

Balranald Shire Council

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2025



Balranald Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2025



General Purpose Financial Statements
for the year ended 30 June 2025

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Overview

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

70 Market Street
Balranald NSW 2715

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

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

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

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

Balranald Shire Council

General Purpose Financial Statements

for the year ended 30 June 2025

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 2025.

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.

Balranald Shire Council

General Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to Section 413(2)(c) 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 16 September 2025.



Clr Louie Zaffina
Mayor
16 September 2025



Peter Bascomb
Interim CEO
16 September 2025



Clr Dwaine Scott
Deputy Mayor
16 September 2025



Edna Mendes
Responsible Accounting Officer
16 September 2025

Balranald Shire Council

Income Statement

for the year ended 30 June 2025

Original unaudited budget 2025 \$ '000		Notes	Actual 2025 \$ '000	Actual 2024 \$ '000
	Income from continuing operations			
6,119	Rates and annual charges	B2-1	5,974	5,419
1,448	User charges and fees	B2-2	2,670	3,462
880	Other revenues	B2-3	489	470
9,252	Grants and contributions provided for operating purposes	B2-4	11,269	12,945
1,895	Grants and contributions provided for capital purposes	B2-4	7,024	4,017
1,208	Interest and investment income	B2-5	1,563	1,570
475	Other income	B2-6	139	87
—	Net gain from the disposal of assets	B4-1	—	295
21,277	Total income from continuing operations		29,128	28,265
	Expenses from continuing operations			
7,777	Employee benefits and on-costs	B3-1	7,277	5,594
6,743	Materials and services	B3-2	10,084	11,323
77	Borrowing costs	B3-3	79	89
603	Other expenses	B3-5	556	541
—	Net loss from the disposal of assets	B4-1	15	—
—	Net share of interests in joint ventures and associates using the equity method	D2	247	61
15,200	Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		18,258	17,608
6,077	Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		10,870	10,657
6,015	Depreciation, amortisation and impairment of non-financial assets	B3-4	6,737	6,312
62	Operating result from continuing operations		4,133	4,345
62	Net operating result for the year attributable to Council		4,133	4,345
—	Net operating result for the year before grants and contributions provided for capital purposes		(2,891)	328

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

Balranald Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
Net operating result for the year – from Income Statement		4,133	4,345
Other comprehensive income:			
Amounts which will not be reclassified subsequent to operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	30,435	11,505
Impairment (loss) reversal / (revaluation decrement) relating to infrastructure, property, plant and equipment	C1-6	2,540	1,109
Total items which will not be reclassified subsequent to operating result		32,975	12,614
Total other comprehensive income for the year		32,975	12,614
Total comprehensive income for the year attributable to Council		37,108	16,959

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

Balranald Shire Council

Statement of Financial Position

as at 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	11,819	5,333
Investments	C1-2	20,500	29,500
Receivables	C1-4	4,396	3,499
Inventories	C1-5	320	300
Other	C1-8	—	26
Total current assets		37,035	38,658
Non-current assets			
Receivables	C1-4	139	82
Infrastructure, property, plant and equipment (IPPE)	C1-6	277,701	240,207
Investments accounted for using the equity method	D2	559	806
Total non-current assets		278,399	241,095
Total assets		315,434	279,753
LIABILITIES			
Current liabilities			
Payables	C3-1	3,286	3,380
Contract liabilities	C3-2	2,808	4,122
Borrowings	C3-3	240	227
Employee benefit provisions	C3-4	962	782
Total current liabilities		7,296	8,511
Non-current liabilities			
Borrowings	C3-3	958	1,198
Employee benefit provisions	C3-4	149	121
Provisions	C3-5	170	170
Total non-current liabilities		1,277	1,489
Total liabilities		8,573	10,000
Net assets		306,861	269,753
EQUITY			
Accumulated surplus		79,602	75,469
IPPE revaluation surplus	C4-1	227,259	194,284
Council equity interest		306,861	269,753
Total equity		306,861	269,753

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

Balranald Shire Council

Statement of Changes in Equity

for the year ended 30 June 2025

	2025			2024		
	Accumulated surplus \$ '000	IPPE revaluation surplus \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation surplus \$ '000	Total equity \$ '000
Opening balance at 1 July	75,469	194,284	269,753	71,124	181,670	252,794
Net operating result for the year	4,133	-	4,133	4,345	-	4,345
Net operating result for the period	4,133	-	4,133	4,345	-	4,345
Other comprehensive income						
Gain (loss) on revaluation of infrastructure, property, plant and equipment	-	30,435	30,435	-	11,505	11,505
Impairment (loss) reversal / (revaluation decrement) relating to infrastructure, property, plant and equipment	-	2,540	2,540	-	1,109	1,109
Other comprehensive income	-	32,975	32,975	-	12,614	12,614
Total comprehensive income	4,133	32,975	37,108	4,345	12,614	16,959
Closing balance at 30 June	79,602	227,259	306,861	75,469	194,284	269,753

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

Balranald Shire Council

Statement of Cash Flows

for the year ended 30 June 2025

Original unaudited budget 2025 \$ '000		Notes	Actual 2025 \$ '000	Actual 2024 \$ '000
Cash flows from operating activities				
Receipts:				
6,119	Rates and annual charges		5,851	5,420
1,448	User charges and fees		2,947	3,059
1,208	Interest received		1,877	1,127
9,252	Grants and contributions		16,065	16,816
—	Bonds, deposits and retentions received		6	170
1,355	Other		2,090	2,530
Payments:				
(7,777)	Payments to employees		(7,032)	(5,847)
(6,743)	Payments for materials and services		(10,961)	(12,682)
(77)	Borrowing costs		(80)	(90)
—	Bonds, deposits and retentions refunded		(283)	(6)
(663)	Other		(1,147)	(1,129)
4,122	Net cash flows from operating activities	G1-1	9,333	9,368
Cash flows from investing activities				
Receipts:				
—	Sale of investments		11,500	5,022
—	Proceeds from sale of IPPE		132	865
Payments:				
—	Purchase of investments		(2,500)	(8,000)
(6,970)	Payments for IPPE		(11,752)	(7,430)
(6,970)	Net cash flows from investing activities		(2,620)	(9,543)
Cash flows from financing activities				
Payments:				
(227)	Repayment of borrowings		(227)	(215)
(227)	Net cash flows from financing activities		(227)	(215)
(3,075)	Net change in cash and cash equivalents		6,486	(390)
2,500	Cash and cash equivalents at beginning of year		5,333	5,723
(575)	Cash and cash equivalents at end of year	C1-1	11,819	5,333
32,000	plus: Investments on hand at end of year	C1-2	20,500	29,500
31,425	Total cash, cash equivalents and investments		32,319	34,833

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

Balranald Shire Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 16 September 2025. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

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

Historical cost convention

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

Monies and other assets received by Council

The Consolidated Fund

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

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

- General purpose operations
- Water supply
- Sewerage service

A1-1 Basis of preparation (continued)

Volunteer services

Council has not recognised volunteer services in the income statement as they are neither material nor able to be reliably measured.

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2024.

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

The following new standard is effective for the first time at 30 June 2025:

- **AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.**

There is no significant impact on Council's reported financial position resulting from this new standard.

B Financial Performance

B1 Functions or activities

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

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

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Functions or activities										
Governance	7	109	893	207	(886)	(98)	–	–	–	16
Administration	173	449	2,685	3,089	(2,512)	(2,640)	21	10	34,215	37,307
Public order and safety	143	214	602	572	(459)	(358)	118	–	1,941	1,649
Health	4	–	125	6	(121)	(6)	–	–	320	552
Environment	719	701	872	684	(153)	17	(4)	–	8,674	8,719
Community services and education	2,219	2,060	3,181	2,395	(962)	(335)	1,942	1,514	8,069	1,344
Housing and community amenities	330	445	702	294	(372)	151	813	321	9,063	10,118
Water supplies	2,673	2,061	1,428	1,362	1,245	699	200	56	17,223	18,192
Sewerage services	1,051	852	684	620	367	232	–	–	13,530	12,234
Recreation and culture	4,226	1,797	1,325	630	2,901	1,167	2,939	1,800	21,221	5,449
Mining, manufacturing and construction	32	15	219	108	(187)	(93)	–	–	–	329
Transport and communication	6,152	8,385	10,741	12,559	(4,589)	(4,174)	7,339	7,593	196,211	181,711
Economic affairs	2,211	961	1,291	1,333	920	(372)	830	170	4,408	1,327
General Purpose Income	9,188	10,216	–	–	9,188	10,216	4,095	5,498	–	–
FSWJO	–	–	247	61	(247)	(61)	–	–	559	806
Total functions and activities	29,128	28,265	24,995	23,920	4,133	4,345	18,293	16,962	315,434	279,753

B1-2 Components of functions or activities

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

Governance

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policymaking committees, public disclosure (e.g. GIPA), and legislative compliance.

Administration

Includes corporate support and other support services, engineering works, and any Council policy compliance.

Public order and safety

Includes fire and emergency services, fire protection, enforcement of regulations and animal control.

Health

Includes immunisation, food control, health centres etc.

Environment

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

Community services and education

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

Housing and community amenities

Includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

Water supplies

Includes management of water schemes, costs of reticulation, treatment and supply, and management of water infrastructure.

Sewerage services

Includes management of sewerage schemes, costs of reticulation and treatment, and management of sewer infrastructure.

Recreation and culture

Includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other recreational and cultural services.

Mining, manufacturing and construction

Includes building control, quarries and pits, mineral resources, and abattoirs.

Transport and communication

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

Economic affairs

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; sale yards and markets; real estate development; commercial nurseries; and other business undertakings.

General Purpose Income

This includes financial assistance grant funding which has no specific function allocation and is expended in areas of council.

B2 Sources of income

B2-1 Rates and annual charges

	2025 \$ '000	2024 \$ '000
Ordinary rates		
Residential	509	458
Farmland	1,924	1,725
Business	1,323	1,227
Less: pensioner rebates (mandatory)	(18)	(18)
Rates levied to ratepayers	3,738	3,392
Pensioner rate subsidies received	10	10
Total ordinary rates	3,748	3,402
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	440	400
Water supply services	908	853
Sewerage services	811	685
Waste management services (non-domestic)	86	78
Stormwater Charges	19	19
Less: pensioner rebates (mandatory)	(58)	(39)
Annual charges levied	2,206	1,996
Pensioner annual charges subsidies received:		
– Water	6	6
– Sewerage	6	6
– Domestic waste management	8	9
Total annual charges	2,226	2,017
Total rates and annual charges	5,974	5,419

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

Material accounting policy information

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

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

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

B2-2 User charges and fees

	Timing	2025 \$ '000	2024 \$ '000
Specific user charges (per s502 - specific 'actual use' charges)			
Sewerage services	2	48	98
Sewerage services contract aboriginal mission	2	37	14
Water service contract aboriginal mission	2	74	27
Water supply services	2	1,021	844
Total specific user charges		1,180	983
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Building regulation		25	–
Building services – other		59	–
Inspection services		6	–
Planning and building regulation		1	–
Private works – section 67	2	103	1,021
Regulatory/ statutory fees		1	–
Section 10.7 certificates (EP&A Act)		9	–
Section 603 certificates	2	7	5
Tapping fees	2	–	12
Town planning	2	29	65
Other	2	3	1
Building services	2	3	27
Total fees and charges – statutory/regulatory		246	1,131
(ii) Fees and charges – other (incl. general user charges (per s608))			
Aged care	2	240	357
Caravan park	2	763	678
Cemeteries	2	62	90
Lease rentals	2	4	4
Library and art gallery		14	3
Park rents	2	5	–
Refuse and effluent disposal	2	–	4
Transport for NSW works (state roads not controlled by Council)	2	–	20
Waste disposal tipping fees	2	140	160
Water connection fees	2	10	1
Other	2	6	31
Total fees and charges – other		1,244	1,348
Total other user charges and fees		1,490	2,479
Total user charges and fees		2,670	3,462
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		–	–
User charges and fees recognised at a point in time (2)		2,670	3,462
Total user charges and fees		2,670	3,462

Material accounting policy information

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns. Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership. Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenues

		2025 \$ '000	2024 \$ '000
	Timing		
Legal fees recovery – rates and charges (extra charges)	2	1	–
Commissions and agency fees	2	85	81
Insurance claims recoveries	2	9	57
Motor vehicle contributions	2	32	25
Raw water standpipe sales	2	242	161
Rebates	2	37	39
Sales – miscellaneous	2	5	10
Tourist information centre sales	2	63	80
Other	2	15	17
Total other revenue		489	470

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	–	–
Other revenue recognised at a point in time (2)	489	470
Total other revenue	489	470

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

		Operating 2025 \$ '000	Operating 2024 \$ '000	Capital 2025 \$ '000	Capital 2024 \$ '000
	Timing				
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	928	–	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	2,251	3,648	–	–
Financial assistance – local roads component	2	916	1,475	–	–
Amount recognised as income during current year		4,095	5,498	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Water supplies	2	200	50	–	6
Aged care	2	1,886	1,511	52	–
Bushfire and emergency services	2	119	–	–	–
Community care	1	91	85	24	216
Economic development	2	30	–	–	–
Library – per capita	2	51	105	–	179
Library – special projects	2	29	–	–	–
Recreation and culture	1	–	–	2,856	1,514
Storm/flood damage	2	–	–	113	–
Tourism	2	–	28	–	142
Street lighting	2	20	20	–	–
Transport (roads to recovery)	2	1,643	833	–	–
Transport (other roads and bridges funding)	1	30	4,212	2,761	1,757
Other specific grants	2	20	13	–	–
Previously contributions:					
Transport for NSW contributions (regional roads, block grant)	2	1,371	590	–	200
Tourism	1	–	–	1,218	–
Other contributions	2	–	–	–	3
Total special purpose grants and non-developer contributions – cash		5,490	7,447	7,024	4,017
Total special purpose grants and non-developer contributions (tied)		5,490	7,447	7,024	4,017
Total grants and non-developer contributions		9,585	12,945	7,024	4,017
Comprising:					
– Commonwealth funding		7,624	7,842	5,026	3,085
– State funding		1,961	5,100	1,076	932
– Other funding		–	3	922	–
		9,585	12,945	7,024	4,017

B2-4 Grants and contributions (continued)

Developer contributions

		Operating 2025 \$ '000	Operating 2024 \$ '000	Capital 2025 \$ '000	Capital 2024 \$ '000
	Timing				
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):					
Cash contributions					
S 7.4 – contributions using planning agreements	2	150	–	–	–
Other developer contributions	2	1,534	–	–	–
Total developer contributions – cash		1,684	–	–	–
Total developer contributions		1,684	–	–	–
Total contributions		1,684	–	–	–
Total grants and contributions		11,269	12,945	7,024	4,017
Timing of revenue recognition					
Grants and contributions recognised over time (1)		–	5,498	6,855	4,017
Grants and contributions recognised at a point in time (2)		11,269	7,447	169	–
Total grants and contributions		11,269	12,945	7,024	4,017

Unspent grants and contributions

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

	Operating 2025 \$ '000	Operating 2024 \$ '000	Capital 2025 \$ '000	Capital 2024 \$ '000
Unspent grants and contributions				
Unspent funds at 1 July	2,091	5,867	4,260	4,765
Add: Funds received and not recognised as revenue in the current year	11,270	7,459	5,542	3,683
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(12,866)	(11,185)	(3,389)	(1,142)
Less: Funds received in prior year but revenue recognised and funds spent in current year	–	(50)	(3,429)	(3,046)
Unspent funds at 30 June	495	2,091	2,984	4,260

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement but include achievement of specified levels of service, delivery of specific goods or services, or the completion of agreed asset development. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

B2-4 Grants and contributions (continued)

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

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

Capital grants

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

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

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

Other grants and contributions

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

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

Grants & contributions - year ending 30 June 2025

Receipts from Operating Grants during 2025 were significantly reduced from the previous financial year, due to a reduction in the advance payment from the Commonwealth for the Financial Assistance Grant (FAG's) of \$1.43M, and a reduction in State operating grants for roads infrastructure repairs of \$3.14M. This has had an adverse impact on the Council's operating result for the year.

B2-5 Interest and investment income

	2025 \$ '000	2024 \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	70	40
– Cash and investments	1,493	1,530
Total interest and investment income (losses)	1,563	1,570
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	43	21
General Council cash and investments	1,302	1,383
Restricted investments/funds – external:		
Water fund operations	140	112
Sewerage fund operations	78	54
Total interest and investment income	1,563	1,570

B2-6 Other income

	Notes	2025 \$ '000	2024 \$ '000
Rental income			
Commercial related		59	24
Room/Facility Hire		–	3
Health and day care related		21	1
Leaseback fees - council vehicles		–	6
Staff housing		59	53
Total rental income	C2-2	139	87
Total other income		139	87

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2025 \$ '000	2024 \$ '000
Salaries and wages	5,674	4,458
Employee leave entitlements (ELE)	751	425
Superannuation	642	518
Workers' compensation insurance	154	146
Fringe benefit tax (FBT)	9	5
Protective clothing	21	9
Medicals	1	7
Recruitment	39	42
Other	14	—
Total employee costs	7,305	5,610
Less: capitalised costs	(28)	(16)
Total employee costs expensed	7,277	5,594

Material accounting policy information

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

		2025 \$ '000	2024 \$ '000
	Notes		
Raw materials and consumables		6,827	7,002
Consultancy & contractor costs		1,197	2,153
Administrator/Mayoral fees and associated expenses	F1-2	184	133
Advertising		75	61
Audit Fees	F2-1	77	67
Bank charges		22	21
Cleaning		240	31
Computer software charges		149	6
Electricity and heating		437	331
Insurance		529	507
Office expenses (including computer expenses)		24	255
Postage		12	13
Printing and stationery		19	18
Subscriptions and memberships		78	55
Telephone and communications		65	51
Tourism expenses (excluding employee costs)		–	248
Training costs (other than salaries and wages)		56	82
Travel expenses		4	82
Valuation fees		40	14
Other expenses		–	61
Legal expenses:			
– Legal expenses: planning and development		2	–
– Legal expenses: other		29	43
Lease expenses:			
Expenses from leases of low value assets		18	11
Other		–	78
Total materials and services		10,084	11,323

B3-3 Borrowing costs

(i) Interest bearing liability costs

Interest on loans	77	89
Other debts	2	–
Total interest bearing liability costs	79	89
Total borrowing costs expensed	79	89

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

	Notes	2025 \$ '000	2024 \$ '000
Depreciation and amortisation			
Furniture and fittings		18	20
Office equipment		32	35
Plant and equipment		428	409
Land improvements (depreciable)		31	31
Infrastructure:	C1-6		
– Buildings – non-specialised		784	637
– Buildings – specialised		25	21
– Footpaths		37	35
– Kerb and gutter		58	55
– Other structures		292	238
– Roads and bridges		4,393	4,196
– Sewerage network		177	163
– Stormwater drainage		73	70
– Swimming pools		17	16
– Water supply network		327	297
Other assets:			
– Library books		12	12
Other assets		33	77
Total depreciation and amortisation costs		6,737	6,312
Impairment / revaluation decrement of IPPE			
Infrastructure:	C1-6		
– Roads and bridges		(2,540)	(1,109)
Total gross IPPE impairment / revaluation decrement costs		(2,540)	(1,109)
Amounts taken through revaluation reserve	C1-6	2,540	1,109
Total IPPE impairment / revaluation decrement costs charged to Income Statement		–	–
Total depreciation, amortisation and impairment for non-financial assets		6,737	6,312

Material accounting policy information

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets and Note C1-7 for intangible assets. Depreciation is capitalised where in-house assets have contributed to new 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 not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment. Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

	Notes	2025 \$ '000	2024 \$ '000
Impairment of receivables			
Rates and annual charges		116	24
User charges and fees		3	35
Other		20	102
Total impairment of receivables	C1-4	139	161
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		371	380
Donations, contributions and assistance to other organisations (Section 356)		46	–
Total other		417	380
Total other expenses		556	541

B4 Gains or losses

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

	Notes	2025 \$ '000	2024 \$ '000
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		132	865
Less: carrying amount of plant and equipment assets sold/written off		(97)	(149)
Gain (or loss) on disposal		35	716
Gain (or loss) on disposal of infrastructure	C1-6		
Proceeds from disposal – infrastructure		–	–
Less: carrying amount of infrastructure assets sold/written off		(40)	(421)
Gain (or loss) on disposal		(40)	(421)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		11,500	5,022
Less: carrying amount of investments sold/redeemed/matured		(11,500)	(5,022)
Gain (or loss) on disposal		–	–
Other			
Proceeds from disposal of Library Books		–	–
Less: carrying amount of Library Books written off		(10)	–
Gain (or loss) on disposal		(10)	–
Net gain (or loss) from disposal of assets		(15)	295

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 25 June 2024 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	2025 Budget	2025 Actual	2025 ----- Variance -----	
Revenues				
Rates and annual charges	6,119	5,974	(145)	(2)% U
User charges and fees	1,448	2,670	1,222	84% F
User Charges and Fees were higher than original budget due to:				
• Increase in water usage charges applicable for the year • Increase in user charges and fees received from the Aboriginal water and sewer scheme funding.				
Other revenues	880	489	(391)	(44)% U
Decrease in Other Revenues is due mainly to water standpipe sales dropping from amount originally budgeted and a small decrease in tourism sales in comparison to budget.				
Operating grants and contributions	9,252	11,269	2,017	22% F
Operating grants increased due to receipt of a number of new funding arrangements taken up that were not included in the original budget.				
Capital grants and contributions	1,895	7,024	5,129	271% F
Capital Grants and Contributions has increased due to the release of contract liabilities for the completion of major grant works				
Interest and investment revenue	1,208	1,563	355	29% F
Investment income was higher than expected due to the combination of larger grant allocations and continuing higher interest rates during the year.				
Other income	475	139	(336)	(71)% U
Other income is lower than budgeted due to rental income being low and other forecast income was not achieved				

B5-1 Material budget variations (continued)

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
Expenses				
Employee benefits and on-costs	7,777	7,277	500	6% F
Materials and services	6,743	10,084	(3,341)	(50)% U
Materials and services costs were higher than expected as a result of significant grant expenditure on both operational and capital works throughout the year.				
Borrowing costs	77	79	(2)	(3)% U
Depreciation, amortisation and impairment of non-financial assets	6,015	6,737	(722)	(12)% U
Depreciation of infrastructure was higher than original budget due to the revaluation and annual indexation of asset values.				
Other expenses	603	556	47	8% F
Joint ventures and associates – net losses	–	247	(247)	∞ U
Council does not budget for movements in the operating result of the FSWJO.				

Statement of cash flows

Cash flows from operating activities	4,122	9,333	5,211	126% F
Net cashflow from operating activities was higher than anticipated, largely due to items identified above, including increases in receipts from user charges, significant increases in operating grants, lower than expected employee costs, offset somewhat by higher cash outflows from the purchase of materials and services.				
Cash flows from investing activities	(6,970)	(2,620)	4,350	(62)% F
Increased acquisition of PPE of \$4.7m above budget was offset by net redemption of investments totalling \$9M during the year, which provided a net gain of \$4.35M for the year above budget.				
Cash flows from financing activities	(227)	(227)	–	0% F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2025 \$ '000	2024 \$ '000
Cash assets		
Cash on hand and at bank	1,307	5,321
Cash equivalent assets		
– Deposits at call	12	12
– Short-term deposits	10,500	–
Total cash and cash equivalents	11,819	5,333

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	11,819	5,333
Balance as per the Statement of Cash Flows	11,819	5,333

C1-2 Financial investments

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Debt securities at amortised cost				
Long term deposits	20,500	–	29,500	–
Total	20,500	–	29,500	–
Total financial investments	20,500	–	29,500	–
Total cash assets, cash equivalents and investments	32,319	–	34,833	–

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

	2025	2025	2025	2024	2024	2024
	Current	Non-current		Current	Non-current	
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000

(a) Externally restricted cash, cash equivalents and investments

Total cash, cash equivalents and investments

32,319	–	32,319	34,833	–	34,833
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Less: Externally restricted cash, cash equivalents and investments

(10,642)	–	(10,642)	(13,542)	–	(13,542)
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Cash, cash equivalents and investments not subject to external restrictions

21,677	–	21,677	21,291	–	21,291
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				2025	2024
				\$ '000	\$ '000

External restrictions

External restrictions – included in liabilities

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

Specific purpose unexpended grants – general fund	2,808	4,122
External restrictions – included in liabilities	2,808	4,122

External restrictions – other

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

Developer contributions – general	30	–
Specific purpose unexpended grants (recognised as revenue) – general fund	601	2,229
Specific purpose unexpended grants (recognised as revenue) – water fund	70	–
Water fund	4,934	4,598
Sewer fund	1,569	1,968
Stormwater management	58	39
Domestic waste management	572	586
External restrictions – other	7,834	9,420
Total external restrictions	10,642	13,542

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

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

	2025 Current \$ '000	2025 Non-current \$ '000	2025 \$ '000	2024 Current \$ '000	2024 Non-current \$ '000	2024 \$ '000
(b) Internal allocations						
Cash, cash equivalents and investments not subject to external restrictions	21,677	–	21,677	21,291	–	21,291
Less: Internally restricted cash, cash equivalents and investments	(13,949)	–	(13,949)	(13,785)	–	(13,785)
Unrestricted and unallocated cash, cash equivalents and investments	7,728	–	7,728	7,506	–	7,506
					2025 \$ '000	2024 \$ '000

Internal allocations

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

Plant and vehicle replacement	1,955	2,048
Infrastructure replacement	1,475	1,665
Employees leave entitlement	312	252
Council election	45	20
Insurance	40	20
Caravan park reserve	553	589
Council property maintenance	140	70
Gravel pits rehabilitation	242	242
Hostel bonds	1,560	1,583
Self care unit maintenance	16	16
Self care unit bonds	440	300
Water supply infrastructure upgrade	708	361
Sewer infrastructure upgrade	392	201
IT infrastructure replacement	500	–
Levee bank restoration	250	160
Asset revaluation	80	60
Housing Development	500	–
Financial Assistance Grant in advance	3,167	5,123
Future development fund	1,574	1,075
Total internal allocations	13,949	13,785

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

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

	2025	2025	2025	2024	2024	2024
	Current	Non-current		Current	Non-current	
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
(c) Unrestricted and unallocated						
Unrestricted and unallocated cash, cash equivalents and investments	7,728	—	7,728	7,506	—	7,506

C1-4 Receivables

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Rates and annual charges	554	69	426	30
Interest and extra charges	69	9	37	3
User charges and fees	787	61	822	49
Accrued revenues				
– Interest on investments	372	–	724	–
Government grants and subsidies	2,803	–	1,640	–
Net GST receivable	186	–	125	–
Other debtors	4	–	–	–
Total	4,775	139	3,774	82
Less: provision for impairment				
Rates and annual charges	(356)	–	(204)	–
User charges and fees	(3)	–	(31)	–
Other debtors	(20)	–	(40)	–
Total provision for impairment – receivables	(379)	–	(275)	–
Total net receivables	4,396	139	3,499	82
Externally restricted receivables				
Water supply				
– Rates and availability charges	86	11	100	22
– Other	267	59	180	–
Sewerage services				
– Rates and availability charges	68	9	45	8
– Other	13	4	15	–
Total external restrictions	434	83	340	30
Unrestricted receivables	3,962	56	3,159	52
Total net receivables	4,396	139	3,499	82

	2025 \$ '000	2024 \$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year	275	124
Add: new provisions recognised during the year	358	312
– amounts already provided for and written off this year	(254)	(161)
Balance at the end of the year	379	275

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.

C1-4 Receivables (continued)

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

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

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

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

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 6 years past due, whichever occurs first.

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

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

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Inventories at cost				
Stores and materials	285	—	274	—
Trading stock	35	—	26	—
Total inventories at cost	320	—	300	—
Total inventories	320	—	300	—

Material accounting policy information

Raw materials and stores, work in progress and finished goods

Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

	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	Impairment reversal (recognised in equity)	WIP transfers	De-capitalise d WIP	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
By aggregated asset class														
Capital work in progress	2,827	–	2,827	426	2,601	–	–	–	(1,235)	(200)	–	4,420	–	4,420
Plant and equipment	6,168	(4,778)	1,390	–	820	(149)	(409)	–	–	–	–	5,555	(3,903)	1,652
Office equipment	600	(474)	126	–	10	–	(35)	–	–	–	–	609	(510)	99
Furniture and fittings	358	(259)	99	–	21	–	(20)	–	–	–	–	377	(278)	99
Land:														
– Operational land	3,607	–	3,607	–	–	–	–	–	–	–	–	3,607	–	3,607
– Community land	2,573	–	2,573	–	–	–	–	–	–	–	–	2,573	–	2,573
Land improvements – non-depreciable	798	–	798	–	–	–	–	–	–	–	–	798	–	798
Land improvements – depreciable	311	(203)	108	–	–	–	(31)	–	–	–	–	311	(234)	77
Infrastructure:														
– Roads and bridges	196,777	(47,700)	149,077	3,091	–	–	(4,196)	1,109	1,159	–	7,667	211,124	(53,215)	157,909
– Other structures	9,487	(2,159)	7,328	242	72	(6)	(238)	–	34	–	424	10,400	(2,545)	7,855
– Swimming pools	1,239	(300)	939	–	–	–	(16)	–	–	–	64	1,326	(338)	988
– Sewerage network	13,751	(3,808)	9,943	140	–	–	(163)	–	–	–	496	14,588	(4,173)	10,415
– Water supply network	18,345	(8,537)	9,808	–	127	–	(297)	–	–	–	482	19,402	(9,282)	10,120
– Buildings – specialised	1,562	(416)	1,146	–	84	–	(21)	–	–	–	78	1,754	(467)	1,287
– Stormwater drainage	6,101	(1,498)	4,603	–	–	–	(70)	–	–	–	230	6,410	(1,648)	4,762
– Kerb and gutter	4,761	(1,610)	3,151	–	–	–	(55)	–	–	–	166	5,016	(1,755)	3,261
– Footpaths	2,001	(638)	1,363	–	–	–	(35)	–	–	–	71	2,108	(709)	1,399
– Buildings – non-specialised	44,893	(17,860)	27,033	574	–	(415)	(637)	–	42	–	1,802	48,021	(19,623)	28,398
Other assets:														
– Library books	167	(133)	34	–	17	–	(12)	–	–	–	–	186	(145)	41
– Other	846	(347)	499	–	–	–	(77)	–	–	–	25	845	(398)	447
Total infrastructure, property, plant and equipment	317,172	(90,720)	226,452	4,473	3,752	(570)	(6,312)	1,109	–	(200)	11,505	339,430	(99,223)	240,207

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

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Climate Change, Energy, the Environment and Water (DCCEEW).

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

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	3 to 4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	20 to 100	Drains	70 to 100
Bores	10 to 50	Culverts	50 to 80
Reticulation pipes: PVC	50 to 80	Flood control structures	20 to 80
Reticulation pipes: other	25 to 50		
Pumps and telemetry	8 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	15	Bulk earthworks	Indefinite
Sealed roads: structure	35 to 150	Swimming pools	25 to 140
Unsealed roads	90 to 150	Other open space/recreational assets	20
Bridge: concrete	80 to 120	Other infrastructure	20
Bridge: other	80 to 120		
Road pavements	35 to 130		
Kerb, gutter and footpaths	40		

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

Land under roads

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

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

Crown reserves

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

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

Rural Fire Service assets

Council has assessed the value of rural firefighting assets ("Red fleet") and determined that the value of these assets are not material and have not recognised them in the financial statements.

Externally restricted infrastructure, property, plant and equipment

	as at 30/06/25			as at 30/06/24		
	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000	Gross carrying amount \$ '000	Accumulated depn. and impairment \$ '000	Net carrying amount \$ '000
Water supply						
WIP	257	—	257	514	—	514
Plant and equipment	405	108	297	315	94	221
Land						
– Operational land	146	—	146	34	—	34
Buildings	500	175	325	—	—	—
Infrastructure	20,789	10,018	10,771	19,402	9,282	10,120
Total water supply	22,097	10,301	11,796	20,265	9,376	10,889
Sewerage services						
WIP	3	—	3	3	—	3
Plant and equipment	395	89	306	285	74	211
Land						
– Operational land	555	—	555	88	—	88
Infrastructure	15,567	4,563	11,004	14,588	4,173	10,415
Total sewerage services	16,520	4,652	11,868	14,964	4,247	10,717
Total restricted infrastructure, property, plant and equipment	38,617	14,953	23,664	35,229	13,623	21,606

C1-7 Intangible assets

Intangible assets are as follows:

	2025 \$ '000	2024 \$ '000
Other Intangibles		
Opening values at 1 July		
Gross book value	18	18
Accumulated amortisation	(18)	(18)
Net book value – opening balance	–	–
Movements for the year		
Closing values at 30 June		
Gross book value	18	18
Accumulated amortisation	(18)	(18)
Total intangible assets – net book value	–	–

C1-8 Other

Other assets

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Prepayments	–	–	26	–
Total other assets	–	–	26	–

C2 Leasing activities

C2-1 Council as a lessee

Council had no leases in place as at 30 June 2023.

(a) Income Statement

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

	2025 \$ '000	2024 \$ '000
Expenses relating to leases of low-value assets	18	11
	18	11

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

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

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

Exceptions to lease accounting

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

Leases at significantly below market value / Concessionary leases

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

C2-2 Council as a lessor

Operating leases

	2025	2024
	\$ '000	\$ '000

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

(i) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	139	87
Total income relating to operating leases for Council assets	139	87

C3 Liabilities of Council

C3-1 Payables

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Goods and services – operating expenditure	339	–	296	–
Goods and services – capital expenditure	303	–	652	–
Accrued expenses:				
– Borrowings	2	–	3	–
– Salaries and wages	179	–	112	–
– Other expenditure accruals	2	–	–	–
Security bonds, deposits and retentions	171	–	448	–
ATO – net GST payable	–	–	1	–
Retirement home contributions	2,000	–	1,583	–
Other	79	–	82	–
Prepaid rates	211	–	203	–
Total payables	3,286	–	3,380	–

Payables relating to restricted assets

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Externally restricted assets				
Water	63	–	170	–
Sewer	31	–	–	–
Payables relating to externally restricted assets	94	–	170	–
Total payables relating to restricted assets	94	–	170	–
Total payables relating to unrestricted assets	3,192	–	3,210	–
Total payables	3,286	–	3,380	–

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

	2025 \$ '000	2024 \$ '000
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	2,031	2,205
Total payables	2,031	2,205

C3-2 Contract Liabilities

		2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
	Notes				
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	2,808	—	4,122	—
Total grants received in advance		2,808	—	4,122	—
Total contract liabilities		2,808	—	4,122	—

Notes

(i) Council has received funding to construct assets including sporting facilities, roads, 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.

Contract liabilities relating to restricted assets

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Externally restricted assets				
Unspent grants held as contract liabilities (excl. Water & Sewer)	2,808	—	4,122	—
Total contract liabilities relating to restricted assets	2,808	—	4,122	—
Total contract liabilities	2,808	—	4,122	—

Significant changes in contract liabilities

Contract Liabilities reduced during the year by \$1.314m. This was due to Council being able to expend outstanding grant funded capital projects, which had previously been on hold due to adverse weather events.

C3-3 Borrowings

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Loans – secured ¹	240	958	227	1,198
Total borrowings	240	958	227	1,198

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

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

Borrowings relating to restricted assets

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Externally restricted assets				
Water	88	309	83	397
Total borrowings relating to restricted assets	88	309	83	397
Total borrowings relating to unrestricted assets	152	649	144	801
Total borrowings	240	958	227	1,198

(a) Changes in liabilities arising from financing activities

	2024		Non-cash movements				2025
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	1,425	(227)	–	–	–	–	1,198
Total liabilities from financing activities	1,425	(227)	–	–	–	–	1,198

	2023		Non-cash movements				2024
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	1,640	(215)	–	–	–	–	1,425
Total liabilities from financing activities	1,640	(215)	–	–	–	–	1,425

C3-3 Borrowings (continued)

(b) Financing arrangements

	2025 \$ '000	2024 \$ '000
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities ¹	200	200
Credit cards/purchase cards	150	150
Total financing arrangements	350	350
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	5	5
Total drawn financing arrangements	5	5
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	200	200
– Credit cards/purchase cards	145	145
Total undrawn financing arrangements	345	345

Additional financing arrangements information

Breaches and defaults

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

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

C3-4 Employee benefit provisions

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Annual leave	531	–	414	–
Long service leave	384	145	307	116
Other entitlements	47	4	61	5
Total employee benefit provisions	962	149	782	121
Total employee benefit provisions relating to unrestricted assets	962	149	782	121
Total employee benefit provisions	962	149	782	121

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

	2025 \$ '000	2024 \$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	538	430
	538	430

Description of and movements in provisions

	ELE provisions			
	Annual leave \$ '000	Long service leave \$ '000	Other employee benefits \$ '000	Total \$ '000
2025				
At beginning of year	414	423	66	903
Additional provisions	392	128	39	559
Amounts used (payments)	(275)	(22)	(54)	(351)
Total ELE provisions at end of year	531	529	51	1,111
2024				
At beginning of year	369	454	145	968
Additional provisions	363	41	19	423
Amounts used (payments)	(318)	(72)	(98)	(488)
Total ELE provisions at end of year	414	423	66	903

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.

C3-5 Provisions

	2025 Current \$ '000	2025 Non-Current \$ '000	2024 Current \$ '000	2024 Non-Current \$ '000
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	170	–	170
Sub-total – asset remediation/restoration	–	170	–	170
Total provisions	–	170	–	170

Description of and movements in provisions

	Other provisions	
	Asset remediation \$ '000	Total \$ '000
2025		
At beginning of year	170	170
Total other provisions at end of year	170	170
2024		
At beginning of year	170	170
Total other provisions at end of year	170	170

Nature and purpose of provisions

Asset remediation

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

Material accounting policy information

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

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

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

Asset remediation – tips and quarries

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

The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation Surplus

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 Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

	General 2025 \$ '000	Water 2025 \$ '000	Sewer 2025 \$ '000
Income from continuing operations			
Rates and annual charges	4,159	988	827
User charges and fees	1,536	1,024	110
Interest and investment revenue	1,346	140	77
Other revenues	132	320	37
Grants and contributions provided for operating purposes	11,169	100	—
Grants and contributions provided for capital purposes	6,924	100	—
Other income	139	—	—
Total income from continuing operations	25,405	2,672	1,051
Expenses from continuing operations			
Employee benefits and on-costs	6,931	256	90
Materials and services	8,878	806	400
Borrowing costs	52	27	—
Other expenses	563	(9)	2
Net losses from the disposal of assets	15	—	—
Share of interests in joint ventures and associates using the equity method	247	—	—
Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	16,686	1,080	492
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	8,719	1,592	559
Depreciation, amortisation and impairment of non-financial assets	6,199	347	191
Operating result from continuing operations	2,520	1,245	368
Net operating result for the year	2,520	1,245	368
Net operating result attributable to each council fund	2,520	1,245	368
Net operating result for the year before grants and contributions provided for capital purposes	(4,404)	1,145	368

D1-2 Statement of Financial Position by fund

	General 2025 \$ '000	Water 2025 \$ '000	Sewer 2025 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	6,346	4,404	1,069
Investments	19,400	600	500
Receivables	3,962	353	81
Inventories	320	—	—
Total current assets	30,028	5,357	1,650
Non-current assets			
Receivables	56	70	13
Infrastructure, property, plant and equipment	254,037	11,796	11,868
Investments accounted for using the equity method	559	—	—
Total non-current assets	254,652	11,866	11,881
Total assets	284,680	17,223	13,531
LIABILITIES			
Current liabilities			
Payables	3,192	63	31
Contract liabilities	2,808	—	—
Borrowings	152	88	—
Employee benefit provision	962	—	—
Total current liabilities	7,114	151	31
Non-current liabilities			
Borrowings	649	309	—
Employee benefit provision	149	—	—
Provisions	170	—	—
Total non-current liabilities	968	309	—
Total liabilities	8,082	460	31
Net assets	276,598	16,763	13,500
EQUITY			
Accumulated surplus	66,165	8,758	4,679
IPPE revaluation surplus	210,433	8,005	8,821
Council equity interest	276,598	16,763	13,500
Total equity	276,598	16,763	13,500

D2 Interests in other entities

	Council's share of net assets	
	2025	2024
	\$ '000	\$ '000
Council's share of net income		
Net share of interests in joint ventures and associates using the equity method – expenses		
Joint ventures	247	61
Total net share of interests in joint ventures and associates using the equity method – expenses	247	61
Total Council's share of net income	(247)	(61)
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint ventures	559	806
Total net share of interests in joint ventures and associates using the equity method – assets	559	806
Total Council's share of net assets	559	806

D2-1 Interests in joint arrangements

The following information is provided for joint arrangements that are individually material to the Council. Included are the amounts as per the individual joint arrangement's financial statements, adjusted for fair-value adjustments, rather than Council's share.

Council is a member of the Far South West Joint Organisation of Councils (FSWJO). Details of Council's membership and participation is as follows:

The FSWJO is a separately constituted entity pursuant to Part 7 (Sections 400O to 400ZH) of the Local Government Act (NSW) 1993, as amended, and the Local Government (General) Regulation 2008. The FSWJO has the same year end date as the Council.

The principal functions of the Far West Joint Organisation will be to:

Establish strategic regional priorities for the joint organisation area and develop strategies and plans for delivering these priorities:

1. Provide regional leadership for the joint organisation area and to be an advocate for strategic regional priorities,
2. Identify and take up opportunities for intergovernmental cooperation on matters relating to the joint organisation area,
3. Enhancing strategic capacity to support member councils to deliver services to their communities,
4. Service delivery to provide services directly to communities within the region.

The percentage ownership interest held is equivalent to the percentage voting rights for all associates as follows:

FSWJO comprises the Councils of the Shires of Balranald, Wentworth, Broken Hill and Central Darling Shire Councils. The Board of the FSWJO comprises 4 voting members being the Mayors of the four member Councils, and non-voting members being the General Managers of the four member Councils, as well as 3 appointed members from the State Government and Cabinet (non-voting).

Balranald Shire Council, as a member of the FSWJO, has a one quarter voting right (25%) in respect to the decisions of the Board.

For the 2024/25 year, no member Councils were required to make contributions to the FSWJO. Members of the FSWJO are indemnified from liability for functions and duties carried out or omitted honestly, in good faith and with due care and diligence.

The FSWJO has engaged an Executive Officer on a standard Local Government employment contract for 3 years.

There are no liability issues identified for Council in the short to medium term.

Far South West Joint Organisation Equity Method

D2-1 Interests in joint arrangements (continued)

	\$'000 2025	\$'000 2024
Summarised Statement of Financial Position		
Current assets	2,299	3,467
Current liabilities	(62)	(245)
Net assets	2,236	3,222
Summarised Statement of Income and other Comprehensive Income		
Grant funding	-	-
Interest income	11	9
Total income from continuing operations	101	9
Employee benefits	-	-
Depreciation and amortisation	-	-
Administration expenses	(1,087)	(253)
Other expenses	-	-
Total expense from continuing operations	(1,087)	(253)
Gain/(Loss) from continuing operations	(985)	(244)
Total comprehensive income	(985)	(244)
Summarised statement of Cash Flows		
Cashflow from operating activities	(1,160)	(10)
Cashflow from investing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(1,160)	(10)
Reconciliation of carrying amount of interest in the joint arrangement to summarised financial information for FWJO accounted for using the Equity method:		
Balranald Shire Council's share of net assets	559	806
Carrying amount of net assets	559	806

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

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

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

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

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

	Carrying value 2025 \$ '000	Carrying value 2024 \$ '000	Fair value 2025 \$ '000	Fair value 2024 \$ '000
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	11,819	5,333	11,819	5,333
Receivables	4,535	3,581	4,535	3,581
Investments				
– Debt securities at amortised cost	20,500	29,500	20,500	29,500
Total financial assets	36,854	38,414	36,854	38,414
Financial liabilities				
Payables	3,286	3,380	3,286	3,380
Loans/advances	1,198	1,425	1,198	1,425
Total financial liabilities	4,484	4,805	4,484	4,805

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.

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

The risks associated with the instruments held are:

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

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

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

(a) Market risk – interest rate and price risk

	2025	2024
	\$ '000	\$ '000

The impact on the 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	322	353
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(b) Credit risk

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

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

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

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

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

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

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

Credit risk profile

Receivables – rates and annual charges

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

	Not yet overdue \$ '000	overdue rates and annual charges				Total \$ '000
		< 5 years \$ '000	1 - 2 years \$ '000	2 - 5 years \$ '000	≥ 5 years \$ '000	
2025						
Gross carrying amount	–	553	43	27	–	623
2024						
Gross carrying amount	–	365	71	17	3	456

Receivables - non-rates and annual charges and contract assets

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

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

	Not yet overdue \$ '000	0 - 30 days \$ '000	Overdue debts			Total \$ '000
			31 - 60 days \$ '000	61 - 90 days \$ '000	> 91 days \$ '000	
2025						
Gross carrying amount	–	4,146	86	33	26	4,291
Expected loss rate (%)	0.00%	0.00%	16.00%	16.00%	16.00%	0.54%
ECL provision	–	–	14	5	4	23
2024						
Gross carrying amount	–	253	226	1,141	1,780	3,400
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	4.00%	2.09%
ECL provision	–	–	–	–	71	71

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

(c) Liquidity risk

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

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

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

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

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

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

	Weighted average interest rate %	Subject to no maturity \$ '000	payable in: ≤ 1 Year \$ '000	1 - 5 Years \$ '000	> 5 Years \$ '000	Total cash outflows \$ '000	Actual carrying values \$ '000
2025							
Payables	0.00%	171	1,115	2,000	–	3,286	3,286
Borrowings	6.42%	–	240	921	37	1,198	1,198
Total financial liabilities		171	1,355	2,921	37	4,484	4,484
2024							
Payables	0.00%	448	1,267	1,583	82	3,380	3,380
Borrowings	6.42%	–	276	921	228	1,425	1,425
Total financial liabilities		448	1,543	2,504	310	4,805	4,805

Loan agreement breaches

There were not any breaches to loan agreements which have occurred during the reporting year.

E2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

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

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

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

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

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

Fair value measurement hierarchy								
Notes	Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Infrastructure, property, plant and equipment	C1-6							
Plant and equipment			–	–	2,184	1,652	2,184	1,652
Office equipment			–	–	206	99	206	99
Furniture and fittings			–	–	99	99	99	99
Land – operational	30/06/22	30/06/22	4,271	3,607	–	–	4,271	3,607
Land community	30/06/24	30/06/23	–	–	3,210	2,573	3,210	2,573
Land improvements	30/06/22	30/06/22	–	–	904	875	904	875
Buildings non - specialised	30/06/22	30/06/22	–	–	28,715	28,398	28,715	28,398
Buildings specialised	30/06/22	30/06/22	–	–	1,300	1,287	1,300	1,287
Other structures	30/06/22	30/06/22	–	–	11,658	7,855	11,658	7,855
Roads and bridges	30/06/25	30/06/22	–	–	189,077	157,909	189,077	157,909
Kerb and channels	30/06/25	30/06/22	–	–	2,501	3,261	2,501	3,261
Footpaths	30/06/25	30/06/22	–	–	2,122	1,399	2,122	1,399
Stormwater drainage	30/06/22	30/06/22	–	–	4,878	4,762	4,878	4,762
Water supply network	30/06/22	30/06/22	–	–	10,771	10,120	10,771	10,120
Sewerage network	30/06/22	30/06/22	–	–	11,004	10,415	11,004	10,415
Swimming pools	30/06/22	30/06/22	–	–	1,252	988	1,252	988
Other	30/06/22	30/06/22	–	–	491	488	491	488
Total infrastructure, property, plant and equipment			4,271	3,607	270,372	232,180	274,643	235,787

Valuation techniques

Infrastructure, property, plant and equipment (IPPE)

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

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

Infrastructure, Property, Plant & Equipment

Plant & Equipment, Office Equipment and Furniture & Fittings

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

- Plant & equipment- Graders, Trucks, rollers, tractors and motor vehicles.
- Office equipment- Computers, photocopies, calculators etc.

E2-1 Fair value measurement (continued)

- Furniture & Fittings- Chairs, desks and display boards.

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

Operational & Community Land

Operational & community Land are based on either the market value approach (level 2) or the cost approach (level 3). Operational Land is represented by actual market values in the Balranald Shire LGA. Operational land was valued based on observable market values (level 2). Community land is based on values supplied by the Valuer General which is not based on market value and as such have been classified at a level 3.

Operational Land has been indexed from a desktop valuation provided by PPE Valuers as at 30 June 2025.

Council changed its methodology for valuation of Community Land during FY 2022/23 to accord with the methodology supported by the NSW Auditor General. Council uses valuations supplied by the NSW Valuer General with a current base date of 2024.

Buildings- Non Specialised & Specialised

Non- Specialised & Specialised Buildings have been valued externally by APV Valuers and Asset Management of Level 18, 344 Queen Street Brisbane QLD 4000 using the market or cost approach, with effective date 30 June 2022. The approaches estimated the replacement cost of each building by componentising the building into significant parts.

While all buildings were physically inspected and the unit rates based on square market based evidence (level) 2 was established for some building assets, the majority of building assets were valued at a level 3.

Valuations for all building assets have been indexed at 30 June 2025 based on a desktop valuation provided by PPE Valuers.

Other Structures

Other structures comprise of aerodrome runway, lighting, irrigation systems and fencing etc. have been valued externally by APV Valuers and Asset Management of Level 18, 344 Queen Street Brisbane QLD 4000 using the cost approach, with effective date 30 June 2022. The approach estimated the replacement cost of the asset by componentising the asset into significant parts. No market evidence (level 2) inputs are available therefore level 3 valuation inputs were used for this asset class.

Valuations for all other structures have been indexed at 30 June 2025 based on a desktop valuation provided by PPE Valuations.

Roads, Bridges, Footpaths & Drainage Infrastructure.

Roads comprise roads carriageway, roadside shoulders & Kerb and Gutter and Channels. Bridges comprised of Bridges and Major Culverts. All these asset classes were valued externally by APV Valuers and Asset Management of Level 18, 344 Queen Street Brisbane QLD 4000 using the cost approach, with effective date 30 June 2022.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts using Balranald Shire Council's internal data base of costs. From field observations taken during this revaluation most of the unsealed road network has been reclassified from a formed and paved road asset to a formed only road asset.

Valuations for all roads and transport assets have been comprehensively revalued at 30 June 2025 by PPE Valuers.

Water Supply Network

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

The cost approach estimated the replacement cost for each asset by componentising the asset into significant parts with different useful lives and taking into account a range of factors. All Water Supply Network Assets were valued externally by APV Valuers and Asset Management of Level 18, 344 Queen Street Brisbane QLD 4000 using the cost approach, with effective date 30 June 2022.

This valuation is based on inventory information provided by Council validated by onsite inspections and CCTV data. No market based evidence (level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

Valuations for all water supply assets have been indexed at 30 June 2025 based on a desktop valuation provided by PPE Valuers.

Sewerage Network

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

The cost approach estimated the replacement cost for each asset by componentising the asset into significant parts with different useful lives and taking into account a range of factors. All Water Supply Network Assets were valued externally by APV Valuers and Asset Management of Level 18, 344 Queen Street Brisbane QLD 4000 using the cost approach, with effective date 30 June 2022.

E2-1 Fair value measurement (continued)

This valuation is based on inventory information provided by Council validated by onsite inspections and CCTV data. No market based evidence (level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

Valuations for all sewer assets have been indexed at 30 June 2025 based on a desktop valuation provided by PPE Valuers.

Swimming Pools

Assets within this class comprise Council's outdoor swimming pool. valued externally by APV Valuers and Asset Management of Level 18, 344 Queen Street Brisbane QLD 4000 using the market or cost approach, with effective date 30 June 2022. The approach estimated the replacement cost for each pool by componentising its significant parts.

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

Valuations for all swimming pool assets have been indexed at 30 June 2025 based on a desktop valuation provided by PPE Valuers.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

	Fair value (30/6/25) 2025 \$ '000	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment			
Plant and equipment	2,184	Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Office equipment	206	Replacement Cost	Current Replacement Cost, Remaining Useful Life
Furniture and fittings	99	Replacement Cost	Current Replacement Cost, Remaining Useful Life
Community Land	3,210	Unimproved Value	New South Wales Valuer Generals Unimproved Value
Land improvements	904	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Buildings non specialised	28,715	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Building specialised	1,300	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Other structures	11,658	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Roads and bridges	189,077	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Kerb and gutter	2,501	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Footpaths	2,122	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Stormwater drainage	4,878	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Water supply network	10,771	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Sewerage network	11,004	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Swimming pools	1,252	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value
Other assets	491	Depreciated Replacement Cost	Current Replacement Cost, Remaining Useful Life, Residual Value

E2-1 Fair value measurement (continued)

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

	Plant and equipment		Office equipment		Furniture and fittings		Community Land	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	1,652	1,390	99	126	99	99	2,573	2,573
Other movements								
Purchases (GBV)	1,057	820	138	10	18	21	—	—
Disposals (WDV)	(97)	(149)	—	—	—	—	—	—
Depreciation and impairment	(428)	(409)	(32)	(35)	(18)	(20)	—	—
Revaluations	—	—	—	—	—	—	637	—
Rounding	—	—	1	(2)	—	(1)	—	—
Closing balance	2,184	1,652	206	99	99	99	3,210	2,573

	Land improvement		Buildings n/spec'd		Building specialised		Other structures	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	875	906	28,398	27,033	1,287	1,146	7,855	7,328
Other movements								
Purchases (GBV)	—	—	377	616	—	84	3,800	314
Disposals (WDV)	—	—	—	(415)	—	—	(40)	(6)
Depreciation and impairment	(31)	(31)	(784)	(637)	(25)	(21)	(292)	(238)
Adjustments and Transfers	—	—	—	—	—	—	—	34
Revaluations	60	—	724	1,802	38	78	335	424
Rounding	—	—	—	(1)	—	—	—	(1)
Closing balance	904	875	28,715	28,398	1,300	1,287	11,658	7,855

	Roads and bridges		Kerb and gutter		Footpaths		Stormwater drainage	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	157,909	149,077	3,261	3,151	1,399	1,363	4,762	4,603
Other movements								
Purchases (GBV)	5,864	4,250	48	—	457	—	—	—
Depreciation and impairment	(4,393)	(4,196)	(58)	(55)	(37)	(35)	(73)	(70)
Adjustments and Transfers	2,540	1,109	—	—	—	—	—	—
Revaluations	27,155	7,667	(749)	166	302	71	190	230
Rounding	2	2	(1)	(1)	1	—	(1)	(1)
Closing balance	189,077	157,909	2,501	3,261	2,122	1,399	4,878	4,762

	Water supply network		Sewerage network		Swimming pool		Other assets	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	10,120	9,808	10,415	9,943	988	939	488	533
Other movements								
Purchases (GBV)	600	127	386	140	—	—	17	17
Disposals (WDV)	—	—	—	—	—	—	(10)	—
Depreciation and impairment	(327)	(297)	(177)	(163)	(17)	(16)	(45)	(89)
Revaluations	379	482	379	496	283	64	38	25
Rounding	(1)	—	1	(1)	(2)	1	3	2
Closing balance	10,771	10,120	11,004	10,415	1,252	988	491	488

E2-1 Fair value measurement (continued)

	Total	
	2025	2024
	\$ '000	\$ '000
Opening balance	232,180	220,018
Purchases (GBV)	12,762	6,399
Disposals (WDV)	(147)	(570)
Depreciation and impairment	(6,737)	(6,312)
Adjustments and Transfers	2,540	1,143
Revaluations	29,771	11,505
Rounding	3	(3)
Closing balance	270,372	232,180

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

Buildings assets were revalued during the year and while a small number of assets were assessed with market inputs (level 2), Council has utilised the level 3 valuations effective 30 June 2025.

Highest and best use

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

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

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

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

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

* For 180 Point Members, Employers are required to contribute 9.5% of salaries from 1 July 2025 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. it was recommended to cease these past service contributions effective 1 January 2025.

The adequacy of contributions is assessed at each triennial actuarial investigation which will be conducted annually, the next of which is due effective 30 June 2025.

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

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

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

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

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 2025 was \$30,216.43. The last valuation of the Scheme was performed by Fund Actuary, Richard Boyfield, FIAA as at 30 June 2024. Council's expected contribution to the plan for the

E3-1 Contingencies (continued)

next annual reporting period is \$531.88, which includes a Past Service liability credit of \$5,099.90 and outstanding regular contributions of \$1,609.14.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2025 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,197.6	
Past Service Liabilities	2,092.0	105.0%
Vested Benefits	2,130.4	103.2%

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

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

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

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

Investment return	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	2.5% per annum

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 will be completed by December 2025.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity. StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA. These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

E3-1 Contingencies (continued)

(iv) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

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

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

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

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

ASSETS NOT RECOGNISED

(i) Land under roads

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

(ii) Infringement notices/fines

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

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

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. The aggregate amount of KMP compensation included in the Income Statement is:

	2025 \$ '000	2024 \$ '000
Compensation:		
Short-term benefits	838	635
Termination benefits	431	20
Total	1,269	655

Other transactions with KMP and their related parties

Nature of the transaction	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2025					
Financial Consulting Services	21	-		-	-

F1-2 Councillor and Mayoral fees and associated expenses

	2025 \$ '000	2024 \$ '000
The aggregate amount of Councillor and Administrator/Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Administrator/Mayoral fees	46	120
Councillors' fees	81	—
Other Councillors' expenses (including Administrator)	57	13
Total	184	133

F2 Other relationships

F2-1 Audit fees

	2025	2024
	\$ '000	\$ '000

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements

Remuneration for audit and other assurance services

Total Auditor-General remuneration

Total audit fees

77	67
77	67
77	67
77	67

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of Operating Result

	2025 \$ '000	2024 \$ '000
Net operating result from Income Statement	4,133	4,345
Add / (less) non-cash items:		
Depreciation and amortisation	6,737	6,312
(Gain) / loss on disposal of assets	15	(295)
Share of net (profits)/losses of associates/joint ventures using the equity method	247	61
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(1,058)	(501)
Increase / (decrease) in provision for impairment of receivables	104	151
(Increase) / decrease of inventories	(20)	(84)
(Increase) / decrease of other current assets	26	(4)
Increase / (decrease) in payables	43	(143)
Increase / (decrease) in accrued interest payable	(1)	(1)
Increase / (decrease) in other accrued expenses payable	69	22
Increase / (decrease) in other liabilities	144	(42)
Increase / (decrease) in contract liabilities	(1,314)	(388)
Increase / (decrease) in employee benefit provision	208	(65)
Net cash flows from operating activities	9,333	9,368

G2-1 Commitments

Capital commitments (exclusive of GST)

	2025	2024
	\$ '000	\$ '000

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Buildings	4,474	4,607
Roads	1,615	1,163
Other Structures	1,044	2,749
Aerodrome	—	—

Total commitments	7,133	8,519
--------------------------	--------------	--------------

These expenditures are payable as follows:

Within the next year	4,228	4,239
Later than one year and not later than 5 years	2,905	4,280

Total payable	7,133	8,519
----------------------	--------------	--------------

Sources for funding of capital commitments:

Future grants and contributions	4,228	4,280
Unexpended grants	2,905	4,239

Total sources of funding	7,133	8,519
---------------------------------	--------------	--------------

G3-1 Events occurring after the reporting date

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

G4 Statement of developer contributions

G4-1 Summary of developer contributions

	Opening balance at 1 July 2024 \$ '000	Contributions received during the year		Non-cash Other \$ '000	Interest and investment income earned \$ '000	Amounts expended \$ '000	Internal borrowings \$ '000	asset at 30 June 2025 \$ '000	Held as restricted asset at 30 June 2025 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash Land \$ '000							
S7.4 planning agreements	—	150	—	—	—	(120)	—	—	30	—
Contributions not under plans	—	1,534	—	—	—	(1,534)	—	—	—	—
Total contributions	—	1,684	—	—	—	(1,654)	—	—	30	—

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Financial review

Key financial figures of Council over the past 5 years

	2025 \$ '000	2024 \$ '000	2023 \$ '000	2022 \$ '000	2021 \$ '000
Inflows:					
Rates and annual charges revenue	5,974	5,419	5,052	4,557	4,129
User charges revenue	2,670	3,462	2,225	2,191	1,980
Interest and investment revenue (losses)	1,563	1,570	665	119	74
Grants income – operating and capital	16,609	16,962	16,978	13,352	12,476
Total income from continuing operations	29,128	28,265	25,331	20,688	19,113
Sale proceeds from IPPE	132	865	–	43	–
Outflows:					
Employee benefits and on-cost expenses	7,277	5,594	4,936	5,432	5,777
Borrowing costs	79	89	101	119	125
Materials and contracts expenses	10,084	11,323	6,763	3,681	2,814
Total expenses from continuing operations	24,995	23,920	18,482	15,292	14,675
Total cash purchases of IPPE	11,752	7,430	2,551	7,730	6,386
Total loan repayments (incl. leases)	227	215	206	190	257
Operating surplus/(deficit) (excl. capital income)	(2,891)	328	4,087	1,656	753
Financial position figures					
Current assets	37,035	38,658	35,604	25,145	20,586
Current liabilities	7,296	8,511	8,515	8,548	7,613
Net current assets	29,739	30,147	27,089	16,597	12,973
Available working capital (Unrestricted net current assets)	10,849	9,986	4,716	3,050	4,888
Cash and investments – unrestricted	7,728	7,506	2,644	2,651	4,297
Cash and investments – internal restrictions	13,949	13,785	12,996	11,618	6,287
Cash and investments – total	32,319	34,833	32,245	22,523	18,042
Total borrowings outstanding (loans, advances and finance leases)	1,198	1,425	1,640	1,846	2,036
Total value of IPPE (excl. land and earthworks)	422,188	332,452	310,194	291,539	242,898
Total accumulated depreciation	152,798	99,223	90,720	76,665	102,491
Indicative remaining useful life (as a % of GBV)	64%	70%	71%	74%	58%

Source: published audited financial statements of Council (current year and prior year)

H1-2 Council information and contact details

Principal place of business:

70 Market street
BALRANALD NSW 2715

Contact details**Mailing Address:**

PO Box 120
BALRANALD NSW 2715

Telephone: 03 5020 1300

Facsimile: 03 5020 1620

Opening hours:

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

Internet: www.balranald.nsw.gov.au

Email: council@balranald.nsw.gov.au

Officers**CEO (Interim)**

Mr Peter Bascomb

Responsible Accounting Officer

Ms Edna Mendes

Public Officer

Ms Hodi Beauliv

Councillors

Clr Louie Zaffina (Mayor)

Clr Dwaine Scott (Deputy Mayor)

Clr Leigh Byron

Cr Iain Lindsay-Field

Clr Alison Linnett

Clr Tracy O'Halloran

Clr Phillip Pippin

Clr German Ugarte

Auditors

Auditor General of NSW

Level 19, Darling Park Tower 2, 201 Sussex Street, Sydney
NSW 2000



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Balranald Shire Council

To the Councillors of Balranald Shire Council

Opinion

I have audited the accompanying financial statements of Balranald Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2025, the Statement of Financial Position as at 30 June 2025, 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 the Division
 - are, in all material respects, consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2025, 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 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Manuel Moncada

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

31 October 2025
SYDNEY



Cr Louie Zaffina
Mayor
Balranald Shire Council
PO Box 120
Balranald NSW 2715

Contact: Manuel Moncada
Phone no: 02 9275 7333
Our ref: R008-1981756498-7243

31 October 2025

Dear Mayor

Report on the Conduct of the Audit
for the year ended 30 June 2025
Balranald Shire Council

I have audited the general purpose financial statements (GPFS) of the Balranald Shire Council (the Council) for the year ended 30 June 2025 as required by section 415 of the *Local Government Act 1993* (the Act).

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

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.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2025 is issued in accordance with section 417 of the Act. The Report:

- must address the specific matters outlined in the Local Government Code of Accounting Practice and Financial Reporting 2024-25
- may include statements, comments and recommendations that I consider to be appropriate based on the conduct of the audit of the GPFS.

This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Financial performance

	2025	2024	Variance
	\$m	\$m	%
Rates and annual charges revenue	6.0	5.4	↑ 11.1
Grants and contributions provided for operating purposes revenue	11.3	12.9	↓ 12.4
Grants and contributions provided for capital purposes revenue	7.0	4.0	↑ 75.0
Operating result from continuing operations	4.1	4.3	↓ 4.7
Net Operating result for the year before grants and contributions provided for capital purposes	(2.9)	0.3	↓ 1066

Operating result from continuing operations

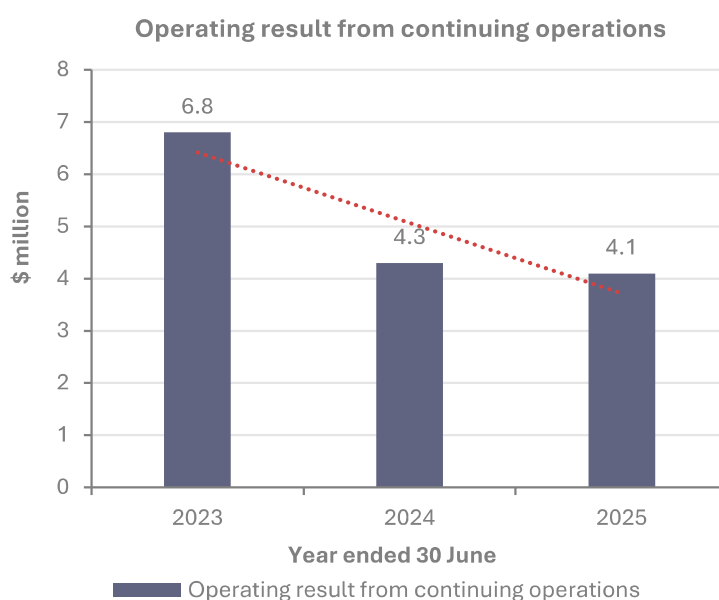
This graph shows the operating result from continuing operations for the current and prior two financial years.

Council's operating result from continuing operations for the year was \$8 million lower than the 2023–24 result.

In 2024-25:

- Depreciation, amortisation and impairment of non-financial assets expense (\$6.7 million) increased by \$0.4 million (6.3 per cent) due to asset additions and valuation increases in recent years.

The net operating result for the year before grants and contributions provided for capital purposes was a deficit of \$2.9 million. Refer to 'Grants and contributions revenue' below for details.



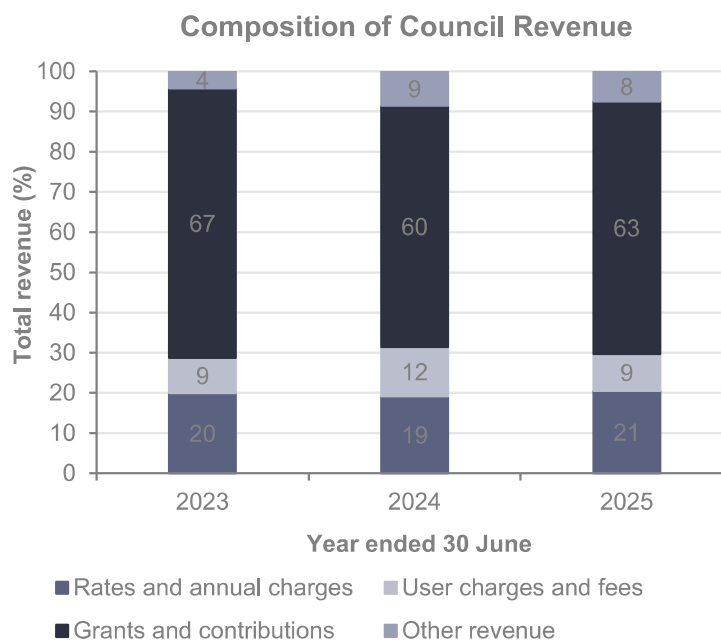
Income

Council revenue

This graph shows the composition of Council's revenue recognised for the current and prior two financial years.

Council revenue (\$29.1 million) increased by \$0.9 million (3.1 per cent) in 2024–25 due to:

- rates and annual charges revenue (\$6 million) increased by \$0.6 million (11.1 per cent) due to rate peg increase of 10 per cent
- user charges and fees revenue (\$2.7 million) decreased by \$0.8 million (22.9 per cent) due to a reduction private works income
- grants and contributions revenue (\$18.3 million) increased by \$1.3 million (7.8 per cent) – see additional details below.

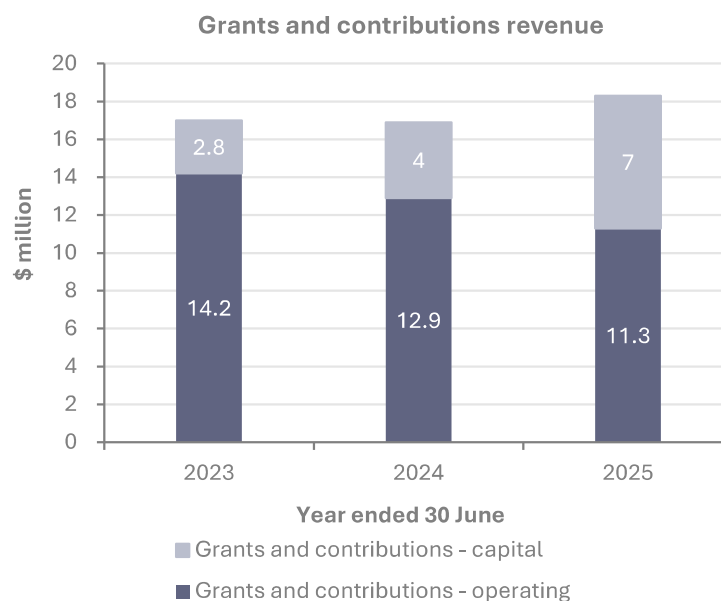


Grants and contributions revenue

This graph shows the amount of grants and contributions revenue recognised for the current and prior two financial years.

Grants and contributions revenue (\$18.3 million) increased by \$1.3 million (7.8 per cent) in 2024–25 due to:

- an increase in specific purpose capital grants of \$3 million, primarily relating to roads, recreation and tourism project funding
- receiving 50 per cent of the financial assistance grants for 2025–26 in advance (85 per cent for 2024–25).



CASH FLOWS

Statement of cash flows

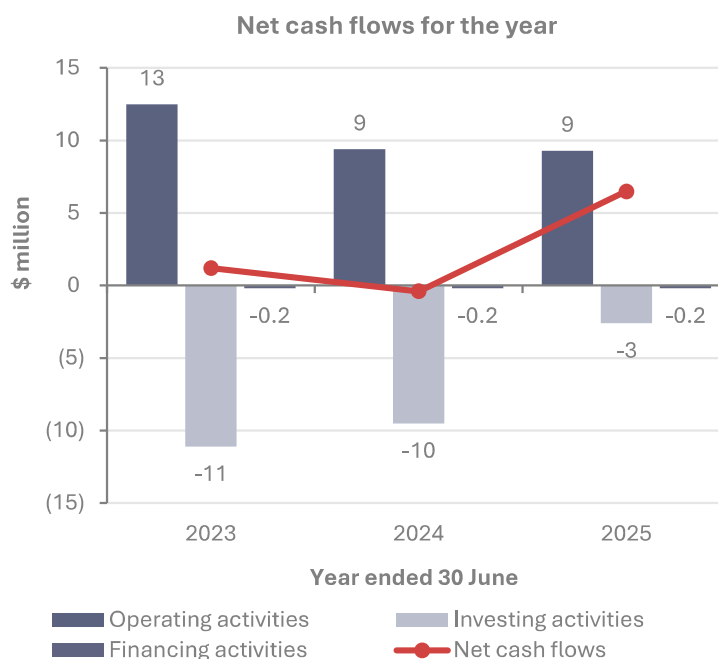
The Statement of Cash Flows details the Council's inflows and outflows of cash over a specific period. It helps in assessing the Council's ability to generate cash to fund its operations, pay off debts, and support future projects. It also aids in identifying any pressures or issues in the Council operating in a financially sustainable manner.

This graph shows the net cash flows for the current and prior two financial years.

The net cash inflow for the year was \$6.5 million (outflow of \$0.4 million in 2023-24).

In 2024-25 the net cashflows:

- from operating activities decreased by \$0.1 million
- used in investing activities decreased by \$6.9 million, mainly due to reduced purchases of investments in long term deposits
- used in financing activities was consistent with the prior year.



FINANCIAL POSITION

Cash, cash equivalents and investments

This section of the Report provides details of the amount of cash, cash equivalents and investments recorded by the Council at 30 June 2025.

Externally restricted funds are the cash, cash equivalents and investments that can only be used for specific purposes due to legal or contractual restrictions.

Cash, cash equivalents, and investments without external restrictions can be allocated internally by the elected Council's resolution or policy. These allocations are matters of Council policy and can be changed or removed by a Council resolution.

Cash, cash equivalents and investments	2025	2024	Percentage of total cash and investments 2025	Commentary
	\$m	\$m	%	
Total cash, cash equivalents and investments	32.3	34.8		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party

Restricted and allocated cash, cash equivalents and investments:

• External restrictions	10.6	13.5	32.8
• Internal allocations	13.9	13.8	43.0

contract. A breakdown of the sources of externally restricted balances is included in the graph below.

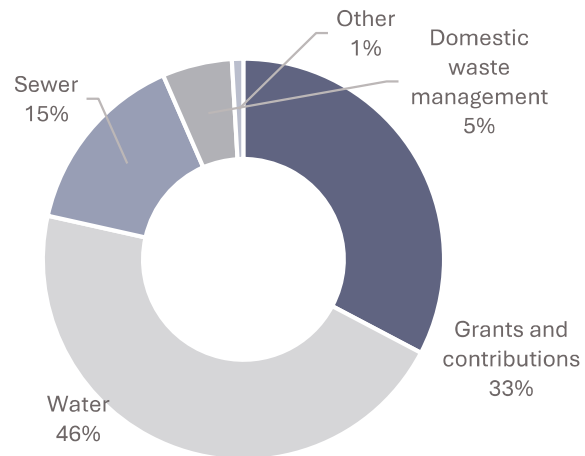
Internal allocations are determined by council policies or decisions, which are subject to change.

This graph shows the sources of externally restricted cash, cash equivalents and investments.

In 2024-25 the Council's main sources of externally restricted cash, cash equivalents and investments include:

- grants and contributions of \$3.5 million which decreased by \$2.9 million
- water charges of \$4.9 million which increased by \$0.3 million
- sewer charges of \$1.6 million which decreased by \$0.4 million
- domestic waste management charges of \$0.6 million which was consistent with the prior year.

Source of externally restricted cash, cash equivalents and investments



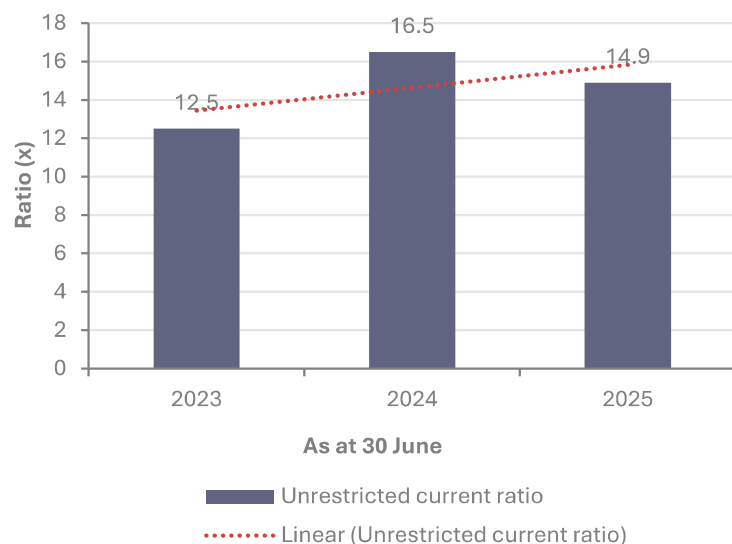
Council liquidity

This graph shows the Council's unrestricted current ratio for the current and prior two financial years.

The unrestricted current ratio is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The ratio measures the ratio of unrestricted current assets to specific purpose liabilities.

In 2023-24, the average unrestricted current ratio was an average of 5.6x for rural councils.

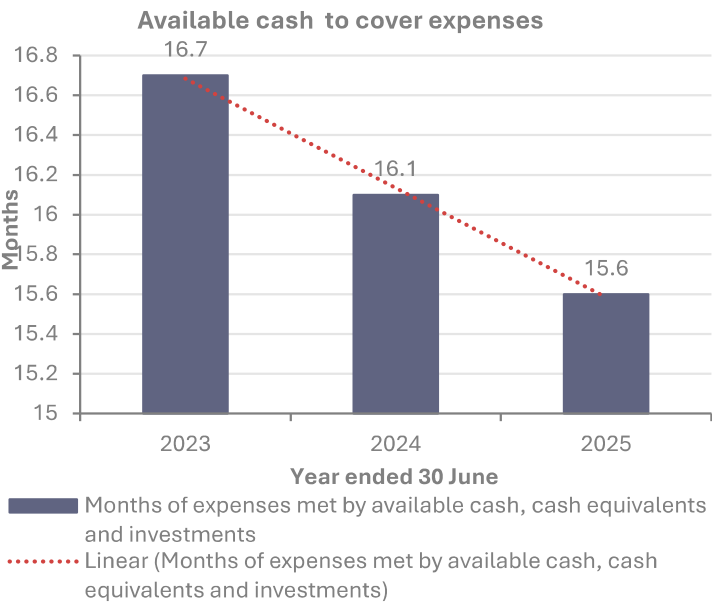
Unrestricted current ratio



This graph shows the number of months of general fund expenses (excluding depreciation and borrowing costs), Council can fund from its available cash, cash equivalents and investments (not subject to external restrictions).

Further details on cash, cash equivalents and investments including the sources of external restrictions are included in the section above.

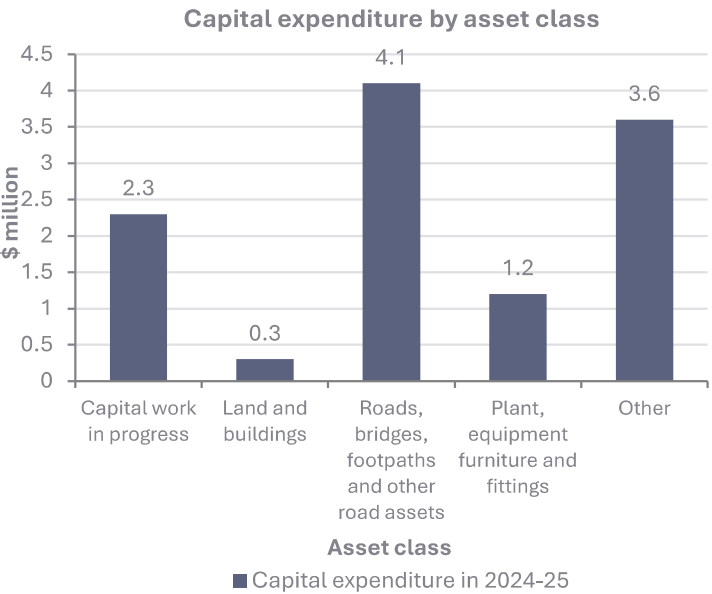
In 2023–24, the available cash to cover expenses was an average of 8 months for rural councils.



Infrastructure, property, plant and equipment

This graph shows how much the Council spent on renewing and purchasing assets in 2024-25.

Council renewed \$8.8 million of infrastructure, property, plant and equipment during the 2024-25 financial year. This was mainly spent on roads and other infrastructure. A further \$2.6 million was spent on new assets including other structures.



Debt

The table below provides an overview of the Council's loans.

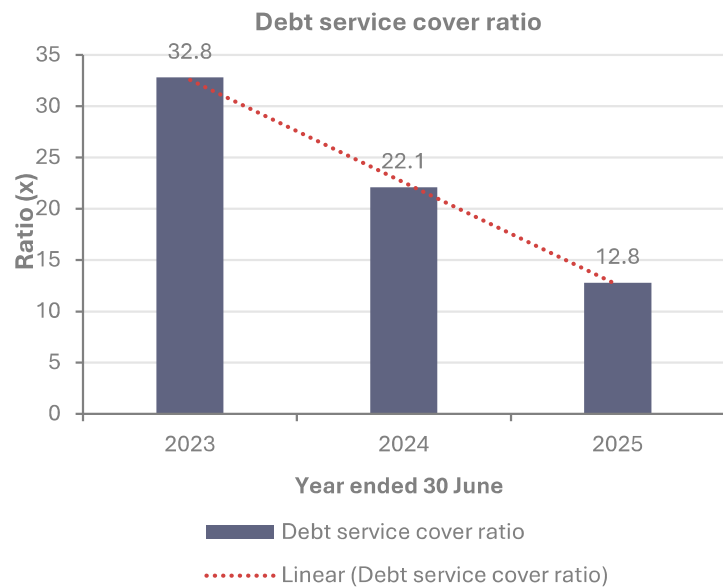
Debt	2025	2024	Commentary
	\$m	\$m	
Loans	1.2	1.4	After repaying principal and interest during the financial year, total debt as at 30 June 2025 was \$1.2 million (2024: \$1.4 million).

Debt service cover

This graph shows the Council's debt service cover ratio for the current and prior two financial years.

The debt service cover ratio measures the operating cash to service debt including interest, principal and lease payments.

The decrease in the ratio is due to the decreasing operating result before grants and contributions provided for capital purposes.



Manuel Moncada
Director - Financial Audit

Delegate of the Auditor-General

Balranald Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2025



Special Purpose Financial Statements

for the year ended 30 June 2025

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Income Statement of sewerage business activity	5
Statement of Financial Position of water supply business activity	6
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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

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

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

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

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

Balranald Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management

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

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

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial Reporting*,
- the NSW Office of Water *Best-Practice Management of Water and Sewerage Guidelines*.

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

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

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

Signed in accordance with a resolution of Council made on 16 September 2025.



Clr Louie Zaffina
Mayor
16 September 2025



Clr Dwaine Scott
Deputy Mayor
16 September 2025



Peter Bascomb
Interim CEO
16 September 2025



Edna Mendes
Responsible Accounting Officer
16 September 2025

Balranald Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2025

	2025 \$ '000	2024 \$ '000
Income from continuing operations		
Access charges	988	940
User charges	1,020	842
Fees	4	15
Interest and investment income	140	112
Grants and contributions provided for operating purposes	100	50
Other income	320	188
Total income from continuing operations	2,572	2,147
Expenses from continuing operations		
Employee benefits and on-costs	256	184
Borrowing costs	27	32
Materials and services	806	873
Depreciation, amortisation and impairment	347	297
Water purchase charges	–	31
Other expenses	(9)	37
Total expenses from continuing operations	1,427	1,454
Surplus (deficit) from continuing operations before capital amounts	1,145	693
Grants and contributions provided for capital purposes	100	6
Surplus (deficit) from continuing operations after capital amounts	1,245	699
Surplus (deficit) from all operations before tax	1,245	699
Less: corporate taxation equivalent (25%) [based on result before capital]	(286)	(173)
Surplus (deficit) after tax	959	526
Plus accumulated surplus	7,512	6,813
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	287	173
Less:		
Closing accumulated surplus	8,758	7,512
Return on capital %	9.9%	6.7%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	959	526
Less: capital grants and contributions (excluding developer contributions)	(100)	(6)
Surplus for dividend calculation purposes	859	520
Potential dividend calculated from surplus	429	260

Balranald Shire Council

Income Statement of sewerage business activity for the year ended 30 June 2025

	2025 \$ '000	2024 \$ '000
Income from continuing operations		
Access charges	827	710
User charges	48	93
Liquid trade waste charges	56	4
Fees	6	7
Interest and investment income	77	54
Other income	37	14
Total income from continuing operations	1,051	882
Expenses from continuing operations		
Employee benefits and on-costs	90	58
Materials and services	400	405
Depreciation, amortisation and impairment	191	163
Other expenses	2	24
Total expenses from continuing operations	683	650
Surplus (deficit) from continuing operations before capital amounts	368	232
Surplus (deficit) from continuing operations after capital amounts	368	232
Surplus (deficit) from all operations before tax	368	232
Less: corporate taxation equivalent (25%) [based on result before capital]	(92)	(58)
Surplus (deficit) after tax	276	174
Plus accumulated surplus	4,310	4,078
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	93	58
Less:		
Closing accumulated surplus	4,679	4,310
Return on capital %	3.1%	2.2%
Subsidy from Council	126	229
Calculation of dividend payable:		
Surplus (deficit) after tax	276	174
Surplus for dividend calculation purposes	276	174
Potential dividend calculated from surplus	138	87

Balranald Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2025

	2025 \$ '000	2024 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	4,404	3,998
Investments	600	600
Receivables	353	280
Total current assets	5,357	4,878
Non-current assets		
Receivables	70	22
Infrastructure, property, plant and equipment	11,796	10,889
Total non-current assets	11,866	10,911
Total assets	17,223	15,789
LIABILITIES		
Current liabilities		
Payables	63	170
Borrowings	88	83
Total current liabilities	151	253
Non-current liabilities		
Borrowings	309	397
Total non-current liabilities	309	397
Total liabilities	460	650
Net assets	16,763	15,139
EQUITY		
Accumulated surplus	8,758	7,512
IPPE revaluation surplus	8,005	7,627
Total equity	16,763	15,139

Balranald Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2025

	2025 \$ '000	2024 \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	1,069	1,468
Investments	500	500
Receivables	81	60
Total current assets	1,650	2,028
Non-current assets		
Receivables	13	8
Infrastructure, property, plant and equipment	11,868	10,717
Total non-current assets	11,881	10,725
Total assets	13,531	12,753
LIABILITIES		
Current liabilities		
Payables	31	—
Total current liabilities	31	—
Total liabilities	31	—
Net assets	13,500	12,753
EQUITY		
Accumulated surplus	4,679	4,310
IPPE revaluation surplus	8,821	8,443
Total equity	13,500	12,753

Note – Material accounting policy information

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

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

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

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

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

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

Nil

Category 2

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

a. Balranald Shire Council combined water supplies

Comprising the whole of the operations and assets of the raw and filtered water supply systems, that services the towns of Balranald and Euston.

b. Balranald Shire Council sewerage service

Comprising the whole of the operations and assets of the sewerage reticulation and treatment systems, that services the towns of Balranald and Euston.

Taxation equivalent charges

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

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

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

Note – Material accounting policy information (continued)

Notional rate applied (%)

Corporate income tax rate – 25%

Land tax – the first \$969,000 of combined land values attracts **0%**. For the combined land values in excess of \$969,000 up to \$5,925,000 the rate is \$100 + **1.6%**. For the remaining combined land value that exceeds \$4,616,000 a premium marginal rate of **2.0%** applies.

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

In accordance with the section 4 of DCCEEW's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

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

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

Income tax

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

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

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

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

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

The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

Note – Material accounting policy information (continued)

Operating result before capital income + interest expense

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

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.16% at 30/6/25.

(iii) Dividends

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

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

Each dividend must be calculated and approved in accordance with the section 4 of DCCEEW's regulatory and assurance framework and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2025 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with section 4 of DCCEEW's regulatory and assurance framework, statement of compliance and statement of dividend payment form and unqualified independent financial audit report are submitted to DCCEEW.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Balranald Shire Council

To the Councillors of Balranald Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Balranald Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2025, the Statement of Financial Position of each Declared Business Activity as at 30 June 2025 and the Material accounting policy information note.

The Declared Business Activities of the Council are:

- Water supply
- Sewerage.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2025, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Material accounting policy information note and the Local Government Code of Accounting Practice and Financial Reporting 2024–25 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

The Council's annual report for the year ended 30 June 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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

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

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

Manuel Moncada

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

31 October 2025
SYDNEY

Balranald Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2025



Special Schedules

for the year ended 30 June 2025

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Balranald Shire Council

Permissible income for general rates

		Calculation 2024/25 \$ '000	Calculation 2025/26 \$ '000
	Notes		
Notional general income calculation ¹			
Last year notional general income yield	a	3,449	3,799
Plus or minus adjustments ²	b	(9)	78
Notional general income	c = a + b	3,440	3,877
Permissible income calculation			
Percentage increase	d	10.00%	4.50%
Plus percentage increase amount ³	f = d x (c + e)	344	175
Sub-total	g = (c + e + f)	3,784	4,052
Plus (or minus) last year's carry forward total	h	14	(2)
Sub-total	j = (h + i)	14	(2)
Total permissible income	k = g + j	3,798	4,050
Less notional general income yield	l	3,799	4,031
Catch-up or (excess) result	m = k - l	(2)	19
Carry forward to next year ⁴	p = m + n + o	(2)	19

Notes

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



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Balranald Shire Council

To the Councillors of Balranald Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Balranald Shire Council (the Council) for the year ending 30 June 2026.

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 2024–25 (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 2025 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2025.

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

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

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



Manuel Moncada

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

31 October 2025
SYDNEY

Balranald Shire Council

Report on infrastructure assets as at 30 June 2025

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			2024/25 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	2024/25 Required maintenance ^a \$ '000	2024/25 Actual maintenance \$ '000	2024/25 Required maintenance ^a \$ '000				1	2	3	4	5
Buildings	Buildings	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Buildings – non-specialised	200	150	475	475	442	442	28,715	50,294	50,294	35.0%	60.0%	5.0%	0.0%	0.0%
	Buildings – specialised	–	–	–	–	–	–	1,300	1,875	1,875	95.0%	0.0%	5.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	200	150	475	475	442	442	30,015	52,169	52,169	37.2%	57.8%	5.0%	0.0%	0.0%
Other structures	Other structures	–	–	80	80	386	386	11,658	14,561	14,561	12.0%	40.0%	40.0%	8.0%	0.0%
	Other	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	–	–	80	80	386	386	11,658	14,561	14,561	12.0%	40.0%	40.0%	8.0%	0.0%
Roads	Roads	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads	2,800	2,800	100	100	401	401	90,218	143,338	143,338	75.0%	5.0%	15.0%	3.0%	2.0%
	Unsealed roads	2,000	2,000	1,215	1,215	4,225	4,225	88,659	129,099	129,099	5.0%	10.0%	50.0%	30.0%	5.0%
	Bridges	–	–	350	350	1,211	1,211	1,313	2,577	2,577	7.0%	0.0%	93.0%	0.0%	0.0%
	Footpaths	20	80	20	20	23	23	2,122	3,644	3,644	0.0%	25.0%	75.0%	0.0%	0.0%
	Other road assets	–	–	194	194	177	177	7,786	15,004	15,004	70.0%	0.0%	30.0%	0.0%	0.0%
	Kerb and channels	–	–	29	29	3	3	2,501	5,117	5,117	30.0%	45.0%	15.0%	10.0%	0.0%
	Other road assets (incl. bulk earth works)	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	4,820	4,880	1,908	1,908	6,040	6,040	191,199	298,779	298,779	42.2%	7.8%	32.3%	14.6%	3.1%
Water supply network	Water supply network	1,000	2,400	672	672	669	669	10,771	20,789	20,789	20.0%	10.0%	50.0%	20.0%	0.0%
	Other	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	1,000	2,400	672	672	669	669	10,771	20,789	20,789	20.0%	10.0%	50.0%	20.0%	0.0%
Sewerage network	Sewerage network	500	1,500	520	520	161	161	11,004	15,567	15,567	7.0%	50.0%	30.0%	13.0%	0.0%
	Other	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	500	1,500	520	520	161	161	11,004	15,567	15,567	7.0%	50.0%	30.0%	13.0%	0.0%
Stormwater drainage	Stormwater drainage	750	150	123	123	25	25	4,878	6,670	6,670	15.0%	80.0%	5.0%	0.0%	0.0%
	Other	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	750	150	123	123	25	25	4,878	6,670	6,670	15.0%	80.0%	5.0%	0.0%	0.0%

Balranald Shire Council

Report on infrastructure assets as at 30 June 2025 (continued)

Asset Class	Asset Category	Estimated cost			2024/25 Actual maintenance	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard \$ '000	to bring to the agreed level of service set by Council \$ '000	2024/25 Required maintenance ^a \$ '000				1	2	3	4	5
Open space / recreational assets	Swimming pools	-	-	-	29	1,252	1,710	10.0%	40.0%	45.0%	5.0%	0.0%
	Other	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	-	-	-	29	1,252	1,710	10.0%	40.0%	45.0%	5.0%	0.0%
Other infrastructure assets	Other	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
	Total – all assets	7,270	9,080	3,778	7,752	260,777	410,245	37.5%	18.3%	29.5%	12.4%	2.3%

(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

Balranald Shire Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (consolidated) *

	Amounts 2025 \$ '000	Indicator 2025	Indicators 2024 2023		Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals ¹	7,935	221.34%	98.01%	19.97%	> 100.00%
Depreciation, amortisation and impairment	3,585				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	7,270	2.76%	2.94%	2.81%	< 2.00%
Net carrying amount of infrastructure assets	263,835				
Asset maintenance ratio					
Actual asset maintenance	7,752	205.19%	180.73%	185.67%	> 100.00%
Required asset maintenance	3,778				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	9,080	2.21%	2.58%	2.76%	
Gross replacement cost	410,245				

(*) 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.

Balranald Shire Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (by fund)						
\$ '000	General fund		Water fund		Sewer fund	
	2025	2024	2025	2024	2025	2024
Buildings and infrastructure renewals ratio						
Asset renewals ¹	238.75%	105.58%	59.02%	0.00%	218.08%	85.89%
Depreciation, amortisation and impairment						> 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard	2.38%	2.63%	9.28%	7.91%	4.54%	4.32%
Net carrying amount of infrastructure assets						< 2.00%
Asset maintenance ratio						
Actual asset maintenance	267.67%	218.82%	99.55%	77.96%	30.96%	37.32%
Required asset maintenance						> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	1.39%	1.70%	11.54%	11.34%	9.64%	8.23%
Gross replacement cost						

(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.