expenses	89	59
Employee leave entitlements (ELE)	8,208	6,753
Superannuation – defined contribution plans	6,434	5,831
Superannuation – defined benefit plans	818	847
Workers' compensation insurance	1,331	1,363
Fringe benefits tax (FBT)	257	355
Training costs (other than salaries and wages)	763	654
Other	654	507
Total employee costs	79,779	74,316
Less: capitalised costs	(1,011)	(641)
Total employee costs expensed	78,768	73,675
Number of 'full-time equivalent' employees (FTE) at year end	561	553

Material accounting policy information

Superannuation plans

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note D3-1 for more information.

B3-2 Materials and services

\$ '000	Notes	2024	2023
Raw materials and consumables		7,375	5,888
Contractor and consultancy costs			
– Garbage and recycling contracts		17,708	21,271
– Other contractor and consultancy costs		36,800	26,867
Audit Fees	E2-1	180	95
Infringement notice contract costs (SEINS)		1,001	981
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	E1-2	784	907
Electricity and heating		1,671	1,291
Insurance		3,461	3,078
Street lighting		2,003	2,230
Subscriptions and publications		737	671
Telephone and communications		1,442	1,266
Valuation fees		185	174
Animal pest control		145	72
Bank charges, investment charges and payments to council collection		491	459
Community events and functions		1,916	1,681
Other expenses		793	228
Vehicle registration fees		238	237
Water and sewerage		700	549
Legal expenses:			
– Legal expenses: planning and development		833	524
– Legal expenses: other		696	611
Total materials and services		79,159	69,080

B3-3 Borrowing costs

(i) Interest bearing liability costs

Interest on leases	–	4
Interest on loans	615	782
Total borrowing costs expensed	615	786

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

\$ '000	Notes	2024	2023
Depreciation and amortisation			
Plant and equipment		2,795	2,847
Office equipment		2,155	2,250
Furniture and fittings		504	494
Land improvements (depreciable)		626	565
Infrastructure:	C1-6		
– Buildings – non-specialised		2,126	1,670
– Buildings – specialised		3,951	2,605
– Roads		8,033	9,943
– Footpaths		1,768	2,493
– Stormwater drainage		2,378	2,367
– Swimming pools		126	106
– Other open space/recreational assets		2,656	2,194
Right of use assets		3	4
Other assets:			
– Library books		232	257
Total depreciation and amortisation costs		27,353	27,795
Total depreciation, amortisation and impairment for non-financial assets		27,353	27,795

Material accounting policy information

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in C1-6 for IPPE assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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

B3-5 Other expenses

\$ '000	Notes	2024	2023
Impairment of receivables			
Other		–	3
Total impairment of receivables	C1-4	–	3
Other			
Contributions/levies to other levels of government			
– Department of planning levy		306	296
– NSW State Emergency Service levy		711	419
– Fire and Rescue NSW levy		3,237	2,778
Donations, contributions and assistance to other organisations (Section 356)		1,070	1,119
Total other		5,324	4,612
Total other expenses		5,324	4,615

B4 Gains or losses

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

\$ '000	Notes	2024	2023
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		972	821
Less: carrying amount of plant and equipment assets sold/written off		(738)	(376)
Gain (or loss) on disposal		234	445
Gain (or loss) on disposal of infrastructure	C1-6		
Less: carrying amount of infrastructure assets sold/written off		(6,222)	(3,900)
Gain (or loss) on disposal		(6,222)	(3,900)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		82,500	99,000
Less: carrying amount of investments sold/redeemed/matured		(82,500)	(99,000)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		(5,988)	(3,455)

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 27 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Revenues				
Rates and annual charges	141,279	141,022	(257)	0% U
User charges and fees	22,204	24,676	2,472	11% F
The major contributors to the original budget variation for User Charges & Fees included an increase in revenue for the following:				
• Article on Road Fee • Work Zone Fees • Road & Infrastructure Reinstatements				
Other revenues	6,311	9,804	3,493	55% F
The major contributors to the original budget variation for Other Revenues included an increase in revenue for the following:				
• Parking Fines • Legal Fees Recovery - Rates • Insurance Claim recoveries				
Operating grants and contributions	7,330	9,772	2,442	33% F
The major contributors to the original budget variation for Grants & Contributions - Operating included:				
• Childcare subsidy • Greening Our City Grant • Wild life rescue grant from Planning Ministerial Corporation				
Capital grants and contributions	5,780	27,872	22,092	382% F
The major contributors to the original budget variation for Grants & Contributions - Capital included:				
• Affordable Housing \$4.3m • Developer Contributions \$2.7m • Various grants for capital projects - \$1.4m from NSW Office of Sport, Heffron Centre project completion - \$1.5m Local Roads and Community Infrastructure grant from Department of Infrastructure and Transport - \$0.9m Regional and Local Roads Repair grant from Transport of NSW - \$1.9m NSW Public Spaces Legacy Program Grants from Department of Planning Industry & Environment - \$1.9m Waratah Street Plaza from Department of Planning industry and Environment - \$0.5m Black Spot Program from Transport of NSW • Newmarket Voluntary Planning Agreement assets dedication \$5.9m (non-cash)				
Interest and investment revenue	4,429	7,609	3,180	72% F
Interest revenue higher than originally budgeted due to timing of capital projects, no reduction to the RBA cash rate during the financial year and effective cashflow management.				
Other income	4,356	5,555	1,199	28% F
The major contributors to the original budget variation for Other Income included Commercial Rent higher than budgeted and Gain on Investment at Fair Value.				

B5-1 Material budget variations (continued)

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Expenses				
Employee benefits and on-costs	82,711	78,768	3,943	5% F
Materials and services	65,880	79,159	(13,279)	(20)% U
The major contributors to the original budget variation for Materials & Contracts included:				
• Higher volume of reactive operations worked by Facilities Management (\$5.4m), Sportfields (\$1.7m), Footpath Maintenance (\$1.5m) and Horticultural (\$1.5m) • Infringement processing fees (\$0.5m) • Legal expense (\$0.5m) for Development Assessment • Green our City (\$1.3m) and Regional and Local Roads Repair Program (\$1.4m)				
Borrowing costs	625	615	10	2% F
Depreciation, amortisation and impairment of non-financial assets	30,851	27,353	3,498	11% F
The major contributors to the original budget variation for Depreciation is a decrease in Road and Footpaths depreciation due to decrease in gross replacement cost from 2022-23 Revaluation.				
Other expenses	5,628	5,324	304	5% F
Net losses from disposal of assets	–	5,988	(5,988)	∞ U
This includes the written down value of fleet assets sold, and the movement in residual value of infrastructure assets. Council does not budget for these movements. The budget reflects the proceeds received from the sale of assets only.				
Statement of cash flows				
Cash flows from operating activities	38,401	56,926	18,525	48% F
The major increase is due to additional Grants and Contributions.				
Cash flows from investing activities	(32,094)	(51,544)	(19,450)	61% U
Council invested more than budgeted as a result of cashflow management and timing of capital projects.				
Cash flows from financing activities	(3,523)	(3,129)	394	(11)% F
Budget in excess of loan repayments				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2024	2023
Cash assets		
Cash on hand and at bank	449	202
Cash equivalent assets		
– Deposits at call	9,811	7,805
Total cash and cash equivalents	10,260	8,007
Reconciliation of cash and cash equivalents		
Total cash and cash equivalents per Statement of Financial Position	10,260	8,007
Balance as per the Statement of Cash Flows	10,260	8,007

C1-2 Financial investments

\$ '000	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
Financial assets at fair value through the profit and loss				
Long term deposits	87,500	16,000	71,500	45,000
NCD's, FRN's (with maturities > 3 months)	40,231	–	26,564	–
Total	127,731	16,000	98,064	45,000
Total financial investments	127,731	16,000	98,064	45,000
Total cash assets, cash equivalents and investments	137,991	16,000	106,071	45,000

Material accounting policy information

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments in floating rate notes in the Statement of Financial Position.

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

\$ '000	2024	2023
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	153,991	151,071
Less: Externally restricted cash, cash equivalents and investments	(48,559)	(51,051)
Cash, cash equivalents and investments not subject to external restrictions	105,432	100,020

External restrictions

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

Developer contributions – general	23,903	20,008
Specific purpose unexpended grants (recognised as revenue) – general fund	3,203	5,605
Stormwater management	1,950	2,214
Environmental levy	7,567	5,880
Domestic waste management	11,936	17,344
Total external restrictions	48,559	51,051

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

\$ '000	2024	2023
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	105,432	100,020
Less: Internally restricted cash, cash equivalents and investments	(95,154)	(95,441)
Unrestricted and unallocated cash, cash equivalents and investments	10,278	4,579

Internal allocations

At 30 June, Council has internally allocated funds to the following:

Plant and vehicle replacement	10,235	11,403
Employees leave entitlement	9,292	8,792
Carry over works	30,208	27,079
Deposits, retentions and bonds	3,266	3,266
Affordable housing rental scheme	1,069	1,069
Building Levy	708	807
Community Connect	20	30
Community Creative	52	111
Community Partnerships	17	17
Des Renford Leisure Centre	285	285
Economic Development	465	465
Education & Training	88	88
Election of Councillors	710	360
Financial Assistance Grant advance payment	4,088	4,989
Information and communication technology	4,456	1,280
Infrastructure loan	4,414	5,859
Infrastructure reserve	6,373	13,428
Insurance claims / risk management	2,414	1,546
Kingsford & Kensington Town Centre's - Public Domain	1,645	1,645
La Perouse Museum	774	774

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

\$ '000	2024	2023
Light rail support plan	89	89
Lionel Bowen Library	111	111
Our Community Our Future	12,087	9,510
Prince Henry Centre	62	62
Property development	1,404	1,404
Randwick Environmental Park	764	914
Randwick Literary Institute	35	35
Strategic Planning	23	23
Total internal allocations	95,154	95,441

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

\$ '000	2024	2023
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	10,278	4,579

C1-4 Receivables

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Rates and annual charges	2,948	496	3,231	462
Interest and extra charges	338	69	369	53
User charges and fees	1,393	–	4,658	–
Accrued revenues				
– Interest on investments	2,264	–	1,929	–
– Fines Receivable	709	88	751	111
– Other income accruals	2,052	–	713	–
Government grants and subsidies	600	–	87	–
Net GST receivable	1,614	–	1,422	–
Total	11,918	653	13,160	626
Less: provision for impairment				
User charges and fees	(99)	–	(368)	–
Total provision for impairment – receivables	(99)	–	(368)	–
Total net receivables	11,819	653	12,792	626
Externally restricted receivables				
Domestic waste management	849	136	978	130
Total external restrictions	849	136	978	130
Unrestricted receivables	10,970	517	11,814	496
Total net receivables	11,819	653	12,792	626

\$ '000	2024	2023
Movement in provision for impairment of receivables		
Opening impairment allowance calculated under AASB 9	368	465
+ new provisions recognised during the year	8	96
– amounts already provided for and written off this year	(218)	(97)
– amounts provided for but recovered during the year	(59)	(96)
Balance at the end of the year	99	368

C1-4 Receivables (continued)

Material accounting policy information

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

Impairment

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

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

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

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

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

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

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

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

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

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Inventories at cost				
Stores and materials	389	–	403	–
Trading stock	207	–	202	–
Total inventories at cost	596	–	605	–
Total inventories	596	–	605	–

Externally restricted assets

There are no restrictions applicable to the above assets.

Material accounting policy information

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period								At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	22,072	–	22,072	20,102	–	–	–	(21,260)	–	–	–	20,914	–	20,914
Plant and equipment	24,883	(14,783)	10,100	–	7,565	(704)	(2,795)	43	–	–	–	28,290	(14,081)	14,209
Office equipment	37,274	(31,037)	6,237	–	1,244	(33)	(2,155)	27	–	–	–	38,506	(33,186)	5,320
Furniture and fittings	11,042	(7,615)	3,427	–	196	–	(504)	–	–	–	–	11,238	(8,119)	3,119
Land:														
– Operational land	242,080	–	242,080	–	2,900	–	–	–	(33)	(9,270)	–	235,677	–	235,677
– Community land	190,477	–	190,477	–	1,997	–	–	–	–	(6,133)	–	186,341	–	186,341
– Crown land	187,614	–	187,614	–	–	–	–	–	–	(6,041)	–	181,573	–	181,573
– Land under roads (post 30/6/08)	4,075	–	4,075	–	–	–	–	–	–	–	–	4,075	–	4,075
Land improvements – depreciable	34,483	(2,634)	31,849	1,891	–	(119)	(626)	654	3,562	–	1,405	42,404	(3,788)	38,616
Infrastructure:														
– Buildings – non-specialised	149,385	(69,639)	79,746	474	2,767	(225)	(2,126)	166	33	–	2,068	154,474	(71,571)	82,903
– Buildings – specialised	256,705	(75,321)	181,384	5,159	–	(160)	(3,951)	4,388	246	–	9,035	280,824	(84,723)	196,101
– Roads	906,456	(304,604)	601,852	2,928	554	(2,756)	(8,033)	4,964	101	–	28,877	952,024	(323,537)	628,487
– Footpaths	131,693	(33,115)	98,578	214	539	(1,386)	(1,768)	2,851	88	–	4,719	140,126	(36,291)	103,835
– Stormwater drainage	306,351	(89,945)	216,406	519	253	(776)	(2,378)	3,048	–	–	10,873	324,582	(96,637)	227,945
– Swimming pools	9,635	(3,292)	6,343	–	–	–	(125)	–	–	–	255	10,030	(3,557)	6,473
– Other open space/recreational assets	91,782	(8,259)	83,523	4,718	4,744	(800)	(2,656)	5,119	(3,832)	–	3,083	104,981	(11,082)	93,899
Other assets:														
– Heritage collections	2,704	–	2,704	–	–	–	–	–	(165)	–	–	2,539	–	2,539
– Library books	8,815	(8,014)	801	–	244	–	(232)	–	–	–	–	9,058	(8,245)	813
Total infrastructure, property, plant and equipment	2,617,526	(648,258)	1,969,268	36,005	23,003	(6,959)	(27,350)	–	–	(21,444)	60,315	2,727,656	(694,817)	2,032,839

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

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

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period								At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	40,480	–	40,480	6,624	5,332	–	–	(30,364)	–	–	–	22,072	–	22,072
Plant and equipment	25,306	(14,213)	11,093	–	2,230	(376)	(2,847)	–	–	–	–	24,883	(14,783)	10,100
Office equipment	36,249	(28,787)	7,462	–	1,025	–	(2,250)	–	–	–	–	37,274	(31,037)	6,237
Furniture and fittings	10,566	(7,122)	3,444	–	475	–	(494)	2	–	–	–	11,042	(7,615)	3,427
Land:														
– Operational land	240,239	–	240,239	–	–	–	–	–	–	–	1,841	242,080	–	242,080
– Community land	159,604	–	159,604	–	–	–	–	–	–	–	30,873	190,477	–	190,477
– Crown land	189,801	–	189,801	–	–	–	–	–	–	(2,187)	–	187,614	–	187,614
– Land under roads (post 30/6/08)	4,075	–	4,075	–	–	–	–	–	–	–	–	4,075	–	4,075
Land improvements – depreciable	31,962	(10,873)	21,089	26	–	–	(565)	–	(185)	–	11,484	34,483	(2,634)	31,849
Infrastructure:														
– Buildings – non-specialised	124,835	(61,679)	63,156	236	–	(93)	(1,670)	–	(21)	–	18,138	149,385	(69,639)	79,746
– Buildings – specialised	190,577	(71,641)	118,936	–	29,103	(1,694)	(2,605)	23,253	21	–	14,370	256,705	(75,321)	181,384
– Roads	1,057,755	(461,395)	596,360	4,096	784	(1,344)	(9,943)	195	4,056	–	7,648	906,456	(304,604)	601,852
– Footpaths	177,520	(56,866)	120,654	1,592	273	(295)	(2,493)	592	(4,319)	(17,426)	–	131,693	(33,115)	98,578
– Stormwater drainage	305,644	(87,581)	218,063	153	–	(5)	(2,367)	562	–	–	–	306,351	(89,945)	216,406
– Swimming pools	8,529	(1,556)	6,973	6	–	–	(106)	–	–	(530)	–	9,635	(3,292)	6,343
– Other open space/recreational assets	89,264	(19,183)	70,081	6,470	–	(285)	(2,194)	5,601	448	–	3,402	91,782	(8,259)	83,523
Other assets:														
– Heritage collections	2,564	–	2,564	–	165	(184)	–	159	–	–	–	2,704	–	2,704
– Library books	8,535	(7,757)	778	–	280	–	(257)	–	–	–	–	8,815	(8,014)	801
Total infrastructure, property, plant and equipment	2,703,505	(828,653)	1,874,852	19,203	39,667	(4,276)	(27,791)	–	–	(20,143)	87,756	2,617,526	(648,258)	1,969,268

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

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

Material accounting policy information

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

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

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

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

Plant and equipment	Years	Open Space assets	Years
Office equipment	5 to 10	Ocean Pools	100
Office furniture	10 to 20	Swimming pools	50
Computer equipment	3 to 10	Playground equipment	15
Vehicles	5 to 7	Irrigation system	6 to 20
Heavy plant/road making equipment	7	Park furniture	15
Other plant and equipment	2 to 20	Skate park	50
		Cricket nets	10
		Turf cricket wicket	15
Transportation assets		Fencing	20
Road formation	Infinite	Lighting	20
Road pavement	120	Scoreboards	30
Road surface	35	Signage and flagpoles	20
Kerb and Gutter	100	Water tank	15 to 50
Footpaths	25 to 80		
Road furniture	10		
Retaining walls	80	Buildings	
		Buildings: masonry	100
Stormwater assets		Buildings: other	20 to 100
Pits	100		
Pipes/conduit	100 to 150		
Library resources			
Library resources	5		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

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

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

Crown reserves

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

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

C1-7 Other

Other assets

\$ '000	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
Prepayments	1,412	–	1,277	–
Total other assets	1,412	–	1,277	–

C2 Leasing activities

C2-1 Council as a lessor

Operating leases

Council leases out a number of properties to community groups; these leases have been classified as operating leases for financial reporting purposes.

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

\$ '000	2024	2023
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The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	5,171	4,056
Total income relating to operating leases for Council assets	5,171	4,056

Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

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

< 1 year	1,947	2,201
1–2 years	1,201	1,414
2–3 years	889	847
3–4 years	773	618
4–5 years	661	567
> 5 years	19,103	19,260
Total undiscounted lease payments to be received	24,574	24,907

C3 Liabilities of Council

C3-1 Payables

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Payables				
Goods and services – operating expenditure	7,769	–	5,493	–
Goods and services – capital expenditure	2,201	–	1,235	–
Accrued expenses:				
– Salaries and wages	2,280	–	2,048	–
– Other expenditure accruals	2,577	–	2,319	–
Security bonds, deposits and retentions	9,325	–	8,864	–
Total payables	24,152	–	19,959	–
Income received in advance				
Payments received in advance	1,906	–	2,437	–
Rent received in advance - Heffron High Performance Centre	1,099	19,835	1,099	20,771
Total income received in advance	3,005	19,835	3,536	20,771
Total payables	27,157	19,835	23,495	20,771

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

\$ '000	2024	2023
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	6,805	5,995
Total payables	6,805	5,995

Payables

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

C3-2 Contract Liabilities

\$ '000	Notes	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	3,643	—	7,529	—
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	73	—	153	—
Total grants received in advance		3,716	—	7,682	—
Total contract liabilities		3,716	—	7,682	—

Notes

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

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

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

\$ '000	2024	2023
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	5,227	2,087
Total revenue recognised that was included in the contract liability balance at the beginning of the period	5,227	2,087

Significant changes in contract liabilities

This contractual liability for Council has been finalised as at the end of financial year. The associated performance obligations have been satisfied and the revenue recognised accordingly.

C3-3 Borrowings

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Loans – secured ¹	3,199	22,606	3,129	25,805
Total borrowings	3,199	22,606	3,129	25,805

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

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

Financing arrangements

Total facilities

Total financing facilities available to Council at the reporting date are:

Bank overdraft facilities ¹	400	400
Total financing arrangements	400	400

Drawn facilities

Financing facilities drawn down at the reporting date are:

Undrawn facilities

Undrawn financing facilities available to Council at the reporting date are:

– Bank overdraft facilities	400	400
Total undrawn financing arrangements	400	400

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

C3-4 Employee benefit provisions

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Annual leave	6,614	–	6,090	–
Sick leave	1,293	–	1,255	–
Long service leave	15,251	782	13,845	711
Gratuities	193	–	185	–
Other leave	83	–	62	–
Total employee benefit provisions	23,434	782	21,437	711

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

\$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	16,048	14,672
	16,048	14,672

Description of and movements in provisions

\$ '000	ELE provisions				Total
	Annual leave	Sick leave	Long service leave	Other employee benefits	
2024					
At beginning of year	6,090	1,255	14,556	247	22,148
Additional provisions and payments (net)	524	38	1,477	29	2,068
Total ELE provisions at end of year	6,614	1,293	16,033	276	24,216
2023					
At beginning of year	6,333	1,257	13,317	240	21,147
Additional provisions and payments (net)	(243)	(2)	1,239	7	1,001
Total ELE provisions at end of year	6,090	1,255	14,556	247	22,148

C3-4 Employee benefit provisions (continued)

Material accounting policy information

Long-term employee benefit obligations

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

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

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

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

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

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

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

\$ '000	Carrying value 2024	Carrying value 2023	Fair value 2024	Fair value 2023
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	10,260	8,007	10,260	8,007
Receivables	12,472	13,418	12,472	13,418
Fair value through profit and loss				
Term Deposits	103,500	116,500	103,500	116,500
NCD's and FRN's	40,231	26,564	40,231	26,564
Total financial assets	166,463	164,489	166,463	164,489
Financial liabilities				
Payables	24,152	19,959	24,152	19,959
Loans/advances	25,805	28,934	25,805	28,934
Total financial liabilities	49,957	48,893	49,957	48,893

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and term deposits investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) **'at fair value through profit and loss'** or (ii) **'available-for-sale'** – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

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

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

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

The risks associated with the instruments held are:

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

D1-1 Risks relating to financial instruments held (continued)

- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

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

(a) Market risk – interest rate and price risk

\$ '000	2024	2023
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,540	1,372
Impact of a 10% movement in price of investments		
– Equity / Income Statement	4,023	2,656

D1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

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

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

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

There are no significant concentrations of credit risk, other than Council has significant credit risk exposures in its local area given the nature of the business.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
2024				
Gross carrying amount	–	2,333	1,111	3,444
2023				
Gross carrying amount	–	2,677	1,016	3,693

Receivables - non-rates and annual charges and contract assets

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

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

\$ '000	Not yet overdue	0 - 30 days	Overdue debts 31 - 60 days	61 - 90 days	> 91 days	Total
2024						
Gross carrying amount	7,939	533	111	27	517	9,127
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	19.14%	1.08%
ECL provision	–	–	–	–	99	99
2023						
Gross carrying amount	8,237	819	97	105	835	10,093
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	44.07%	3.65%
ECL provision	–	–	–	–	368	368

D1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

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

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

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

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

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

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

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2024							
Payables	0.00%	9,325	14,827	–	–	24,152	24,152
Borrowings	2.22%	–	3,199	13,526	9,080	25,805	25,805
Total financial liabilities		9,325	18,026	13,526	9,080	49,957	49,957
2023							
Payables	0.00%	8,864	11,095	–	–	19,959	19,959
Borrowings	2.22%	–	3,129	13,230	12,575	28,934	28,934
Total financial liabilities		8,864	14,224	13,230	12,575	48,893	48,893

D2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Financial assets and liabilities

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

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

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

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

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

		Fair value measurement hierarchy					
\$ '000	Notes	Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023
Recurring fair value measurements							
Financial assets							
Financial investments	C1-2						
At fair value through profit or loss		143,731	143,064	—	—	143,731	143,064
Total financial assets		143,731	143,064	—	—	143,731	143,064
Infrastructure, property, plant and equipment							
	C1-6						
Plant & Equipment		—	—	14,208	10,100	14,208	10,100
Office Equipment		—	—	5,320	6,237	5,320	6,237
Furniture & Fittings		—	—	3,118	3,427	3,118	3,427
Operational Land		—	—	235,677	242,080	235,677	242,080
Community Land		—	—	186,341	190,477	186,341	190,477
Crown Land		—	—	181,573	187,614	181,573	187,614
Land Under Roads		—	—	4,075	4,075	4,075	4,075
Depreciable Land Improvements		—	—	38,616	31,849	38,616	31,849
Buildings – Non Specialised		—	—	82,903	79,746	82,903	79,746
Buildings – Specialised		—	—	196,101	181,384	196,101	181,384
Roads		—	—	628,488	601,852	628,488	601,852
Footpaths		—	—	103,835	98,578	103,835	98,578
Stormwater Drainage		—	—	227,945	216,406	227,945	216,406
Swimming Pools		—	—	6,473	6,343	6,473	6,343
Other Open Space/Recreational Assets		—	—	93,899	83,523	93,899	83,523
Heritage Collections		—	—	2,539	2,704	2,539	2,704
Library Books		—	—	813	801	813	801
Total infrastructure, property, plant and equipment		—	—	2,011,924	1,947,196	2,011,924	1,947,196

Non-recurring fair value measurements

Transfers between level 1 and level 2 fair value hierarchies

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

D2-1 Fair value measurement (continued)

Valuation techniques

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

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

Financial assets

At fair value through profit and loss are represented by Floating Rate Notes, Covered Bonds and Term Deposits. Council obtains valuations from its Investment Advisor on a monthly basis and at the end of each accounting period to ensure the financial statements reflect the most up to date valuation. The valuations of Floating Rate Notes are sourced from UBS based on mid-market prices. That is, valuations are marked at the mid-point of the bid and ask prices in the secondary market. This price represents a general market value for the asset. There has been no change to the valuation techniques during the reporting period.

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment and Furniture & Fittings

The purchase cost of Plant & Equipment, Office Equipment and Furniture & Fittings are taken as their fair value. There has been no change to the valuation techniques during the reporting period.

Operational Land

A desktop valuation of Council's Operational Land was undertaken at 30 June 2024 by an external and qualified valuer.

Operational land has been valued at market value, having regard to the "highest and best use", after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land's description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

There may, also, be special use parcels where there was no observable market evidence. This land was valued utilising Level 3 inputs, with the valuer using professional judgement to adjust the rate per square metre from the sales evidence available.

Community Land

The valuation of Council's Community Land was undertaken at 30 June 2023 by an external and qualified valuer.

Community land has been valued at market value, having regard to the "highest and best use", after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land's description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

There may, also, be special use parcels where there was no observable market evidence. This land was valued utilising Level 3 inputs, with the valuer using professional judgement to adjust the rate per square metre from the sales evidence available.

Council has determined there was a material movement for Community Land using indexation as at 30 June 2024 and has recognised the movement accordingly.

Crown Land

The valuation of Council's Crown Land was undertaken at 30 June 2023 by an external and qualified valuer.

D2-1 Fair value measurement (continued)

Land has been valued at market value, having regard to the “highest and best use”, after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land’s description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

There are, also, parks, reserves and other special use parcels where there was no observable market evidence. This land was valued utilising Level 3 inputs, with the valuer using professional judgement to adjust the rate per square metre from the sales evidence available.

Council has determined there was a material movement for Crown Land using indexation as at 30 June 2024 and has recognised the movement accordingly.

Land Under Roads

Land Under Roads acquired post 1 July 2008 have been valued using the square meter rates of adjacent Community Land having regard to the highest and best use for the land. There has been no change to the valuation techniques during the reporting period.

Buildings: Non-specialised and Specialised

Council’s buildings were valued utilising the cost approach by an external and qualified valuer at 30 June 2023.

The valuation schedule provides the Gross Carrying Amount of each building, which is obtained by applying a unit rate to a structure or a square metre rate to a building, based on its current replacement cost, which is the lowest cost of replacing the economic benefits of the existing asset using modern technology.

The approach estimated the replacement cost of each building and componentising of significant parts with different useful lives and taking into account a range of factors. The unit rates could be supported by market evidence (Level 2 inputs), other inputs (such as estimates of residual value, useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets have been valued using Level 3 inputs.

Council has determined there was a material movement for Buildings using indexation as at 30 June 2024 and has recognised the movement accordingly.

Roads

The valuation of Council’s roads was undertaken at 30 June 2023 by an external and qualified valuer.

The ‘Cost Approach’ using Level 3 inputs was used to value the road carriageway and other road infrastructure. Valuations for the road carriageway, comprising surface, pavement and formation were based primarily on unit rates derived from SSROC rates and Councils schedule of rates tender. Other inputs (such as estimates pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there some uncertainty regarding the actual design, specifications and dimensions of some assets.

Council has determined there was a material movement for Roads using indexation as at 30 June 2024 and has recognised the movement accordingly.

Stormwater Drainage

The valuation of Council’s stormwater drainage assets was undertaken at 30 June 2022 using the cost approach by in-house staff comprising of Council engineers and asset management staff.

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices.

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

D2-1 Fair value measurement (continued)

assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Council has determined there was a material movement for Stormwater Drainage using indexation as at 30 June 2024 and has recognised the movement accordingly.

Swimming Pools

The valuation of Council's swimming pools was undertaken at 30 June 2023 by an external and qualified valuer.

Assets within this class comprise the Des Renford Leisure Centre Pools and also Council's rockpools. The approach estimated the replacement cost for each pool by componentising its significant parts.

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

Council has determined there was a material movement for Swimming Pools using indexation as at 30 June 2024 and has recognised the movement accordingly.

Open Space Assets

The valuation of Council's open space assets was undertaken at 30 June 2023 by an external and qualified valuer.

Assets within this class comprise Tennis Courts, Synthetic Surfaces, BBQs, Regional Sporting Facilities and Playgrounds. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. There has been no change to the valuation process during the reporting period.

Council has determined there was a material movement for Open Space using indexation as at 30 June 2024 and has recognised the movement accordingly.

D2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

\$ '000	Fair value (30/6/24) 2024	Valuation technique/s	Unobservable inputs
Financial assets			
Investments	143,731	Advisor report	* Unit price
Infrastructure, property, plant and equipment			
Plant & Equipment, Other Equipment & Furniture & Fittings	22,648	Depreciated historical cost used to approximate fair value	* Gross replacement cost * Remaining useful life
Operational Land	235,677	Independent valuer report	* Price per square metre
Community Land	186,341	Independent valuer report	* Price per square metre
Crown Land	181,573	Independent valuer report	* Price per square metre
Land Under Roads	4,075	Average municipal rate, determined by the NSW Valuer-General, after applying 90% discount to reflect restricted nature of asset.	* VG value (price per square metre)
Depreciable Land Improvement	38,616	Independent valuer report Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Buildings	279,003	Non-Specialised Buildings: market value Specialised Buildings: replacement cost	* Gross replacement cost * Asset condition * Remaining useful life
Roads & Footpaths	732,322	Independent valuer report Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Stormwater Drainage	227,945	Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life

D2-1 Fair value measurement (continued)

\$ '000	Fair value (30/6/24) 2024	Valuation technique/s	Unobservable inputs
Swimming Pools	6,473	Independent valuer report Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Other Open Space/Recreational Assets	93,899	Independent valuer report	* Gross replacement cost * Asset condition * Remaining useful life
Library Books	813	Cost used to approximate fair value	* Gross replacement cost * Remaining useful life
Heritage Collections	2,539	Cost used and market values used to approximate fair value	* Gross replacement cost (monuments) * Market value (fine arts)

D2-1 Fair value measurement (continued)

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

\$ '000	Plant and equipment, other equipment, furniture and fittings		Land		Depreciable land improvement		Buildings	
	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	19,764	21,999	624,246	593,719	31,849	21,089	261,130	182,092
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	70	2	(33)	–	4,216	(185)	4,833	23,252
Purchases (GBV)	9,005	3,730	4,897	–	1,891	26	8,400	29,339
Disposals (WDV)	(737)	(377)	–	–	(119)	–	(385)	(1,787)
Depreciation and impairment	(5,454)	(5,590)	–	–	(626)	(565)	(6,077)	(4,274)
Revaluation increments / (decrements)	–	–	(21,444)	30,527	1,405	11,484	11,103	32,508
Closing balance	22,648	19,764	607,666	624,246	38,616	31,849	279,004	261,130

\$ '000	Infrastructure		Other assets		Total	
	2024	2023	2024	2023	2024	2023
Opening balance	1,006,702	1,012,131	3,505	3,342	1,947,196	1,834,372
Transfers from/(to) another asset class	12,339	7,135	(165)	159	21,260	30,363
Purchases (GBV)	14,470	13,373	243	444	38,906	46,912
Disposals (WDV)	(5,717)	(1,930)	–	(183)	(6,958)	(4,277)
Depreciation and impairment	(14,961)	(17,102)	(233)	(257)	(27,351)	(27,788)
Revaluation increments / (decrements)	47,807	(6,905)	–	–	38,871	67,614
Closing balance	1,060,640	1,006,702	3,350	3,505	2,011,924	1,947,196

Highest and best use

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

D3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Statewide Limited

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

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

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

(ii) Defined benefit plans

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

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

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

Description of the funding arrangements.

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

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

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

* For 180 Point Members, Employers are required to contribute 8.5% of salaries for the year ending 30 June 2024 (increasing to 9.0% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2023. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation, the next of which is due effective 30 June 2024, and monitored annually between triennials.

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

D3-1 Contingencies (continued)

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

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

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

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

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2024 was \$586,808.35. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2023.

The amount of additional contributions included in the total employer contribution advised above is \$150,363.32. Council's expected contribution to the plan for the next annual reporting period is \$433,156.16.

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

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

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

The share of any funding surplus or deficit that can be attributed to Council is 1.50%

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

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

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

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

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2024.

2. Other liabilities

(i) Third party claims

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

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

(ii) Potential land acquisitions due to planning restrictions imposed by Council

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

D3-1 Contingencies (continued)

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

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

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

E People and relationships

E1 Related party disclosures

E1-1 Key management personnel (KMP)

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

Council has identified Councillors, the General Manager and Directors as KMP.

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

\$ '000	2024	2023
Compensation:		
Short-term benefits	2,450	2,100
Post-employment benefits	191	184
Termination benefits ¹	–	147
Total	2,641	2,431

(1) Termination benefits are annual leave and long service leave paid out on termination

Other transactions with KMP and their related parties

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

There were no related parties transactions declared for the 2023-24 financial year.

E1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2024	2023
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	73	71
Councillors' fees	415	403
Councillors' Superannuation	54	50
Other Councillors' expenses (including Mayor)	242	383
Total	784	907

E2 Other relationships

E2-1 Audit fees

\$ '000	2024	2023
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During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements

	180	95
Remuneration for audit and other assurance services	180	95
Total Auditor-General remuneration	180	95
Total audit fees	180	95

F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of Operating Result

\$ '000	2024	2023
Net operating result from Income Statement	29,103	22,750
Add / (less) non-cash items:		
Depreciation and amortisation	27,353	27,795
(Gain) / loss on disposal of assets	5,988	3,455
Non-cash capital grants and contributions	(5,860)	–
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as 'at fair value'	(335)	(163)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	1,215	826
Increase / (decrease) in provision for impairment of receivables	(269)	(97)
(Increase) / decrease of inventories	9	75
(Increase) / decrease of other current assets	(135)	(419)
Increase / (decrease) in payables	2,276	2,279
Increase / (decrease) in other accrued expenses payable	490	(4,886)
Increase / (decrease) in other liabilities	(1,011)	12,118
Increase / (decrease) in contract liabilities	(3,966)	1,625
Increase / (decrease) in employee benefit provision	2,068	1,001
Net cash flows from operating activities	56,926	66,359

F2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2024	2023
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Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Buildings	5,525	9,519
Plant and equipment	1,579	9,219
Open Space	3,541	507
Roads	3,421	14,055
Drainage	383	11,338
Total commitments	14,449	44,638

These expenditures are payable as follows:

Within the next year	14,449	44,638
Total payable	14,449	44,638

Details of capital commitments

Council has committed to a number of projects including the WIRES facility, Heffron Netball Court shade structure and La Perouse Museum upgrade. Orders have also been placed for Council's ongoing plant replacement program.

F3 Statement of developer contributions as at 30 June 2024

F3-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2023	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S7.12 levies – under a plan	11,818	–	–	–	–	–	–	11,818	–
Total S7.11 and S7.12 revenue under plans	11,818	–	–	–	–	–	–	11,818	–
s7.4 Voluntary Planning Agreements (Affordable Housing)	5,780	6,367	–	–	32	(5,439)	–	6,740	–
K2K Infrastructure	1,660	1,882	–	–	–	(766)	–	2,776	–
s7.4 Voluntary Planning Agreements (General)	750	4,357	–	–	14	(2,552)	–	2,569	–
Total contributions	20,008	12,606	–	–	46	(8,757)	–	23,903	–

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

F4 Statement of performance measures

F4-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2024	Indicator 2024	2023	Indicators 2022	2021	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	6,835	3.45%	7.48%	5.57%	4.49%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	198,054					
2. Own source operating revenue ratio						
Total continuing operating revenue excluding all grants and contributions ¹	188,282	83.34%	87.43%	87.21%	90.31%	> 60.00%
Total continuing operating revenue	225,926					
3. Unrestricted current ratio						
Current assets less all external restrictions	118,410	4.10x	3.75x	3.97x	3.98x	> 1.50x
Current liabilities less specific purpose liabilities	28,880					
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	34,803	9.30x	11.13x	20.28x	6,059.67x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	3,744					
5. Rates and annual charges outstanding percentage						
Rates and annual charges outstanding	3,851	2.64%	2.89%	4.50%	3.80%	< 5.00%
Rates and annual charges collectable	145,699					

F4-1 Statement of performance measures – consolidated results (continued)

\$ '000	Amounts 2024	Indicator 2024	2023	Indicators 2022	2021	Benchmark
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits	113,760	7.69	8.90	10.10	5.65	> 3.00
Monthly payments from cash flow of operating and financing activities	14,787	months	months	months	months	months

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

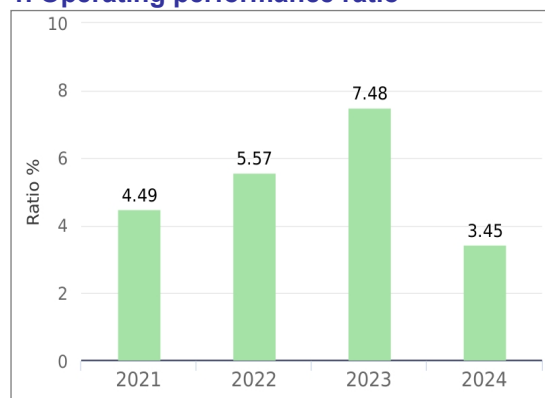
(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

End of the audited financial statements

G Additional Council disclosures (unaudited)

G1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2023/24 result

2023/24 ratio 3.45%

The Operating Performance of 3.45%, though lower than the last financial year, is still a pleasing positive result above the 0% industry benchmark set by the Office of Local Government.

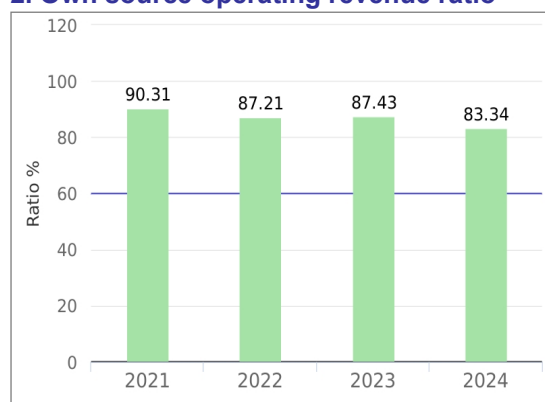
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

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

Commentary on 2023/24 result

2023/24 ratio 83.34%

The ratio remains well in excess of the 60% benchmark, with Council's reliance on external funding one of the lowest of all Councils in NSW.

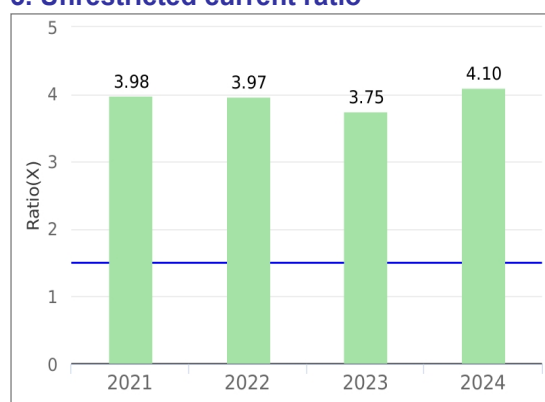
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

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

Commentary on 2023/24 result

2023/24 ratio 4.10x

Council's liquidity remains strong and is well above the 1.5 benchmark consistent with prior years.

Benchmark: — > 1.50x

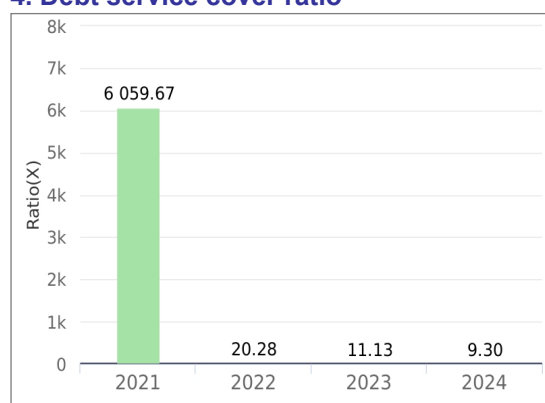
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

G1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

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

Commentary on 2023/24 result

2023/24 ratio 9.30x

Council's ability to service its debt ratio is 9.30, well above the benchmark and includes a remaining loan balance of \$25.8m. Prior to the 2022 financial year, Council had no other debts beside lease payments.

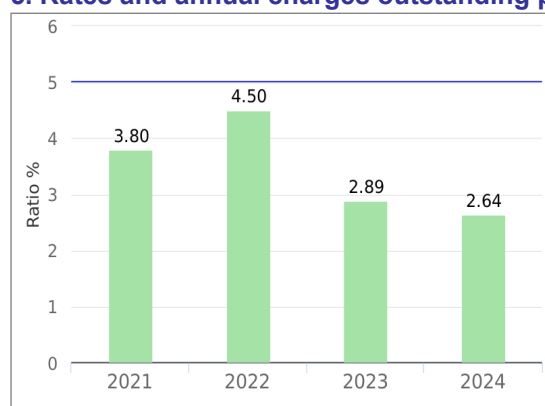
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

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

Commentary on 2023/24 result

2023/24 ratio 2.64%

The outstanding rates and charges ratio of 2.64%, one of the lowest in the industry, is well below the benchmark of 5%, reflecting a well-managed and balanced debt recovery process.

Benchmark: — < 5.00%

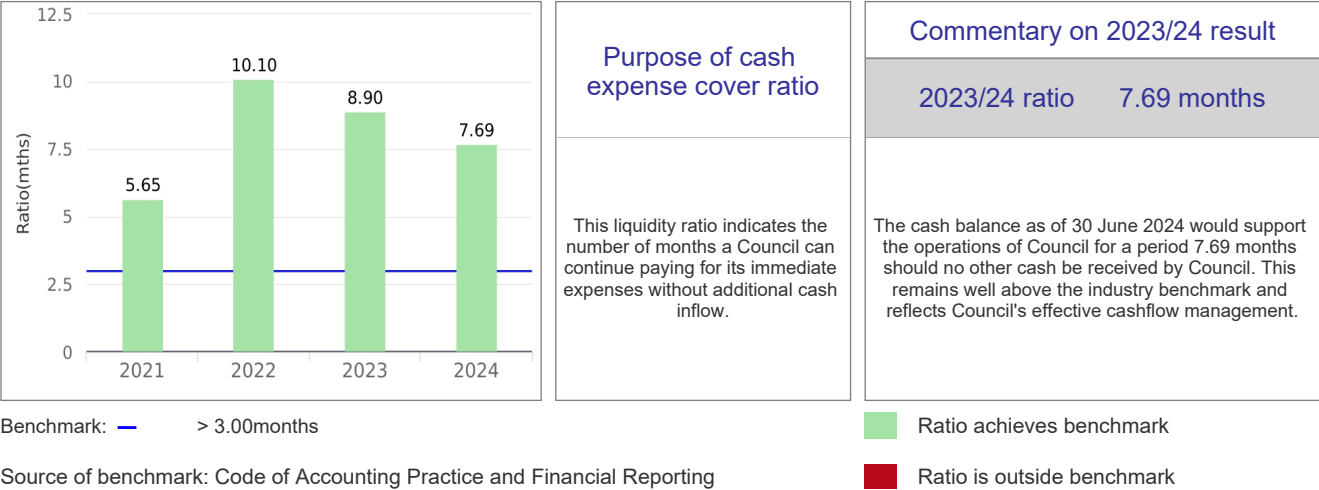
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

G1-1 Statement of performance measures – consolidated results (graphs) (continued)

6. Cash expense cover ratio



G1-2 Council information and contact details

Principal place of business:

30 Frances Street
Randwick NSW 2031

Contact details**Mailing Address:**

30 Frances Street
Randwick NSW 2031

Telephone: 02 9093 6000

Facsimile: 02 9319 1510

Opening hours:

Mon to Fri
8:30am to 5.00pm

Internet: www.randwick.nsw.gov.au

Email: council@randwick.nsw.gov.au

Officers**General Manager**

Ray Brownlee PSM

Responsible Accounting Officer

Stephen Wong

Public Officer

David Kelly

Auditors

Auditor General
The Audit Office of New South Wales
Level 19, 201 Sussex Street, Darling Park Tower 2,
Sydney, NSW 2000
GPO Box 12, Sydney, NSW 2001

Elected members**Mayor**

Philipa Veitch

Councillors

Alexandra Luxford (Deputy Mayor)
Andrew Hay
Bill Burst
Christine Hamilton
Daniel Rosenfeld
Danny Said
Dylan Parker
Joanne McCafferty
Kathy Neilson
Kym Chapple
Marea Wilson
Michael Olive
Noel D'Souza
Rafaela Pandolfini

Other information

ABN: 77 362 844 121



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Randwick City Council

To the Councillors of Randwick City Council

Opinion

I have audited the accompanying financial statements of Randwick City Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Manuel Moncada

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

1 October 2024
SYDNEY



Mayor
Randwick City Council
30 Frances Street
RANDWICK NSW 2031

Contact: Manuel Moncada
Phone no: 02 9275 7333
Our ref: R008-2124742775-6533

1 October 2024

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2024
Randwick City Council**

I have audited the general purpose financial statements (GPFS) of the Randwick City Council (the Council) for the year ended 30 June 2024 as required by section 415 of the *Local Government Act 1993* (the Act).

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

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

INCOME STATEMENT

Operating result

	2024	2023	Variance
	\$m	\$m	%
Rates and annual charges revenue	141.0	135.7	↑ 3.9
Grants and contributions revenue	37.6	25.4	↑ 48.3
Operating result from continuing operations	29.1	22.8	↑ 27.9
Net operating result before capital grants and contributions	1.2	10.9	↓ (88.7)

Rates and annual charges revenue (\$141.0 million) increased by \$5.3 million (3.9%) in 2023–24 due to rate peg increase of 3.7%.

Grants and contributions revenue (\$37.6 million) increased by \$12.3 million (48.3%) in 2023–24 due to:

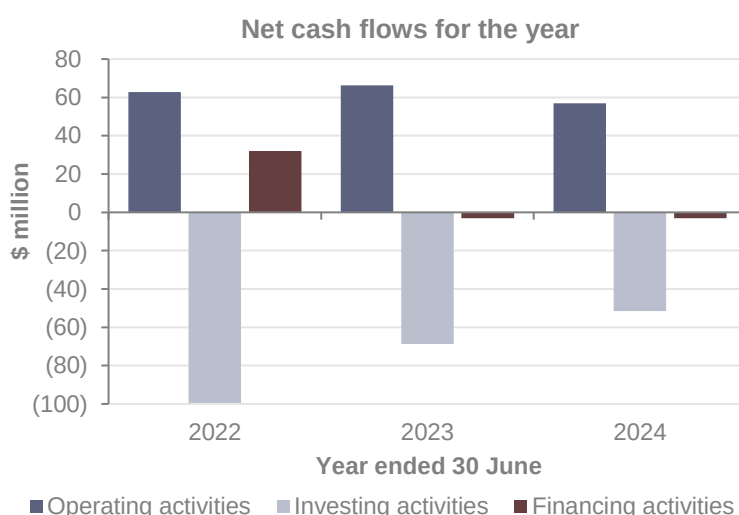
- increase of \$4.4 million of developer cash contributions and \$5.4 million of developer non-cash contributions recognised during the year
- \$5.8 million of cash grants recognised received during the year
- receiving 85% of the financial assistance grants for 2024–25 in advance (100% in 2022–23).

Council's operating result from continuing operations (\$29.1 million including depreciation, amortisation and impairment expense of \$27.4 million) was \$6.4 million higher than the 2022–23 result. This was primarily due to increase in rates and capital grants.

The net operating result before capital grants and contributions (\$1.2 million) was \$9.7 million lower than the 2022–23 result. This was due to lower grants and contributions for operating purposes revenues and higher employee benefits and materials and services expenses.

STATEMENT OF CASH FLOWS

- The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year and reveals that cash increased by \$2.3 million to \$10.3 million at the close of the year.
- the increase can be attributed to lower payments for Infrastructure property plant and equipment during the year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2024	2023	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	154.0	151.1	External restrictions include unspent specific purpose grants, developer contributions, domestic waste management stormwater charges, and environmental levies. Balances are internally allocated due to Council policy or decisions for forward plans including works program.
Restricted and allocated cash, cash equivalents and investments:			
• External restrictions	48.6	51.1	
• Internal allocations	95.2	95.4	

Debt

At 30 June 2024, Council had \$25.8 million in secured loans (\$28.9 million in 2022–23).

PERFORMANCE

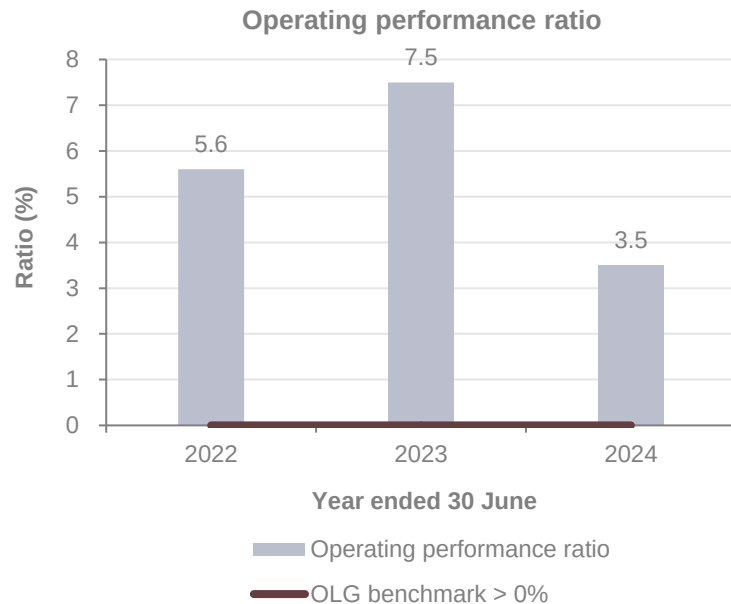
Performance measures

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

Operating performance ratio

Council exceeded the benchmark for the current reporting period.

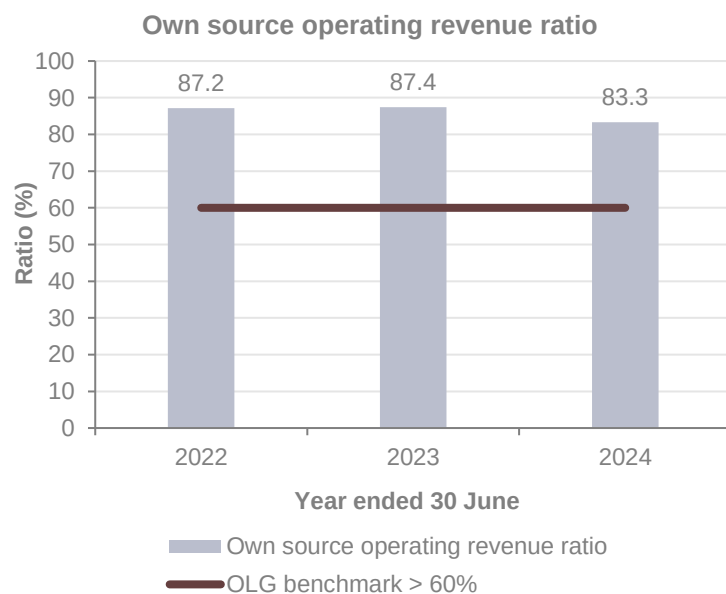
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than 0%.



Own source operating revenue ratio

Council exceeded the benchmark for the current reporting period.

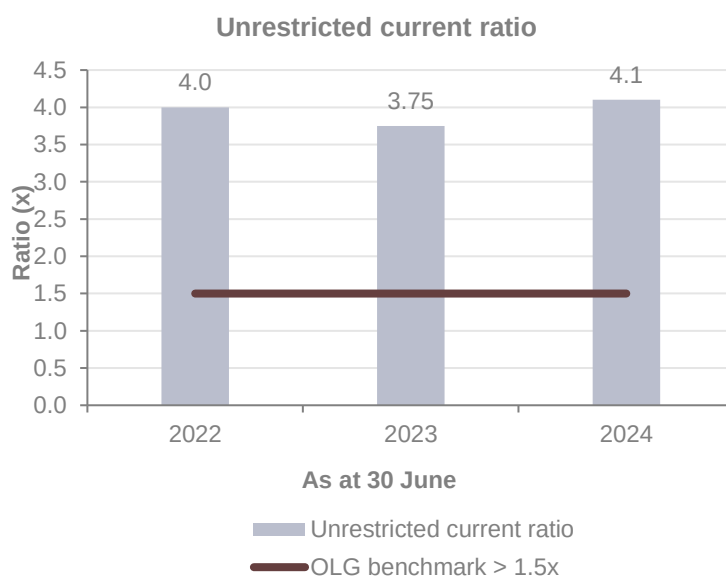
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60%.



Unrestricted current ratio

Council exceeded the benchmark for the current reporting period.

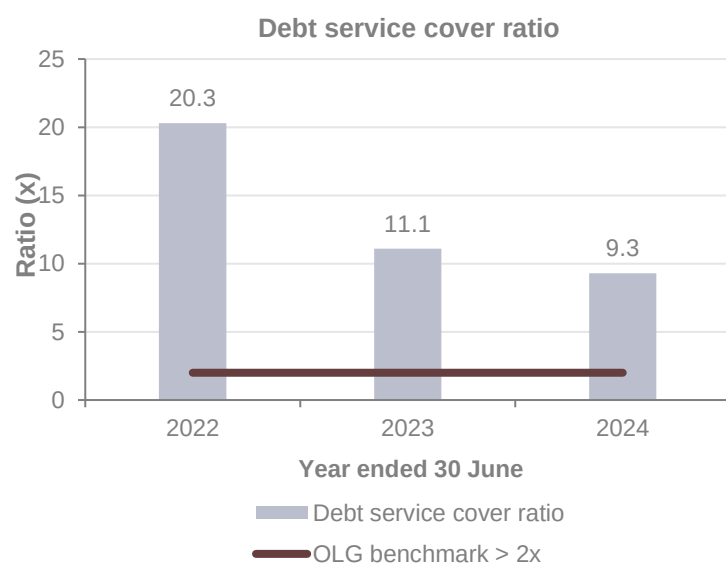
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

Council exceeded the benchmark for the current reporting period.

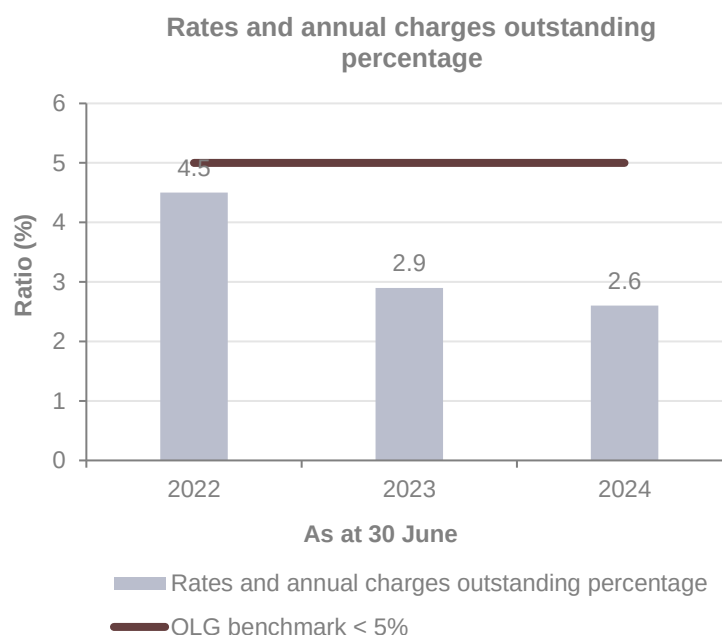
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

Council met the benchmark for the current reporting period.

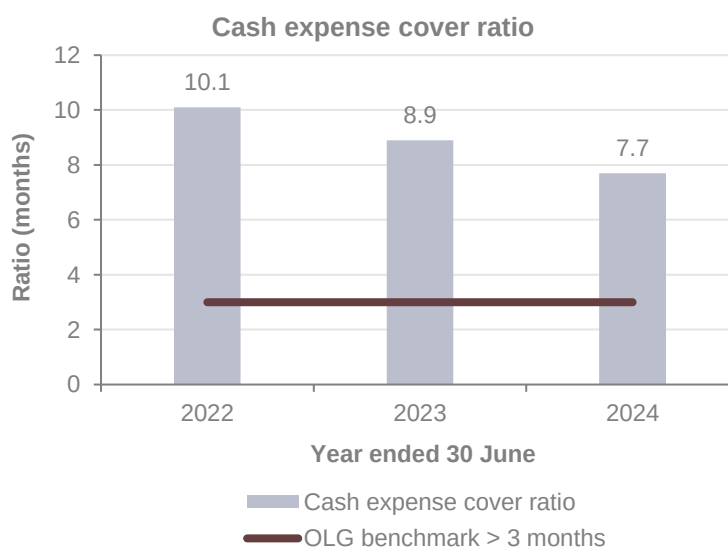
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5% for metropolitan councils.



Cash expense cover ratio

Council exceeded the benchmark for the current reporting period.

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



Infrastructure, property, plant and equipment renewals

Council renewed \$36.0 million of infrastructure, property, plant and equipment during the 2023–24 financial year. Renewals primarily consisted of transport and other infrastructure assets. A further \$23.0 million was spent on new assets.

Legislative compliance

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

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

The Council's:

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



Manuel Moncada
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Randwick City Council

SPECIAL SCHEDULES
for the year ended 30 June 2024

Contents	Page
Special Schedules:	
Permissible income for general rates	85
Report on infrastructure assets as at 30 June 2024	89

Randwick City Council

Permissible income for general rates

\$ '000	Notes	Calculation 2023/24	Calculation 2024/25
Notional general income calculation ¹			
Last year notional general income yield	a	97,137	100,823
Plus or minus adjustments ²	b	105	47
Notional general income	$c = a + b$	97,242	100,870
Permissible income calculation			
Percentage increase	d	3.70%	11.67%
Less expiring special variation amount	e	—	(5,293)
Plus percentage increase amount ³	$f = d \times (c + e)$	3,598	11,154
Less: Expiring special variation amount			
Sub-total	$g = (c + e + f)$	100,840	106,731
Plus (or minus) last year's carry forward total	h	3	4
Less valuation objections claimed in the previous year	i	(17)	(1)
Sub-total	$j = (h + i)$	(14)	3
Total permissible income	$k = g + j$	100,826	106,734
Less notional general income yield	l	100,823	106,717
Catch-up or (excess) result	$m = k - l$	2	17
Plus income lost due to valuation objections claimed ⁴	n	1	3
Carry forward to next year ⁶	$p = m + n + o$	3	20

Notes

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



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Randwick City Council

To the Councillors of Randwick City Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Randwick City Council (the Council) for the year ending 30 June 2025.

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

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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



Manuel Moncada

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

1 October 2024
SYDNEY

Randwick City Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Buildings	Buildings – non-specialised	148	148	1,387	603	82,903	154,474	20.0%	23.0%	57.0%	0.0%	0.0%
	Buildings – specialised	235	235	1,065	1,425	196,101	280,824	66.0%	6.0%	27.0%	1.0%	0.0%
	Sub-total	383	383	2,452	2,028	279,004	435,298	49.7%	12.0%	37.6%	0.6%	0.0%
Roads	Sealed roads	2,611	2,611	1,623	2,782	490,804	695,700	19.0%	69.0%	5.0%	4.0%	3.0%
	Footpaths	429	429	505	2,526	103,835	140,126	28.0%	41.0%	29.0%	2.0%	0.0%
	Other road assets	1,063	1,063	860	1,391	137,683	256,325	22.0%	44.0%	29.0%	5.0%	0.0%
	Sub-total	4,103	4,103	2,988	6,699	732,322	1,092,151	20.9%	59.5%	13.7%	4.0%	1.9%
Stormwater drainage	Stormwater drainage	856	856	1,075	2,353	227,946	324,582	14.0%	67.0%	18.0%	1.0%	0.0%
	Sub-total	856	856	1,075	2,353	227,945	324,582	14.0%	67.0%	18.0%	1.0%	0.0%
Open space / recreational assets	Swimming pools	–	–	72	15	6,473	10,030	41.0%	5.0%	54.0%	0.0%	0.0%
	Other Open Space / Recreational Assets	549	549	298	2,285	93,899	104,981	55.0%	36.0%	7.0%	2.0%	0.0%
	Sub-total	549	549	370	2,300	100,372	115,011	53.8%	33.3%	11.1%	1.8%	0.0%
Total – all assets		5,891	5,891	6,885	13,380	1,339,643	1,967,042	28.0%	48.7%	19.6%	2.6%	1.1%

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

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Randwick City Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2024	Indicator 2024	2023	Indicators 2022	2021	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals ¹	34,114					
Depreciation, amortisation and impairment	21,038	162.15%	89.70%	62.76%	122.44%	> 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard	5,891					
Net carrying amount of infrastructure assets	1,360,557	0.43%	0.45%	0.48%	0.48%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance	13,380					
Required asset maintenance	6,885	194.34%	174.25%	179.13%	192.57%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	5,891	0.30%	0.32%	0.31%	0.31%	
Gross replacement cost	1,967,042					

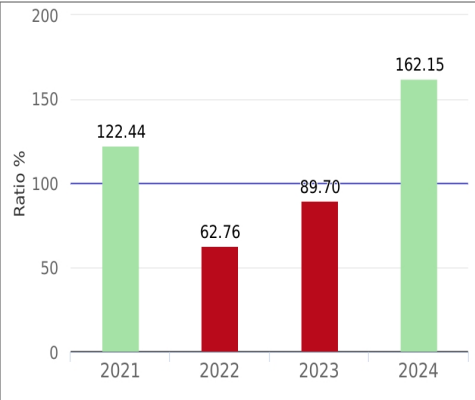
(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Randwick City Council

Report on infrastructure assets as at 30 June 2024

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result	
23/24 ratio	162.15%
2023/24 was a great year for Council in infrastructure works, delivering ~\$59m of capital works with ~\$60m of assets capitalised.	

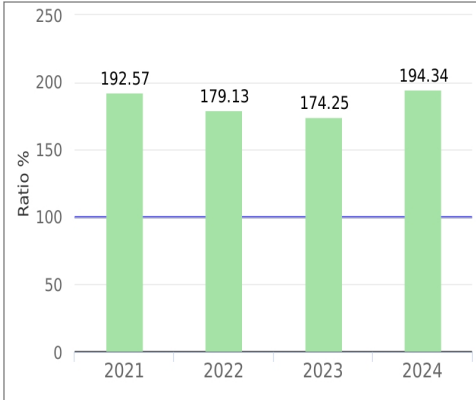
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result	
23/24 ratio	194.34%
Council continues to sufficiently fund the maintenance of its assets ensuring assets are kept in a satisfactory condition for the community.	

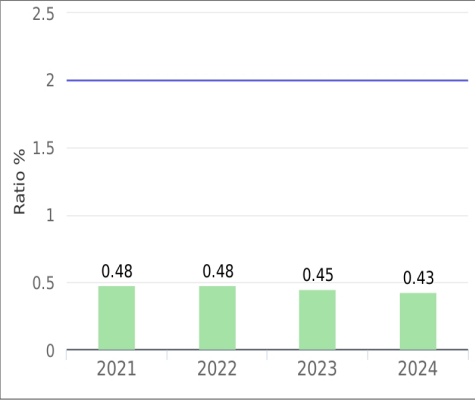
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result	
23/24 ratio	0.43%
Council's infrastructure backlog ratio remains below the benchmark.	

Benchmark: — < 2.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result	
23/24 ratio	0.30%
Council's continual high level of asset renewals means that Council has a low cost to bring assets to agreed service level ratio.	

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