

Bogan Shire Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2025



Bogan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2025



Bogan Shire Council

General Purpose Financial Statements

for the year ended 30 June 2025

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Overview

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

81 Cobar Street
Nyngan NSW 2825

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.bogan.nsw.gov.au.

Bogan 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.

Bogan 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 (2c) of the *Local Government Act 1993* (NSW)

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

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards issued by 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 28 August 2025.



G R J Neill

Mayor

28 August 2025



K J Bright

Councillor

28 August 2025



D A Francis

General Manager

28 August 2025



S A Waterhouse

Responsible Accounting Officer

28 August 2025

Bogan 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			
5,608	Rates and annual charges	B2-1	5,686	5,492
4,624	User charges and fees	B2-2	7,458	9,879
219	Other revenues	B2-3	365	307
11,140	Grants and contributions provided for operating purposes	B2-4	10,462	16,731
1,842	Grants and contributions provided for capital purposes	B2-4	6,984	8,057
1,054	Interest and investment income	B2-5	1,531	1,378
—	Other income	B2-6	293	292
476	Net gain from the disposal of assets	B4-1	288	—
24,963	Total income from continuing operations		33,067	42,136
	Expenses from continuing operations			
10,851	Employee benefits and on-costs	B3-1	9,436	8,256
8,322	Materials and services	B3-2	14,473	16,645
61	Borrowing costs	B3-3	59	64
2,098	Other expenses	B3-5	302	260
—	Net loss from the disposal of assets	B4-1	—	215
21,332	Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		24,270	25,440
3,631	Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		8,797	16,696
4,602	Depreciation, amortisation and impairment of non-financial assets	B3-4	5,832	4,806
(971)	Operating result from continuing operations		2,965	11,890
(971)	Net operating result for the year attributable to Council		2,965	11,890
(2,813)	Net operating result for the year before grants and contributions provided for capital purposes		(4,019)	3,833

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

Bogan Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2025

		Actual 2025 \$ '000	Actual 2024 \$ '000
	Notes		
Net operating result for the year – from Income Statement		2,965	11,890
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	11,483	18,311
Total items which will not be reclassified subsequent to operating result		11,483	18,311
Total other comprehensive income for the year		11,483	18,311
Total comprehensive income for the year attributable to Council		14,448	30,201

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

Bogan Shire Council

Statement of Financial Position

as at 30 June 2025

	Notes	Actual 2025 \$ '000	Actual 2024 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	13,816	16,755
Investments	C1-2	18,800	16,800
Receivables	C1-4	6,803	7,079
Inventories	C1-5	1,207	1,391
Other		69	110
Total current assets		40,695	42,135
Non-current assets			
Receivables	C1-4	521	558
Infrastructure, property, plant and equipment (IPPE)	C1-6	323,155	307,625
Investments accounted for using the equity method	D2-1	109	102
Total non-current assets		323,785	308,285
Total assets		364,480	350,420
LIABILITIES			
Current liabilities			
Payables	C3-1	1,708	1,743
Contract liabilities	C3-2	4,869	5,221
Borrowings	C3-3	130	128
Employee benefit provisions	C3-4	2,157	2,028
Total current liabilities		8,864	9,120
Non-current liabilities			
Borrowings	C3-3	1,675	1,807
Total non-current liabilities		1,675	1,807
Total liabilities		10,539	10,927
Net assets		353,941	339,493
EQUITY			
Accumulated surplus	C4-1	210,816	207,851
IPPE revaluation surplus	C4-1	143,125	131,642
Council equity interest		353,941	339,493
Total equity		353,941	339,493

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

Bogan Shire Council

Statement of Changes in Equity

for the year ended 30 June 2025

	Notes	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		207,851	131,642	339,493	195,961	113,331	309,292
Net operating result for the year		2,965	–	2,965	11,890	–	11,890
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	11,483	11,483	–	18,311	18,311
Other comprehensive income		–	11,483	11,483	–	18,311	18,311
Total comprehensive income		2,965	11,483	14,448	11,890	18,311	30,201
Closing balance at 30 June		210,816	143,125	353,941	207,851	131,642	339,493

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

Bogan Shire Council

Statement of Cash Flows

for the year ended 30 June 2025

<i>Original unaudited budget 2025 \$ '000</i>			<i>Actual 2025 \$ '000</i>	<i>Actual 2024 \$ '000</i>
		Notes		
Cash flows from operating activities				
Receipts:				
5,853	Rates and annual charges		5,975	5,681
7,937	User charges and fees		8,381	14,142
1,556	Interest received		1,490	1,308
9,510	Grants and contributions		16,965	29,239
–	Bonds, deposits and retentions received		24	378
1,714	Other		2,208	1,950
Payments:				
(11,585)	Payments to employees		(9,276)	(8,312)
(15,457)	Payments for materials and services		(16,662)	(22,779)
(84)	Borrowing costs		(60)	(66)
(19)	Bonds, deposits and retentions refunded		(12)	(379)
(203)	Other		(251)	(280)
(778)	Net cash flows from operating activities	G1-1	8,782	20,882
Cash flows from investing activities				
Receipts:				
–	Redemption of term deposits		8,800	10,800
476	Proceeds from sale of IPPE		651	576
Payments:				
16,800	Acquisition of term deposits		(10,800)	(14,800)
–	Payments for IPPE		(10,242)	(11,135)
17,276	Net cash flows from investing activities		(11,591)	(14,559)
Cash flows from financing activities				
Payments:				
(1,935)	Repayment of borrowings		(130)	(127)
(1,935)	Net cash flows from financing activities		(130)	(127)
14,563	Net change in cash and cash equivalents		(2,939)	6,196
–	Cash and cash equivalents at beginning of year		16,755	10,559
14,563	Cash and cash equivalents at end of year	C1-1	13,816	16,755
16,800	plus: Investments on hand at end of year	C1-2	18,800	16,800
31,363	Total cash, cash equivalents and investments		32,616	33,555

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

Bogan 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 Bogan Shire Council on 28 August 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 material accounting policy information related to these consolidated financial statements are set out below. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

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

Historical cost convention

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

Significant accounting estimates and judgements

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

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

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.

The Consolidated Fund has been included in the financial statements of the Council.

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

- General purpose operations
- Water service
- Sewerage service

Volunteer services

Council has volunteers at the Nyngan Museum and the Villages of Coolabah, Girilambone and Hermidale. If this service was not donated then Council would not provide it.

A1-1 Basis of preparation (continued)

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

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2025.

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.**

Based on analysis of existing fair value methodology, the new standard will not have significant impact on the Councils' reported financial position.

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Noncurrent
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Noncurrent – Deferral of Effective Date
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

Based on analysis of existing loans and financial liabilities, these new standards are unlikely to have a significant impact on Council's reported financial position.

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.

	<i>Income</i>		<i>Expenses</i>		<i>Operating result</i>		<i>Grants and contributions</i>		<i>Carrying amount of assets</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Functions or activities										
Civic Leadership – Leadership, Advocacy & Governance	–	–	906	727	(906)	(727)	–	–	–	–
Civic Leadership – Managing Our Business	7,654	8,336	2,016	1,593	5,638	6,743	2,883	4,068	34,457	37,393
Economic – Local Industries & Business	70	86	86	78	(16)	8	69	86	605	469
Economic – Public Transport & Air Services	2	2	120	82	(118)	(80)	–	–	511	345
Economic – Tourism	19	18	156	132	(137)	(114)	–	128	–	–
Environmental – Built Environment	468	1,675	2,290	2,025	(1,822)	(350)	339	15	3,827	4,115
Environmental – Health, Safety & Regulation	319	317	781	512	(462)	(195)	294	288	35	38
Environmental – Natural Environment	83	79	321	251	(238)	(172)	78	106	–	–
Environmental – Waste & Recycling	1,159	1,276	1,053	1,060	106	216	–	157	688	575
Infrastructure – Sewer	670	1,349	874	888	(204)	461	–	641	16,744	13,686
Infrastructure – Transport Networks	12,783	19,565	11,886	13,834	897	5,731	8,224	12,820	213,671	212,098
Infrastructure – Water	4,378	3,919	3,103	3,211	1,275	708	1,898	1,460	57,748	51,926
Social – Community Centres	1,539	2,389	1,552	1,495	(13)	894	1,439	2,884	28,247	22,791
Social – Education	–	–	2	2	(2)	(2)	–	–	–	–
Social – Emergency Services	187	231	354	379	(167)	(148)	187	143	1,404	961
Social – Inclusive Communities	2,411	1,694	2,176	1,941	235	(247)	1,917	1,736	3,257	2,944
Social – Public Health	1,279	1,198	2,063	1,820	(784)	(622)	77	118	3,103	2,878
Social – Social & Cultural	46	2	363	216	(317)	(214)	41	138	183	201
Total functions and activities	33,067	42,136	30,102	30,246	2,965	11,890	17,446	24,788	364,480	350,420

B1-2 Components of functions or activities

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

Social - Social & Cultural

Council function includes not-for-profit community functions where Council assists community organisations to achieve their outcomes. This function also includes Councils community and social development role that helps to apply for Grants for Council and to assist with strategic direction.

Social - Community Centres

Council function includes community facilities maintained by Council such as Parks & Gardens, Sport & Recreation Facilities, Cemetery, Swimming Pool, Library as well as Halls, Museum & Historic Buildings.

Social - Inclusive Communities

Council function supports children, the elderly and people with disabilities. This includes Councils Bogan Bush Mobile Service, Early Learning Centre, Youth Services and Seniors Living.

Social - Education

Council function that supports our local schools with providing access to education at all levels.

Social - Public Health

Council function aims to ensure our community has access to medical services, facilities and programs to enhance and protect health in the community. This includes our Council run Medical Centre as well as support to other health practitioners within the town.

Social - Emergency Services

Council function that supports our fire, police and ambulance services to provide effective and efficient services to the community. This includes administrative support to the District Rural Fire Service as well as hazard reduction programs done in conjunction with the RFS and support to other emergency services.

Infrastructure - Transport Networks

Council function to construct and maintain the Bogan Shire transport network to enable safe and efficient travel and freight throughout the Shire. Council has a large fleet of plant and equipment used primarily to carry out its own roadworks as well as contract work to the Shires highways on behalf of the Roads & Maritime Services. Council maintains its own plant and equipment and uses the plan system to fund this function.

Infrastructure - Water

Council has access to a safe and secure water supply that provides the community with a reliable, safe and cost effective water service to the Nyngan township as well as a raw water supply to Councils villages.

Infrastructure - Sewer

Council has access to a safe and reliable sewerage service.

Environmental - Built Environment

This Council function includes development and building control through respectful planning processes and facilitation of development in line with statutory requirements as well as the building and maintenance of Council owned buildings.

Environmental - Waste & Recycling

Council function that aims to ensure our waste stream is effectively managed. This includes activities such as waste collection, waste recycling and Councils waste disposal facility.

B1-2 Components of functions or activities (continued)

Environmental - Natural Environment

Council function that aims to ensure open space areas are protected and managed to preserve their valued use and biodiversity while minimising the impact of pollution and weeds on the environment. Council has a noxious weeds program that assists to achieve this outcome.

Environmental - Health, Safety & Regulation

This Council function helps to meet compliance and regulatory obligations concerning public health. Activities include environmental administration function, storm water & drainage as well as animal control and other compliance management.

Economic - Local Industries & Business

Council aims to assist local industries and businesses including Tourism to support them to grow and prosper including Councils villages.

Economic - Tourism

Council function aims to ensure Bogan Shire is regarded as a welcoming and attractive place for people to live and visit, producing services, cultural experiences and recreational opportunities. Activities include the Council run visitor information centre.

Economic - Public Transport & Air Services

Council function that aims to ensure Bogan Shire has reliable, cost effective and regular public transport to and from our town. Council does provide and maintain an aerodrome to enable air services to access Nyngan.

Civic Leadership - Leadership, Advocacy & Governance

Council function that aims to achieve open, transparent and effective local government. The activities include Elected Members and the General Manager functions.

Civic Leadership - Managing Our Business

This function of Council aims to achieve effective and responsive management of Councils resources to deliver all goals and strategies. Activities include Corporate Services, Rates, Finance, Information Technology, Records, Customer Service, People & Culture, Human Resources and Occupational Health and Safety.

Civic Leadership - Disaster Management

Council function to ensure Council has the ability to plan, arrange and implement measures for the prevention of, preparation for, response to and recovery from emergencies. An activity of the function is to maintain Council's Levee Bank to prevent future flooding.

B2 Sources of income

B2-1 Rates and annual charges

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
Ordinary rates		
Residential	372	355
Farmland	2,028	1,940
Mining	703	673
Business	287	278
Less: pensioner rebates (mandatory)	(7)	(7)
Less: pensioner rebates (Council policy)	(6)	(6)
Rates levied to ratepayers	3,377	3,233
Pensioner rate subsidies received	7	7
Total ordinary rates	3,384	3,240
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	840	836
Water supply services	944	913
Sewerage services	401	390
Waste management services (non-domestic)	143	141
Less: pensioner rebates (mandatory)	(34)	(34)
Less: pensioner rebates (Council policy)	(27)	(28)
Annual charges levied	2,267	2,218
Pensioner annual charges subsidies received:		
– Water	9	9
– Sewerage	8	7
– Domestic waste management	18	18
Total annual charges	2,302	2,252
Total rates and annual charges	5,686	5,492

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

		2025 Actual \$ '000	2024 Actual \$ '000
	Timing		
Specific user charges (per s502 - specific 'actual use' charges)			
Water supply services	1	1,418	1,430
Sewerage services	1	179	163
Total specific user charges		1,597	1,593
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Inspection services	2	5	4
Planning and building regulation	2	35	49
Private works – section 67	2	324	481
Regulatory/ statutory fees	2	2	6
Regulatory fees	2	2	3
Section 10.7 certificates (EP&A Act)	2	14	16
Section 603 certificates	2	7	8
Total fees and charges – statutory/regulatory		389	567
(ii) Fees and charges – other (incl. general user charges (per s608))			
Aerodrome	2	2	2
Cemeteries	2	36	36
Child care	2	351	256
Community centres	2	2	2
Library and art gallery	2	2	4
Medical centre	2	1,120	999
Museum	2	9	9
Waste disposal tipping fees	2	101	66
Park rents	2	1	1
Reimbursements	2	68	136
Transport for NSW works (state roads not controlled by Council)	2	3,775	6,203
Sundry sales	2	1	3
Water connection fees	2	4	2
Total fees and charges – other		5,472	7,719
Total other user charges and fees		5,861	8,286
Total user charges and fees		7,458	9,879
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		1,597	1,593
User charges and fees recognised at a point in time (2)		5,861	8,286
Total user charges and fees		7,458	9,879

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, the customer is required to pay on arrival or in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as membership fees 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 the term of the licence.

B2-3 Other revenues

		2025	2024
		Actual	Actual
	<i>Timing</i>	\$ '000	\$ '000
Legal fees recovery – rates and charges (extra charges)	2	29	54
Carbon Bank Energy Rebate	2	2	–
Diesel rebate	2	112	118
Recycling income (non-domestic)	2	1	–
Insurance claims recoveries	2	120	43
Sales – general	2	10	9
Insurance policy rebate	2	56	49
Other (Procurement rebate)	2	1	1
Sales – scrap metal	2	25	27
Other	2	9	6
Total other revenue		365	307
Timing of revenue recognition for other revenue			
Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		365	307
Total other revenue		365	307

Material accounting policy information for other revenue

Where the revenue is earned the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the 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 Actual \$ '000	Operating 2024 Actual \$ '000	Capital 2025 Actual \$ '000	Capital 2024 Actual \$ '000
	<i>Timing</i>				
General purpose grants and non-developer contributions (untied)					
Current year allocation					
Financial assistance – general component	2	648	314	–	–
Financial assistance – local roads component	2	294	73	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	2,213	3,586	–	–
Financial assistance – local roads component	2	1,001	1,612	–	–
Amount recognised as income during current year		4,156	5,585	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Bushfire and emergency services	2	208	143	–	–
Water supplies	2	72	374	1,824	1,084
Sewerage services	2	–	–	–	640
Child care	2	1,400	997	39	–
Community centres	1	–	–	69	86
Heritage and cultural	2	11	–	15	–
Environmental programs	2	2	163	–	–
Library	1	70	71	466	6
Noxious weeds	2	75	76	–	–
Recreation and culture	1	42	176	944	2,070
Street lighting	2	17	17	–	–
Storm/flood damage	1	1,914	2,533	–	–
Transport (other roads and bridges funding)	2	–	4,129	2,898	2,184
Waste & Resource Management Facility	1	–	–	–	158
Medical centre	1	77	118	–	–
Youth services	2	35	45	435	223
Wage subsidy apprentices	2	24	33	–	–
Other (Flood Emergency AGRN1025)	1	–	–	294	288
Other (Water Tower Art)	1	127	–	–	–
Other (Bogan Shire Youth & Community Centre)	1	–	–	–	1,316
Transport (roads to recovery)	2	1,185	1,249	–	–
Other specific grants	2	12	–	–	–
Previously contributions:					
Roads and bridges	1	–	–	–	2
Transport for NSW contributions (regional roads, block grant)	2	1,024	1,007	–	–
Total special purpose grants and non-developer contributions (tied)		6,295	11,131	6,984	8,057
Total grants and non-developer contributions		10,451	16,716	6,984	8,057
Comprising:					
– Commonwealth funding		6,508	7,889	855	1,225
– State funding		3,919	8,794	6,129	6,832
– Other funding		24	33	–	–
		10,451	16,716	6,984	8,057

B2-4 Grants and contributions (continued)

Developer contributions

			Operating 2025 Actual \$ '000	Operating 2024 Actual \$ '000	Capital 2025 Actual \$ '000	Capital 2024 Actual \$ '000
	Notes	Timing				
Developer contributions:						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
	G4					
Cash contributions						
S 7.12 – fixed development consent levies		2	11	15	–	–
Total developer contributions			11	15	–	–
Total contributions			11	15	–	–
Total grants and contributions			10,462	16,731	6,984	8,057
Timing of revenue recognition						
Grants and contributions recognised over time (1)			2,291	2,872	1,761	4,143
Grants and contributions recognised at a point in time (2)			8,171	13,859	5,223	3,914
Total grants and contributions			10,462	16,731	6,984	8,057

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

	Operating 2025 Actual \$ '000	Operating 2024 Actual \$ '000	Capital 2025 Actual \$ '000	Capital 2024 Actual \$ '000
Unspent grants and contributions				
Unspent funds at 1 July	7,639	4,882	—	—
Add: Funds received and not recognised as revenue in the current year	348	4,624	—	—
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(2,064)	(1,867)	—	—
Unspent funds at 30 June	5,923	7,639	—	—

Roads to Recovery Grant \$244K Planning Portal \$54K , Resources for Regions 9 Programs \$645K, Regional & Local Roads Repair Program \$4.916M, Strong Start Cadetship \$23K, Museums & Galleries signage Grant \$1K, Community War Memorials Fund \$10K, NSW Premiers Dept - Garden Beds \$1K

Council's unspent Capital grants are included in Contract Liabilities and restricted internally

B2-4 Grants and contributions (continued)

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 Transport for NSW Ordered Works, Local Roads and Community Infrastructure and Fixing Local Roads. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

Capital grants

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

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

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

Developer contributions

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

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

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

Other grants and contributions

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

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

B2-5 Interest and investment income

	2025 Actual \$ '000	2024 Actual \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	54	51
– Overdue user fees and charges	10	9
– Cash and investments	1,462	1,312
– Other	5	6
Total interest and investment income (losses)	1,531	1,378
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	31	29
General Council cash and investments	1,279	1,076
Restricted investments/funds – external:		
Water fund operations	120	113
Sewerage fund operations	91	150
Domestic waste management operations	10	10
Total interest and investment income	1,531	1,378

B2-6 Other income

	Notes	2025 Actual \$ '000	2024 Actual \$ '000
Rental income			
Other lease income			
Room/Facility Hire		97	87
Leaseback fees - council vehicles		15	14
Other		174	177
Total other lease income		286	278
Total rental income	C2-2	286	278
Net share of interests in joint ventures and associates using the equity method			
Joint ventures		7	14
Total net share of interests in joint ventures and associates using the equity method	D2-1	7	14
Total other income		293	292

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
Salaries and wages	7,200	6,630
Employee leave entitlements (ELE)	1,700	1,262
ELE on-costs	14	(16)
Superannuation	936	822
Workers' compensation insurance	275	208
Fringe benefit tax (FBT)	71	57
Total employee costs	10,196	8,963
Less: capitalised costs	(760)	(707)
Total employee costs expensed	9,436	8,256
Number of 'full-time equivalent' employees (FTE) at year end	104	101

Material accounting policy information

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.

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 Active Super, 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	2024
		Actual	Actual
	Notes	\$ '000	\$ '000
Raw materials and consumables		8,076	10,901
Contractor costs		13,863	16,931
Audit Fees	F2-1	92	68
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	175	170
Advertising		19	26
Bank charges		17	15
Cleaning		16	8
Computer software charges		407	290
Election expenses		55	–
Electricity and heating		259	235
Fire control expenses		129	156
Insurance		787	712
Office expenses (including computer expenses)		39	39
Postage		26	20
Printing and stationery		32	33
Street lighting		75	94
Subscriptions and publications		76	64
Telephone and communications		57	91
Tourism expenses (excluding employee costs)		23	17
Valuation fees		87	19
Travel expenses		54	29
Training costs (other than salaries and wages)		127	103
Other expenses		18	16
Legal expenses:			
– Legal expenses: debt recovery		28	48
– Legal expenses: other		13	13
Expenses from short-term leases		15	15
Expenses from leases of low value assets		4	4
Expenses from Peppercorn leases		12	11
Total materials and services		24,581	30,128
Less: capitalised costs		(10,108)	(13,483)
Total materials and services		14,473	16,645

B3-3 Borrowing costs

	2025 Actual \$ '000	2024 Actual \$ '000
Interest bearing liability costs		
Interest on loans	59	64
Total interest bearing liability costs	59	64
Total borrowing costs expensed	59	64

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

	Notes	2025 \$ '000	2024 \$ '000
Depreciation and amortisation			
Plant and equipment		1,080	936
Office equipment		85	76
Furniture and fittings		16	24
Infrastructure:			
	C1-6		
– Buildings – non-specialised		389	320
– Buildings – specialised		490	498
– Other structures		386	122
– Roads		1,732	1,732
– Bridges		160	154
– Footpaths		100	61
– Stormwater drainage		223	4
– Water supply network		888	628
– Sewerage network		283	251
Total depreciation and amortisation costs		5,832	4,806
Total depreciation, amortisation and impairment for non-financial assets		5,832	4,806

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.

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 Actual \$ '000	2024 Actual \$ '000
Impairment of receivables			
Rates and annual charges		20	—
Total impairment of receivables	C1-4	20	—
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		216	221
Donations, contributions and assistance to other organisations (Section 356)		66	39
Total other expenses		302	260

B4 Gains or losses

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

		2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
	Notes		
Gain (or loss) on disposal of property (excl. investment property)			
Less: carrying amount of property assets sold/written off		(47)	(221)
Gain (or loss) on disposal		(47)	(221)
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		625	536
Less: carrying amount of plant and equipment assets sold/written off		(300)	(350)
Gain (or loss) on disposal		325	186
Gain (or loss) on disposal of infrastructure	C1-6		
Less: carrying amount of infrastructure assets sold/written off		–	(198)
Gain (or loss) on disposal		–	(198)
Gain (or loss) on disposal of term deposits	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		8,800	10,800
Less: carrying amount of term deposits sold/redeemed/matured		(8,800)	(10,800)
Gain (or loss) on disposal		–	–
Other (Operational Land)			
Proceeds from disposal – Other (Operational Land)		26	40
Less: carrying amount of Other (Operational Land) assets sold/written off		(16)	(22)
Gain (or loss) on disposal		10	18
Net gain (or loss) from disposal of assets		288	(215)

Material accounting policy information

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

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 27 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	5,608	5,686	78	1% F
User charges and fees	4,624	7,458	2,834	61% F
Council received additional funding from the TfNSW contract and ordered works than what was originally budgeted.				
Other revenues	219	365	146	67% F
Council received additional income to what was originally budgeted.				
Operating grants and contributions	11,140	10,462	(678)	(6)% U
Council received less Financial Assistance Grant in advance which affected the actuals compared to budget.				
Capital grants and contributions	1,842	6,984	5,142	279% F
Council included funds in actuals for Grant projects that were budgeted in prior years and restricted as contract liabilities.				
Interest and investment revenue	1,054	1,531	477	45% F
Council received more interest than budgeted as interest rates stayed favourable and were budgeted conservatively.				
Net gains from disposal of assets	476	288	(188)	(39)% U
Council did not originally budget for gains on disposal of assets.				
Other income	—	293	293	∞ F
Income budgeted in User Fees and Charges in original budget.				

B5-1 Material budget variations (continued)

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
Expenses				
Employee benefits and on-costs	10,851	9,436	1,415	13% F
Council expended more funds on wages when doing works in contract liabilities that were included in previous budgets.				
Materials and services	8,322	14,473	(6,151)	(74)% U
Council has expended funds on materials on projects that had previously been budgeted in earlier years and come back in as contract liabilities.				
Borrowing costs	61	59	2	3% F
Depreciation, amortisation and impairment of non-financial assets	4,602	5,832	(1,230)	(27)% U
Council had a full revaluation of all assets categories and depreciation has increased.				
Other expenses	2,098	302	1,796	86% F
Council originally budgeted for a higher amount in other expenses which was not expended.				
Statement of cash flows				
Cash flows from operating activities	(778)	8,782	9,560	(1,229)% F
Additional operating cash flows due to extra income from the TfNSW Contract and ordered works as well as additional grant funding provided throughout 2025.				
Cash flows from investing activities	17,276	(11,591)	(28,867)	(167)% U
Additional investing cash flows are due to additional funding received allowing Council to invest more funds.				
Cash flows from financing activities	(1,935)	(130)	1,805	(93)% F
Budget account for the capital portion of loan repayments and not just interest caused this variation to the budget.				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2025	2024
	Actual	Actual
	\$ '000	\$ '000
Cash assets		
Cash on hand and at bank	82	101
Cash equivalent assets		
– Deposits at call	13,734	16,654
Total cash and cash equivalents	13,816	16,755

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	13,816	16,755
Balance as per the Statement of Cash Flows	13,816	16,755

C1-2 Financial investments

	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Debt securities at amortised cost				
Long term deposits	18,800	—	16,800	—
Total	18,800	—	16,800	—
Total financial investments	18,800	—	16,800	—
Total cash assets, cash equivalents and investments	32,616	—	33,555	—

Material accounting policy information

Financial assets

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

Amortised cost

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

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

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

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

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	32,616	33,555
Less: Externally restricted cash, cash equivalents and investments	(12,943)	(12,226)
Cash, cash equivalents and investments not subject to external restrictions	19,673	21,329
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	26	15
Specific purpose unexpended grants (recognised as revenue) – general fund	5,923	7,639
Water fund	4,735	2,511
Sewer fund	2,093	2,003
Domestic waste management	166	58
External restrictions – other	12,943	12,226
Total external restrictions	12,943	12,226

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 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
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(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions

19,673	21,329
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Less: Internally restricted cash, cash equivalents and investments

(10,913)	(15,255)
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Unrestricted and unallocated cash, cash equivalents and investments

8,760	6,074
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Internal allocations

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

Plant and vehicle replacement	3,211	3,163
Employees leave entitlement	539	507
Carry over works	2,416	4,392
Demolition fund	100	100
Lawlor Street	129	129
FAG grant in advance	3,214	5,197
Museum	12	14
Other (capital building projects)	75	138
Roads and ancillary services	965	1,373
Village amenities	131	121
Waste facility	121	121
Total internal allocations	10,913	15,255

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

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
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(c) Unrestricted and unallocated

Unrestricted and unallocated cash, cash equivalents and investments	8,760	6,074
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C1-4 Receivables

	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Rates and annual charges	210	127	413	178
Interest and extra charges	–	188	–	211
User charges and fees	1,475	166	2,092	113
Contributions to works	1,084	–	819	–
Accrued revenues				
– Interest on investments	348	–	284	–
Government grants and subsidies	3,447	–	3,098	–
Net ATO receivable	269	–	379	–
Other debtors	16	77	21	93
Total	6,849	558	7,106	595
Less: provision for impairment				
Rates and annual charges	(46)	–	(27)	–
Interest and extra charges	–	(37)	–	(37)
Total provision for impairment – receivables	(46)	(37)	(27)	(37)
Total net receivables	6,803	521	7,079	558

C1-4 Receivables (continued)

	2025	2024
	Actual	Actual
	\$ '000	\$ '000
Movement in provision for impairment of receivables		
Balance at the beginning of the year	64	64
+ new provisions recognised during the year	20	—
– amounts already provided for and written off this year	(1)	—
Balance at the end of the year	83	64

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 estimating ECL, 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.

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

When considering the ECL for rates and annual charges 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.

Credit losses are measured at 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.

Council writes off a 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 debt is written off by a resolution of Council.

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

Where 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.

C1-5 Inventories

	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Inventories at cost				
Stores and materials	1,207	–	1,391	–
Total inventories at cost	1,207	–	1,391	–
Total inventories	1,207	–	1,391	–

Externally restricted assets

There are no restrictions applicable to the above assets.

Material accounting policy information

Raw materials and stores, work in progress and finished goods

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

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2024			Asset movements during the reporting period							At 30 June 2025		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	1,667	—	1,667	619	588	—	—	(667)	—	—	2,207	—	2,207
Plant and equipment	12,432	(5,266)	7,166	1,337	13	(300)	(1,080)	—	—	—	12,655	(5,519)	7,136
Office equipment	902	(675)	227	98	67	—	(85)	—	—	—	1,001	(694)	307
Furniture and fittings	322	(205)	117	158	38	—	(16)	—	—	—	518	(221)	297
Land:													
– Operational land	289	—	289	—	—	(16)	—	—	—	33	306	—	306
– Community land	2,252	—	2,252	—	—	—	—	—	—	581	2,833	—	2,833
– Crown land	1,170	—	1,170	—	—	—	—	—	—	769	1,939	—	1,939
Infrastructure:													
– Other structures	8,008	(2,461)	5,547	63	937	—	(386)	78	—	2,244	14,331	(5,848)	8,483
– Buildings – specialised	30,536	(16,114)	14,422	98	38	(47)	(490)	69	—	2,147	31,602	(15,365)	16,237
– Buildings – non-specialised	19,516	(5,433)	14,083	58	421	—	(389)	—	—	1,223	20,505	(5,109)	15,396
– Roads	122,307	(41,188)	81,119	2,244	1,002	—	(1,732)	194	—	—	125,747	(42,920)	82,827
– Bridges	21,358	(9,326)	12,032	—	—	—	(160)	—	(723)	—	18,586	(7,437)	11,149
– Footpaths	5,936	(2,920)	3,016	—	85	—	(100)	—	(812)	—	4,976	(2,787)	2,189
– Bulk earthworks (non-depreciable)	94,767	—	94,767	—	—	—	—	—	—	2,398	97,165	—	97,165
– Stormwater drainage	10,418	(221)	10,197	69	—	—	(223)	—	(1,762)	—	17,131	(8,850)	8,281
– Water supply network	64,260	(16,182)	48,078	313	1,955	—	(888)	300	—	2,157	72,146	(20,231)	51,915
– Sewerage network	22,165	(10,689)	11,476	41	—	—	(283)	26	—	3,228	24,208	(9,720)	14,488
Other assets:													
– Other	154	(154)	—	—	—	—	—	—	—	—	154	(154)	—
Total infrastructure, property, plant and equipment	418,459	(110,834)	307,625	5,098	5,144	(363)	(5,832)	—	(3,297)	14,780	448,010	(124,855)	323,155

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

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

	At 1 July 2023			Asset movements during the reporting period							At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
By aggregated asset class	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	10,508	–	10,508	347	313	–	–	(9,501)	–	–	1,667	–	1,667
Plant and equipment	11,542	(4,898)	6,644	1,075	720	(337)	(936)	–	–	–	12,432	(5,266)	7,166
Office equipment	895	(642)	253	63	–	(13)	(76)	–	–	–	902	(675)	227
Furniture and fittings	295	(180)	115	10	16	–	(24)	–	–	–	322	(205)	117
Land:													
– Operational land	295	–	295	–	–	(22)	–	–	16	–	289	–	289
– Community land	2,268	–	2,268	–	–	–	–	–	(16)	–	2,252	–	2,252
– Crown land	1,170	–	1,170	–	–	–	–	–	–	–	1,170	–	1,170
Infrastructure:													
– Other structures	6,874	(2,276)	4,598	212	410	–	(122)	34	–	415	8,008	(2,461)	5,547
– Buildings – specialised	26,919	(15,266)	11,653	628	939	(221)	(498)	402	–	1,519	30,536	(16,114)	14,422
– Buildings – non-specialised	17,467	(5,029)	12,438	53	626	–	(320)	157	–	1,129	19,516	(5,433)	14,083
– Roads	112,161	(39,089)	73,072	2,971	281	(12)	(1,732)	884	–	5,655	122,307	(41,188)	81,119
– Bridges	20,269	(8,850)	11,419	–	–	–	(154)	–	–	767	21,358	(9,326)	12,032
– Footpaths	5,004	(2,771)	2,233	719	118	(186)	(61)	12	–	181	5,936	(2,920)	3,016
– Bulk earthworks (non-depreciable)	89,938	–	89,938	–	–	–	–	–	–	4,829	94,767	–	94,767
– Stormwater drainage	9,878	(209)	9,669	–	9	–	(4)	–	–	523	10,418	(221)	10,197
– Water supply network	52,808	(15,401)	37,407	482	282	–	(628)	8,012	–	2,523	64,260	(16,182)	48,078
– Sewerage network	20,417	(10,173)	10,244	713	–	–	(251)	–	–	770	22,165	(10,689)	11,476
Other assets:													
– Other	154	(154)	–	–	–	–	–	–	–	–	154	(154)	–
Total infrastructure, property, plant and equipment	388,862	(104,938)	283,924	7,273	3,714	(791)	(4,806)	–	–	18,311	418,459	(110,834)	307,625

(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

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

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

Useful lives of IPPE

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:

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

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	20 to 40
Office furniture	10 to 20	Benches, seats etc.	20 to 40
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 10	Buildings: masonry	40 to 70
Other plant and equipment	5 to 15	Buildings: other	40 to 70
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Pump Stations	16 to 80
Bores	20 to 40	Signs	35
Reticulation pipes: PVC	70 to 80		
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface & shoulder	20 to 30	Swimming pools	40-70
Sealed roads: pavement	100	Other open space/recreational assets	40-70
Unsealed roads	100	Other infrastructure	40-70
Bridge: deck & rail	80		
Bridge: super & substructure	160		
Kerb & Gutter	75		
Footpaths & walkways	60 to 80		
Culverts	85		
Floodways	15 to 20		

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

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 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).

Increases in the carrying amounts arising on revaluation are credited to the IPPE revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as

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

profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Land under roads

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

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

Crown reserves

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

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to Note C2.

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

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land and buildings, vehicles, machinery and IT equipment.

(a) Income Statement

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

	2025 Actual \$ '000	2024 Actual \$ '000
Expenses relating to short-term leases	15	15
Expenses relating to leases of low-value assets	4	4
Expenses relating to Peppercorn leases	12	11
	31	30

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

Council has a number of leases at significantly below market for land which are used for:

- carparking
- visitor centre/museum
- community halls
- community land
- shared pathway
- water storage facilities

The leases are generally between 1 and 70 years and require payments of a maximum amount of \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a Statement of Financial Position or performance perspective.

Material accounting policy information

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

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

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.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the Statement of Financial Position as:

– property, plant and equipment – where the rental is incidental, or the asset is held to meet Councils service delivery objective (refer note C1-6).

	2025	2024
	Actual	Actual
	\$ '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

Council provides operating leases on Council buildings for the purpose of meeting their service requirements for Medical Services in the Bogan Shire or employee accommodation, the table below relates to operating leases on assets disclosed in C1-6.

Lease income (excluding variable lease payments not dependent on an index or rate)	286	278
Total income relating to operating leases for Council assets	286	278

(ii) Maturity analysis of contractual lease income

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

< 1 year	115	113
1–2 years	59	61
2–3 years	37	38
3–4 years	32	34
Total undiscounted lease payments to be received	243	246

C3 Liabilities of Council

C3-1 Payables

	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	Actual		Actual	
	\$ '000	\$ '000	\$ '000	\$ '000
Goods and services – operating expenditure	984	–	1,127	–
Goods and services – capital expenditure	40	–	40	–
Accrued expenses:				
– Borrowings	22	–	23	–
– Salaries and wages	281	–	219	–
Security bonds, deposits and retentions	31	–	19	–
Prepaid rates	350	–	315	–
Total payables	1,708	–	1,743	–

Payables

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

C3-2 Contract Liabilities

		2025 Current Actual \$ '000	2025 Non-current Actual \$ '000	2024 Current Actual \$ '000	2024 Non-current Actual \$ '000
	Notes				
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	4,869	–	5,221	–
Total grants received in advance		4,869	–	5,221	–
Total contract liabilities		4,869	–	5,221	–

Notes

(i) Council has received funding to construct assets including a Residential Subdivision, various road upgrades 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.

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

	2025 Actual \$ '000	2024 Actual \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	2,943	3,469
User fees and charges received in advance:		
Transport for NSW works	–	–
Total revenue recognised that was included in the contract liability balance at the beginning of the period	2,943	3,469

Significant changes in contract liabilities

Council has expended some of the Grant Funding received in advance for Capital Projects in 2023/2024 however significant funds still remain that have been recognised as Contract Liabilities in 2024/2025.

Material accounting policy information

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

C3-3 Borrowings

	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Loans – secured ¹	130	1,675	128	1,807
Total borrowings	130	1,675	128	1,807

(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.

C3-3 Borrowings (continued)

Borrowings relating to restricted assets

	2025 Current Actual \$ '000	2025 Non-current Actual \$ '000	2024 Current Actual \$ '000	2024 Non-current Actual \$ '000
Total borrowings relating to unrestricted assets	130	1,675	128	1,807
Total borrowings	130	1,675	128	1,807

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

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

(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	Closing balance \$ '000
Loans – secured	1,935	(130)	–	–	–	1,805
Total liabilities from financing activities	1,935	(130)	–	–	–	1,805

	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	Closing balance \$ '000
Loans – secured	2,062	(127)	–	–	–	1,935
Total liabilities from financing activities	2,062	(127)	–	–	–	1,935

C3-3 Borrowings (continued)

(b) Financing arrangements

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Credit cards/purchase cards	45	45
Total financing arrangements	45	45
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	12	13
Total drawn financing arrangements	12	13
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Credit cards/purchase cards	33	32
Total undrawn financing arrangements	33	32

Breaches and defaults

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

C3-4 Employee benefit provisions

	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
Annual leave	1,109	–	1,103	–
Long service leave	995	–	889	–
Other leave	53	–	36	–
Total employee benefit provisions	2,157	–	2,028	–

Employee benefit provisions relating to restricted assets

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

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

	2025	2024
	Actual	Actual
	\$ '000	\$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	1,248	1,267
	1,248	1,267

Material accounting policy information

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Other long-term employee benefit obligations

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

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation Surplus

The infrastructure, property, plant and equipment (IPPE) revaluation surplus 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	4,369	929	388
User charges and fees	5,862	1,418	178
Interest and investment revenue	1,320	120	91
Other revenues	355	5	5
Grants and contributions provided for operating purposes	10,383	71	8
Grants and contributions provided for capital purposes	5,148	1,836	—
Net gains from disposal of assets	288	—	—
Other income	293	—	—
Total income from continuing operations	28,018	4,379	670
Expenses from continuing operations			
Employee benefits and on-costs	8,901	412	123
Materials and services	12,205	1,803	465
Borrowing costs	59	—	—
Other expenses	298	—	4
Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	21,463	2,215	592
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	6,555	2,164	78
Depreciation, amortisation and impairment of non-financial assets	4,661	888	283
Operating result from continuing operations	1,894	1,276	(205)
Net operating result for the year	1,894	1,276	(205)
Net operating result attributable to each council fund	1,894	1,276	(205)
Net operating result for the year before grants and contributions provided for capital purposes	(3,254)	(560)	(205)

D1-2 Statement of Financial Position by fund

	General 2025 \$ '000	Water 2025 \$ '000	Sewer 2025 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	6,988	4,735	2,093
Investments	18,800	—	—
Receivables	6,300	372	131
Inventories	1,207	—	—
Other	69	—	—
Total current assets	33,364	5,107	2,224
Non-current assets			
Receivables	224	135	162
Infrastructure, property, plant and equipment	256,162	52,505	14,488
Investments accounted for using the equity method	109	—	—
Total non-current assets	256,495	52,640	14,650
Total assets	289,859	57,747	16,874
LIABILITIES			
Current liabilities			
Payables	1,644	64	—
Contract liabilities	2,495	2,374	—
Borrowings	130	—	—
Employee benefit provision	2,157	—	—
Total current liabilities	6,426	2,438	—
Non-current liabilities			
Borrowings	1,675	—	—
Total non-current liabilities	1,675	—	—
Total liabilities	8,101	2,438	—
Net assets	281,758	55,309	16,874
EQUITY			
Accumulated surplus	176,603	27,834	6,379
IPPE revaluation surplus	105,155	27,475	10,495
Council equity interest	281,758	55,309	16,874
Total equity	281,758	55,309	16,874

D1-3 Details of internal loans

(in accordance with s410(3) of the *Local Government Act 1993*)

Details of individual internal loans	Council ID / Ref
Borrower (by purpose)	General Fund
Lender (by purpose)	Sewer Fund
Date of Minister's approval	21/06/2018
Date raised	1/01/2019
Term years	10 years
Dates of maturity	1/07/2028
Rate of interest (%)	3%
Amount originally raised	\$340,000
Total repaid during year (principal and interest) (\$'000)	\$39,607
Principal outstanding at end of year (\$'000)	\$130,668

D2 Interests in other entities

	<i>Council's share of net assets</i>	
	<i>2025</i>	<i>2024</i>
	<i>\$ '000</i>	<i>\$ '000</i>
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint ventures	109	102
Total net share of interests in joint ventures and associates using the equity method – assets	109	102
Total Council's share of net assets	109	102

D2-1 Interests in joint arrangements

Net carrying amounts – Council's share

	<i>Nature of relationship</i>	<i>Place of business</i>	<i>Interest in ownership</i>		<i>2025</i>	<i>2024</i>
			<i>2025</i>	<i>2024</i>	<i>\$ '000</i>	<i>\$ '000</i>
North Western Library Co-operative	Joint venture	Warren	25.0%	25.0%	109	102
Total carrying amounts – material joint ventures					109	102

North Western Library Co-operative North Western Library Co-operative

Material joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

Details

<i>Principal activity</i>		<i>Measurement method</i>
North Western Library Co-operative	Joint Purchase of Books & E-Resources	Book value

Relevant interests and fair values

	<i>Interest in outputs</i>		<i>Proportion of voting power</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
North Western Library Co-operative	25.0%	25.0%	25.0%	25.0%

D2-1 Interests in joint arrangements (continued)

Summarised financial information for joint ventures

	North Western Library Co-operative	
	2025	2024
	Actual	Actual
	\$ '000	\$ '000
Statement of financial position		
Current assets		
Cash and cash equivalents	136	151
Non-current assets	301	259
Net assets	437	410
Statement of comprehensive income		
Income	279	267
Other expenses	(252)	(210)
Profit/(loss) from continuing operations	27	57
Profit/(loss) for the period	27	57
Total comprehensive income	27	57
Share of income – Council (%)	25.0%	25.0%
Profit/(loss) – Council (\$)	7	14
Total comprehensive income – Council (\$)	7	14
Reconciliation of the carrying amount		
Opening net assets (1 July)	410	353
Profit/(loss) for the period	27	57
Closing net assets	437	410
Council's share of net assets (%)	25.0%	25.0%
Council's share of net assets (\$)	109	102

Material accounting policy information

Council has determined that it has only Joint Ventures

Joint ventures

Interests in joint ventures are accounted for using the equity method where the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

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.

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

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 its 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.

(a) Market risk – interest rate and price risk

	2025 \$ '000	2024 \$ '000
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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	325	334
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Impact of a 10% movement in price of investments

– Equity / Income Statement	–	–
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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.

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

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

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

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

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

Credit risk profile

Receivables – rates and annual charges

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

	<i>Not yet overdue \$ '000</i>	<i>overdue rates and annual charges < 5 years \$ '000</i>	<i>≥ 5 years \$ '000</i>	<i>Total \$ '000</i>
2025				
Gross carrying amount	–	333	4	337
2024				
Gross carrying amount	–	590	1	591

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.

	<i>Not yet overdue \$ '000</i>	<i>0 - 30 days \$ '000</i>	<i>Overdue debts 31 - 60 days \$ '000</i>	<i>61 - 90 days \$ '000</i>	<i>> 91 days \$ '000</i>	<i>Total \$ '000</i>
2025						
Gross carrying amount	2,695	3	–	–	4,372	7,070
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2024						
Gross carrying amount	4,927	14	1	–	2,168	7,110
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

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.

	<i>Weighted average interest rate %</i>	<i>Subject to no maturity \$ '000</i>	<i>payable in: ≤ 1 Year \$ '000</i>	<i>1 - 5 Years \$ '000</i>	<i>> 5 Years \$ '000</i>	<i>Total cash outflows \$ '000</i>	<i>Actual carrying values \$ '000</i>
2025							
Payables	0.00%	31	1,677	–	–	1,708	1,708
Borrowings	2.94%	–	186	744	875	1,805	1,805
Total financial liabilities		31	1,863	744	875	3,513	3,513
2024							
Payables	0.00%	19	1,724	–	–	1,743	1,743
Borrowings	2.94%	–	186	744	1,005	1,935	1,935
Total financial liabilities		19	1,910	744	1,005	3,678	3,678

Loan agreement breaches

Council had no loan agreement breaches 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

Fair value hierarchy

All assets and liabilities measured at fair value are 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: Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by Bogan Shire Council:

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
Recurring fair value measurements								
Infrastructure, property, plant and equipment	C1-6							
Plant and equipment	30/06/25	30/06/24	–	–	7,136	7,166	7,136	7,166
Office equipment	30/06/25	30/06/24	–	–	307	227	307	227
Furniture and fittings	30/06/25	30/06/24	–	–	297	117	297	117
Operational land	30/06/25	30/06/23	306	–	–	289	306	289
Community land and crown land	30/06/25	30/06/23	4,772	–	–	3,422	4,772	3,422
Buildings – non-specialised	30/06/25	30/06/22	2,024	4,471	13,372	9,612	15,396	14,083
Buildings – specialised	30/06/25	30/06/22	–	141	16,237	14,281	16,237	14,422
Other structures	30/06/25	30/06/22	–	–	8,483	5,547	8,483	5,547
Roads	30/06/25	30/06/22	–	–	82,827	81,119	82,827	81,119
Bulk earthworks	30/06/25	30/06/22	–	–	97,165	94,767	97,165	94,767
Storm water drainage	30/06/25	30/06/22	–	–	8,281	10,197	8,281	10,197
Water supply network	30/06/25	30/06/21	–	–	51,915	48,078	51,915	48,078
Sewerage network	30/06/25	30/06/21	–	–	14,488	11,476	14,488	11,476
Bridges	30/06/25	30/06/22	–	–	11,149	12,032	11,149	12,032
Footpaths	30/06/25	30/06/22	–	–	2,189	3,016	2,189	3,016
Total infrastructure, property, plant and equipment			7,102	4,612	313,846	301,346	320,948	305,958

Non-recurring fair value measurements

Transfers between level 1 and level 2 fair value hierarchies

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

Valuation techniques

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

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

E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

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 be approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant & Equipment – Graders, Trucks, Rollers, Tractors and Motor Vehicles.
- Office Equipment – Computers, photocopiers, calculators etc.
- Furniture & Fittings – Chairs, Desks etc

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

Operational & Community Land

Operational, Community Land & Crown Land have been valued by external valuers APV Valuers as at 30/6/2025, as these rates were considered to be observable market evidence they have been classified as Level 2 using the Market approach.

There has been a change to the valuation process during the reporting period where assets have moved from Level 3 inputs to Level 2.

Buildings – Non-Specialised & Specialised

Non-Specialised & Specialised Buildings were valued by external valuers as at 30/6/25. APV Valuers used the principles of Fair Value as defined in Accounting Standard AASB13 and AASB 22-10. They applied the following techniques.

Where a price for an identical asset is not observable, an entity measures fair value using another valuation technique that maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

A cost approach was used to value buildings. As these assets were not considered to have observable, market evidence they have been classified as Level 3.

Cost Approach

A valuation technique that is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed obsolescence. The depreciation expense requirements of the accounting standards specify that each part of an asset that has a different useful life needs to be depreciated separately over their respective useful lives. As the calculation for depreciation expense is based on the carrying amount of each part, the valuation includes the calculation of a Replacement Cost and current value (Fair Value) for the short-life (renewal) and Long-life (recyclable) part of each component of each asset.

Residential properties have been valued using the "Market Approach". As these were considered to have observable market evidence they have been classified as level 2 inputs.

Market Approach

A valuation technique that uses evidence of market value obtained from the sales evidence of similar or reference assets. The asset was assessed in terms of the factors relevant to a market participant and a value determined after adjusting for the difference in these factors embodied within the assets and the reference assets.

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

Other Structures

Other Structures comprise the Cemetery, Parks and Ovals, Nyngan Swimming Pool, playground equipment, lighting and fencing etc. These assets have been valued by external valuers, APV Valuers as at 30/6/25 using the principles of Fair Value as defined in Accounting Standard AASB13 and AASB 22-10. They applied the following valuation techniques.

A cost approach was used to value other structures.

As these values were not considered to contain observable market evidence they have been classified as Level 3.

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

E2-1 Fair value measurement (continued)

Roads

Roads were valued by External Valuers Assetic in 2022. The valuation was undertaken in accordance with Australian Accounting Standards including AASB13 Fair Value Measurement, AASB116 Property, Plant & Equipment, AASB5 Assets Held for Resale and AASB136 Impairment.

Inputs to the valuation include the design and construction, average cost of construction, condition and consumption score for each component. As these are supported by observable evidence obtained via inspection and market evidence they have been classified as Level 2 inputs. The unobservable inputs used to assess the level of remaining service potential required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

As this method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment. This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

As a result, the revaluation for Council's roads asset portfolio is classified as having been valued using Level 3 valuation inputs. Under this approach, the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

Roads comprise of sealed pavement, unsealed pavement, kerb and gutter and culverts, signs, shelters and traffic islands.

All assets valued at fair value are being used for their highest and best use based on previous assumptions

Bridges and Footpaths

Bridges and Footpaths were valued by external valuers APV Valuers as at 30 June 2025. The valuation was undertaken in accordance with Australian Accounting Standards including AASB13 and AASB22-10 Fair Value Measurement, AASB116 Property, Plant & Equipment, AASB5 Assets Held for Sale and AASB136 Impairment. They have applied the following techniques.

Inputs to the valuation include Unit Rates/Overall Value, consumption scores and valuation profiles, residual values for each component. These assets were classified as having been valued using level 3 valuation inputs.

As a result, the revaluation for Council's assets portfolio is classified as having been valued using Level 3 valuation inputs. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

Roads comprise of sealed pavement, unsealed pavement, kerb and gutter, signs, shelters and traffic islands.

Storm Water Drainage

Storm Water was valued by external valuers APV Valuers as at 30/6/2025. The valuation was undertaken in accordance with Australian Accounting Standards including AASB13 and AASB22-10 Fair Value Measurement, AASB116 Property, Plant & Equipment, AASB5 Assets Held for Sale and AASB136 Impairment. They have applied the following techniques;

Inputs to the valuation include Unit Rates/Overall Value, consumption scores and valuation profiles, residual values for each component. These assets were classified as having been valued using level 3 valuation inputs.

As a result, the revaluation for Council's assets portfolio is classified as having been valued using Level 3 valuation inputs. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

Storm Water Drainage comprises levee bank, open drain, culverts, distribution system pumping station and hazard signs.

All assets valued at fair value are being used for their highest and best use.

Water Supply Network

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

Water supply network was valued by external valuers APV Valuers as at 30/6/2025. The valuation was undertaken in accordance with Australian Accounting Standards including AASB13 and AASB22-10 Fair Value Measurement, AASB116

E2-1 Fair value measurement (continued)

Property, Plant & Equipment, AASB5 Assets Held for Sale and AASB136 Impairment. They have applied the following techniques

As part of the revaluation, a condition inspection was undertaken of above ground assets in Nyngan as well as in the Villages of Coolabah, Girilambone and Hermidale.

Inputs to the valuation include Unit Rates/Overall Value, consumption scores and valuation profiles, residual values for each component. These assets were classified as having been valued using level 3 valuation inputs.

As a result, the revaluation for Council's assets portfolio is classified as having been valued using Level 3 valuation inputs. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

The valuation methodologies were based on the AASB requirements and fair-value approach.

As these values were not considered to contain observable market evidence they have been classified as Level 3.

Sewerage Network

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

Sewerage network was valued by external valuers APV Valuers as at 30/6/2025. The valuation was undertaken in accordance with Australian Accounting Standards including AASB13 and AASB22-10 Fair Value Measurement, AASB116 Property, Plant & Equipment, AASB5 Assets Held for Sale and AASB136 Impairment. They have applied the following techniques

As part of the revaluation, a condition inspection was undertaken of above ground assets in Nyngan as well as in the Villages of Coolabah, Girilambone and Hermidale.

Inputs to the valuation include Unit Rates/Overall Value, consumption scores and valuation profiles, residual values for each component. These assets were classified as having been valued using level 3 valuation inputs.

As a result, the revaluation for Council's assets portfolio is classified as having been valued using Level 3 valuation inputs. The valuer disaggregated the assets into different components and for each component determined a value based on the interrelationship between a range of factors, as mentioned.

The valuation methodologies were based on the AASB requirements and fair-value approach.

As these values were not considered to contain observable market evidence they have been classified as Level 3.

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	7,136	Cost Approach	• Gross replacement cost • Remaining useful life • Residual value
Office equipment	307	Cost Approach	• Gross replacement cost • Remaining useful life • Residual value
Furniture and fittings	297	Cost Approach	• Gross replacement cost • Remaining useful life • Residual value
Operational land	306	Cost & Market approach used by external Valuers, APV Valuers and Asset Management as at 30/6/25.	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Community land and Crown land	4,772	Cost & Market approach used by external Valuers, APV Valuers and Asset Management as at 30/6/25.	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Buildings – non - specialised	15,396	Cost & Market approach using level 2 and 3 inputs used by external Valuers, APV Valuers and Asset Management as at 30/6/25.	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Buildings – specialised	16,237	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25.	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Other structures	8,483	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25.	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Roads	82,827	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, Assetic as at 30/6/21.	•Gross Replacement cost •Asset condition •Remaining useful life •Residual Value
Bulk earthworks	97,165	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Storm water drainage	8,281	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value

E2-1 Fair value measurement (continued)

	<i>Fair value (30/6/25) 2025 \$ '000</i>	<i>Valuation technique/s</i>	<i>Unobservable inputs</i>
Water supply network	51,915	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Sewer network	14,488	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Bridges	11,149	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •Residual Value
Footpaths	2,189	Cost Approach using Level 3 inputs due to no market based evidence used by used by external Valuers, APV Valuers and Asset Management as at 30/6/25	•Components •Unit Rates / Overall Value •Consumption Scores & Valuation Profiles •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:

	<i>Plant and equipment</i>		<i>Office equipment</i>		<i>Furniture and fittings</i>		<i>Operational Land</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Opening balance	7,166	6,644	227	253	117	115	289	295
Total gains or losses for the period								
Other movements								
Purchases (GBV)	1,350	1,795	165	63	196	26	–	–
Disposals (WDV)	(300)	(337)	–	(13)	–	–	(16)	(22)
Depreciation and impairment	(1,080)	(936)	(85)	(76)	(16)	(24)	–	–
Other movement (Reval Increment)	–	–	–	–	–	–	33	–
Other movement (adjustments for rounding)	–	–	–	–	–	–	–	16
Closing balance	7,136	7,166	307	227	297	117	306	289

	<i>Community/ crown land</i>		<i>Buildings non-specialised</i>		<i>Building specialised</i>		<i>Other structures</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Opening balance	3,422	3,438	14,083	12,438	14,422	11,653	5,547	4,598
Total gains or losses for the period								
Other movements								
Purchases (GBV)	–	–	479	679	136	1,567	1,000	622
Disposals (WDV)	–	–	–	–	(47)	(221)	–	–
Depreciation and impairment	–	–	(389)	(320)	(490)	(498)	(386)	(122)
Other movement (Reval Increment)	1,350	–	1,223	1,129	2,147	1,519	2,244	415
Other movement (WIP)	–	–	–	157	69	402	78	34
Other movement (adjustments for rounding)	–	(16)	–	–	–	–	–	–
Closing balance	4,772	3,422	15,396	14,083	16,237	14,422	8,483	5,547

E2-1 Fair value measurement (continued)

	Roads		Bulk earthworks		Stormwater drainage		Water network	
	2025	2024	2025	2024	2025	2024	2025	2024
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	81,119	73,072	94,767	89,938	10,197	9,669	48,078	37,407
Total gains or losses for the period								
Other movements								
Purchases (GBV)	3,246	3,252	—	—	69	9	2,268	764
Disposals (WDV)	—	(12)	—	—	—	—	—	—
Depreciation and impairment	(1,732)	(1,732)	—	—	(223)	(4)	(888)	(628)
Other movement (Reval Increment)	—	5,655	2,398	4,829	—	523	2,157	2,523
Other movement (Reval Decrements)	—	—	—	—	(1,762)	—	—	—
Other movement (WIP)	194	884	—	—	—	—	300	8,012
Closing balance	82,827	81,119	97,165	94,767	8,281	10,197	51,915	48,078

	Bridges		Footpaths		Sewerage		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	12,032	11,419	3,016	2,233	11,476	10,244	305,958	273,416
Purchases (GBV)	—	—	85	837	41	713	9,035	10,327
Disposals (WDV)	—	—	—	(186)	—	—	(363)	(791)
Depreciation and impairment	(160)	(154)	(100)	(61)	(283)	(251)	(5,832)	(4,806)
Other movement (Reval Increment)	—	767	—	181	3,228	770	14,780	18,311
Other movement (Reval Decrements)	(723)	—	(812)	—	—	—	(3,297)	—
Other movement (WIP)	—	—	—	12	26	—	667	9,501
Closing balance	11,149	12,032	2,189	3,016	14,488	11,476	320,948	305,958

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

Transfer out of Level 3 into Level 2 are as per the revaluations.

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 Active Super– 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 standard 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 standard 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% of salaries
Division D	1.64 times member contributions

* For 180 Point Members, Employers are required to contribute 9.5% from 1 July 2025 of salaries to these members' accumulation accounts in line with current level of SG contributions, which are paid in addition to members' defined benefits.

The additional lump sum 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. Given the position of the Fund as at 30 June 2024, it was recommended to cease these past service contributions effective 1 January 2025..

The adequacy of contributions is assessed at each actuarial investigation which will be conducted annually, the next of which was 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 Council.

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Scheme and recognised as an expense for the year ended 30th June 2025 was \$46,709.21. The last valuation of the Scheme was performed by Fund Actuary, Richard Boyfield FIAA as at 30 June 2024.

The amount of additional contributions included in the total employer contribution advised above is \$0.00. Council's expected contribution to the plan for the next annual reporting period is \$2,667.55.

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 other accumulation accounts and reserves in both assets and liabilities.

The share of this deficit that is broadly attributed to Council is estimated to be 0.15% as at 30 June 2025.

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% 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.

E3-1 Contingencies (continued)

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

(iv) Other guarantees

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

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.

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	2024
	\$ '000	\$ '000
Compensation:		
Short-term benefits	2,096	1,908
Post-employment benefits	234	204
Other long-term benefits	53	51
Termination benefits	33	37
Total	2,416	2,200

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

Other transactions with KMP and their related parties

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

Nature of the transaction	Ref	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions	Impairment provision on outstanding balances \$ '000	Impairment expense \$ '000
2025						
Supply of goods and service	1	40	–	30 days	–	–
Supply of service	2	3,302	–	14 days	–	–
Supply of goods	3	3	–	14 days	–	–
Supply of goods	1	4	–	14 days	–	–
Supply of goods and service	3	45	–	14 days	–	–
Supply of Goods or Service	3	11	–	14 days	–	–
Supply of Goods or Service	3	57	–	7 days	–	–
Supply of Goods or Services	3	71	–	5 days	–	–
Supply of service	2	–	–	5 days	–	–
Supply of goods and services	1	3	–	7 days	–	–
Supply of goods and services	1	14	–	7 days	–	–
Supply of service	2	10	–	Due on receipt of invoice	–	–
Supply of goods and services	3	4	–	Due on receipt of invoice	–	–
2024						
Supply of goods and service	1	65	–	30 days	–	–
Supply of service	2	4,167	–	14 days	–	–
Supply of goods	3	4	–	14 days	–	–
Supply of goods	1	4	–	14 days	–	–
Supply of goods and service	3	27	–	14 days	–	–
Supply of Goods or Service	3	7	–	14 days	–	–
Supply of Goods or Service	3	49	–	7 days	–	–
Supply of Goods or Services	3	89	–	5 days	–	–
Supply of service	2	16	–	5 days	–	–

1 Supply of goods and services by KMP. Supplier is engaged by Council under the normal conditions of Councils procurement policy. Amounts billed were based on normal rates for such supplies and were due and payable under normal payment terms.

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

- 2 Contract works undertaken by KMP within a specialty area have been engaged under Councils normal procurement and tendering processes. Amounts billed were based on normal rates for such supplies and were due and payable under normal payment terms.
- 3 Close family members of Council's KMP are engaged by Council under the conditions of Councils procurement policy. Amounts billed were based on normal rates for such supplies and were due and payable under normal payment terms following Council procurement process.

F1-2 Councillor and Mayoral fees and associated expenses

	2025	2024
	Actual	Actual
	\$ '000	\$ '000

The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:

Mayoral fee	31	30
Councillors' fees	90	87
Other Councillors' expenses (including Mayor)	54	53
Total	175	170

F2 Other relationships

F2-1 Audit fees

	2025	2024
	Actual	Actual
	\$ '000	\$ '000

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

(i) Audit and other assurance services

Audit and review of financial statements	70	61
Other audit and assurance services (Internal Auditor)	22	7
Total audit fees	92	68

G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of Operating Result

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
Net operating result from Income Statement	2,965	11,890
Add / (less) non-cash items:		
Depreciation and amortisation	5,832	4,806
(Gain) / loss on disposal of assets	(288)	215
Share of net (profits)/losses of associates/joint ventures using the equity method	(7)	(14)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	294	10,338
Increase / (decrease) in provision for impairment of receivables	19	–
(Increase) / decrease of inventories	184	(490)
(Increase) / decrease of other current assets	41	(10)
Increase / (decrease) in payables	(143)	(2,849)
Increase / (decrease) in accrued interest payable	(1)	(2)
Increase / (decrease) in other accrued expenses payable	62	28
Increase / (decrease) in other liabilities	47	27
Increase / (decrease) in contract liabilities	(352)	(2,995)
Increase / (decrease) in employee benefit provision	129	(62)
Net cash flows from operating activities	8,782	20,882

G2-1 Commitments

Details of capital commitments

Council has Capital commitments to Consenth Solutions Pty Ltd for the New Subdivision in Oatley St for \$1,363,755.33

G3-1 Events occurring after the reporting date

There are no other known events after the reporting period which would give rise to a material impact on the reported results or financial position.

G4 Statement of developer contributions

G4-1 Summary of developer contributions

	Opening balance at 1 July 2024 \$ '000	Contributions received during the year			Interest and investment income earned \$ '000	Amounts expended \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2025 \$ '000	Cumulative balance of internal borrowings (to)/from \$ '000
		Cash \$ '000	Non-cash Land \$ '000	Non-cash Other \$ '000					
S7.12 levies – under a plan	15	11	–	–	–	–	–	26	–
Total S7.11 and S7.12 revenue under plans	15	11	–	–	–	–	–	26	–
Total contributions	15	11	–	–	–	–	–	26	–

Under the *Environmental Planning and Assessment Act 1979*, local infrastructure contributions, also known as developer contributions, are charged by councils when new development occurs. They help fund infrastructure like parks, community facilities, local roads, footpaths, stormwater drainage and traffic management. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Council information and contact details

Principal place of business:

81 Cobar Street
Nyngan NSW 2825

Contact details

Mailing Address:

PO Box 221
Nyngan NSW 2825

Telephone: 02 6835 9000

Facsimile: 02 6835 9011

Opening hours:

8:00am - 4:30pm
Monday to Friday

Internet: www.bogan.nsw.gv.au

Email: admin@bogan.nsw.gv.au

Officers

General Manager

D A Francis

Responsible Accounting Officer

S A Waterhouse

Public Officer

Auditor General

Auditors

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

Elected members

Mayor

G R J Neill

V J Boag
W G Deacon
J L Douglas
A J Elias
G N Jackson
D J Menzies
K J Bright
R Milligan

Other information

ABN: 68 886 242 083



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

I have audited the accompanying financial statements of Bogan 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:

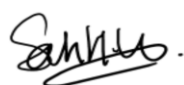
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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.



Hong Wee Soh
Delegate of the Auditor-General for New South Wales

29 October 2025
SYDNEY



Cr Glen Neill
Mayor
Bogan Shire Council
PO Box 221
NYNGAN NSW 2825

Contact: Hong Wee Soh
Phone no: 02 9275 7397
Our ref: R008-1981756498-6613

29 October 2025

Dear Mayor

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

I have audited the general purpose financial statements (GPFS) of the Bogan 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	5.7	5.5	3.6
Grants and contributions provided for operating purposes revenue	10.5	16.7	37.1
Grants and contributions provided for capital purposes revenue	7.0	8.1	13.6
Operating result from continuing operations	3.0	11.9	74.8
Net Operating result for the year before grants and contributions provided for capital purposes	(4.0)	3.8	<100

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 \$8.9 million lower than the 2023–24 result.

In 2024–25 depreciation, amortisation and impairment of non-financial assets expense (\$5.8 million) increased by \$1 million (20.8 per cent) due to significant asset additions and valuation increases in recent years.

The decrease in the operating result is primarily due to reduced revenue from grants and contributions and incurring expenses funded by grants received from prior years.

The net operating result for the year before grants and contributions provided for capital purposes was a deficit of \$4 million. Refer to 'Grants and contributions revenue' below for details.



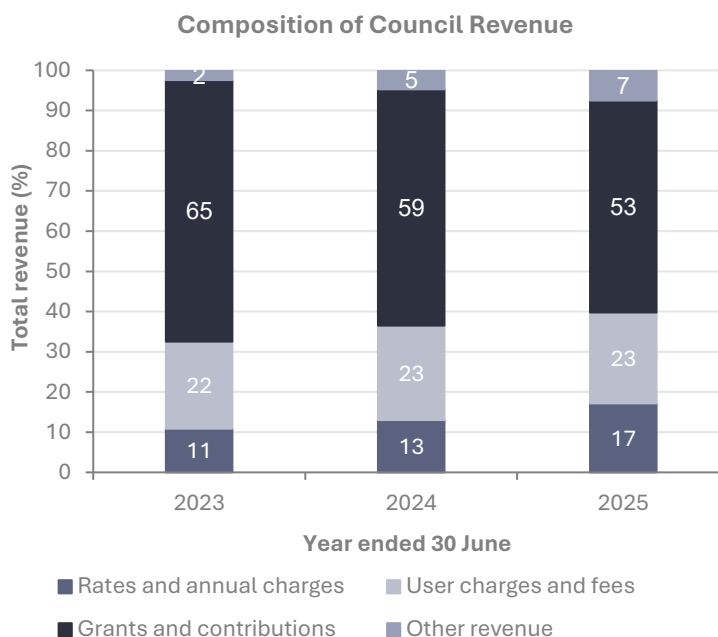
Income

Council revenue

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

Council revenue (\$33.1 million) decreased by \$9.1 million (21.4 per cent) in 2024–25 due to:

- rates and annual charges revenue (\$5.7 million) increased by \$0.2 million (3.6 per cent)
- user charges and fees revenue (\$7.5 million) decreased by \$2.4 million (24.5 per cent) due to a reduction in Transport for NSW works
- grants and contributions revenue (\$17.4 million) decreased by \$7.3 million (29.6 per cent) – see additional details below.

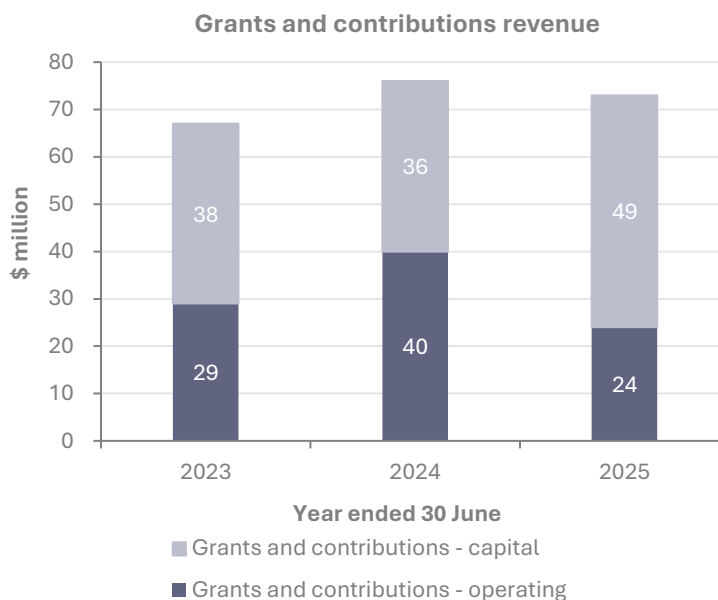


Grants and contributions revenue

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

Grants and contributions revenue (\$17.4 million) decreased by \$7.3 million (29.6 per cent) in 2024–25 due to:

- a decrease in specific purpose operating grants of \$4.8 million, primarily relating to transport funding
- a decrease in capital grants of \$1.1 million, primarily relating to prior year completion of the Bogan Shire Youth and Community Centre
- receiving 50 per cent of the financial assistance grants for 2025-26 in advance compared to receiving 85 per cent for 2024-25 in 2023-24.



CASH FLOWS

Statement of cash flows

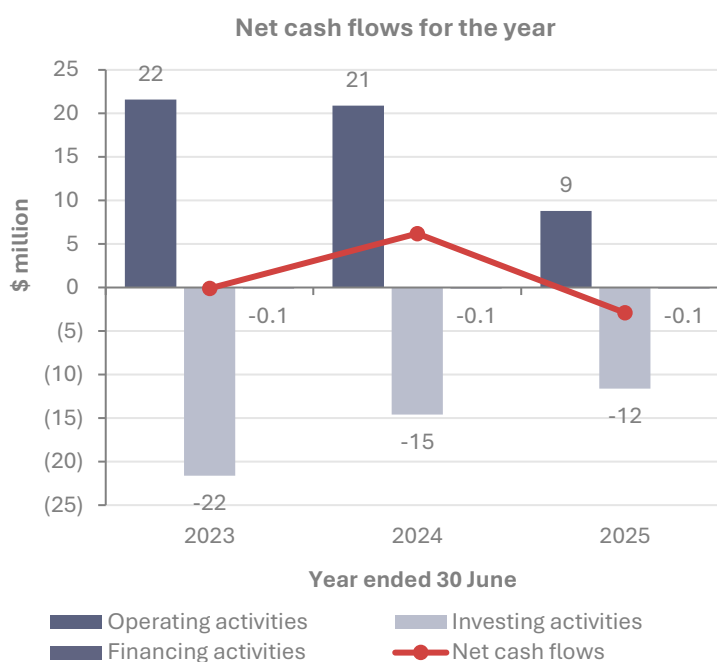
The Statement of Cash Flows details the Council's inflows and outflows of cash over a specific period. It helps in assessing the Council's ability to generate cash to fund its operations, pay off debts, and support future projects. It also aids in identifying any pressures or issues in the Council operating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

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

The net cash outflows for the year were \$2.9 million (inflow of \$6.2 million in 2023-24).

In 2024-25 the net cashflows:

- from operating activities decreased by \$12.1 million, mainly due to reduced revenue from grants and contributions
- used in investing activities decreased by \$3 million, mainly due to the reduced turnover of investments in long term deposits
- used in financing activities was consistent with the prior years.



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.

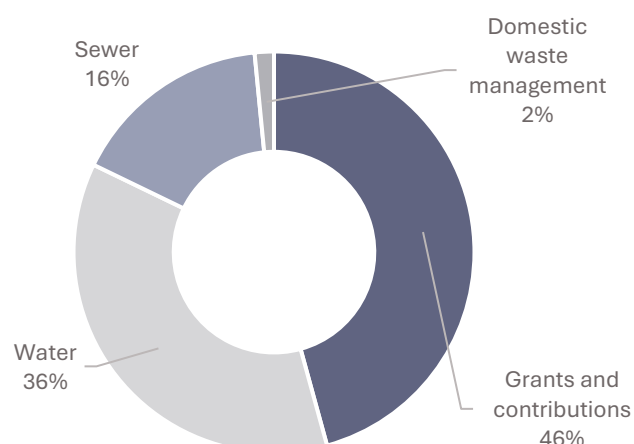
Cash, cash equivalents and investments	2025	2024	Percentage of total cash and investments 2025	Commentary
	\$m	\$m	%	
Total cash, cash equivalents and investments	32.6	33.6		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party contract. A breakdown of the sources of externally restricted balances is included in the graph below.
Restricted and allocated cash, cash equivalents and investments:				Internal allocations are determined by council policies or decisions, which are subject to change.
• External restrictions	12.9	12.2	39.6	
• Internal allocations	10.9	15.3	33.4	

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 \$5.9 million which decreased by \$1.7 million
- water fund of \$4.7 million which increased by \$2.2 million
- sewer fund of \$2.1 million which increased by \$0.1 million
- domestic waste management charges of \$0.2 million which increased by \$0.1 million.

Source of externally restricted cash, cash equivalents and investments

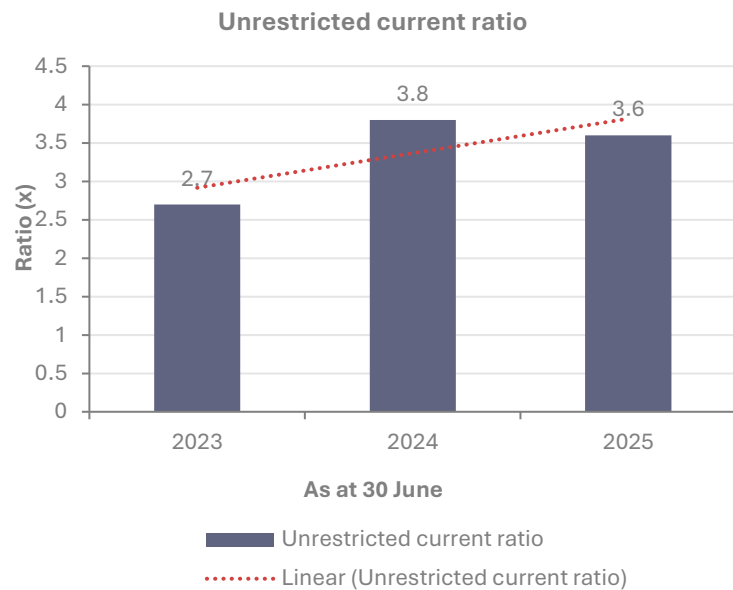


Council liquidity

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. It measures the ratio of unrestricted current assets to current liabilities less specific purpose liabilities.

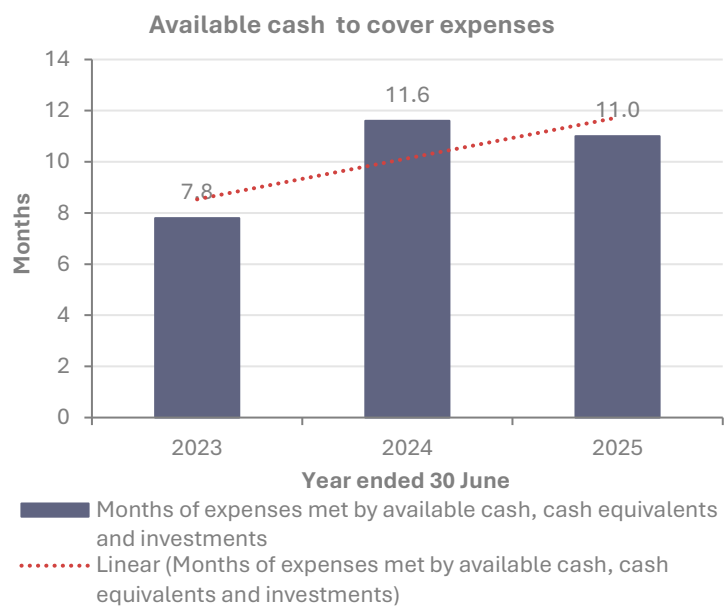
In 2023-24, the average unrestricted current ratio was an average of 5.6x for rural councils.



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.

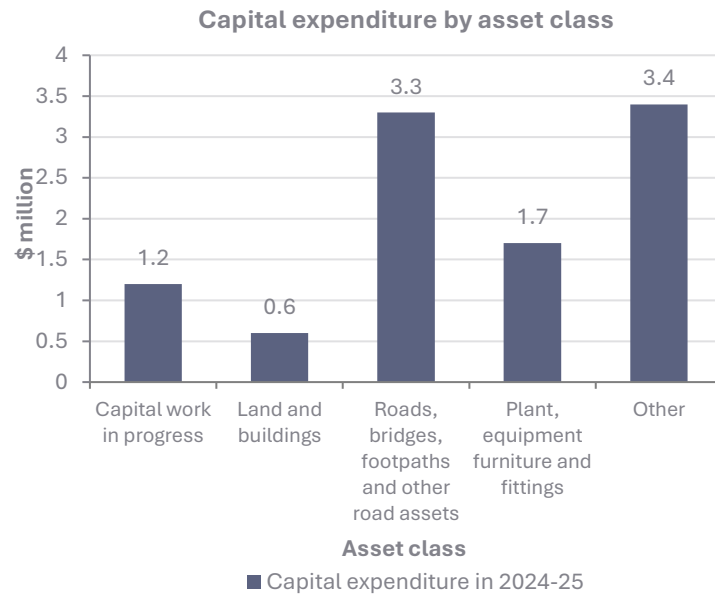
In 2023-24, the available cash to cover expenses was an average of 8 months for rural councils.



Infrastructure, property, plant and equipment

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

Council renewed \$5.1 million of infrastructure, property, plant and equipment during the 2024-25 financial year. This was mainly spent on roads and other capital works in progress. A further \$5.1 million was spent on new assets including roads and plant and equipment.



Hong Wee Soh
Associate Director - Financial Audit
Delegate of the Auditor-General

Bogan 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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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).

Bogan 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:

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

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

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

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

Signed in accordance with a resolution of Council made on 28 August 2025.



G R J Neill

Mayor

28 August 2025



K J Bright

Councillor

28 August 2025



D A Francis

General Manager

28 August 2025



S A Waterhouse

Responsible Accounting Officer

28 August 2025

Bogan Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2025

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
Income from continuing operations		
Access charges	929	897
User charges	1,418	1,430
Interest and investment income	120	121
Grants and contributions provided for operating purposes	71	182
Other income	5	2
Total income from continuing operations	2,543	2,632
Expenses from continuing operations		
Employee benefits and on-costs	412	338
Materials and services	1,603	1,563
Depreciation, amortisation and impairment	888	628
Water purchase charges	200	681
Other expenses	–	1
Total expenses from continuing operations	3,103	3,211
Surplus (deficit) from continuing operations before capital amounts	(560)	(579)
Grants and contributions provided for capital purposes	1,836	1,287
Surplus (deficit) from continuing operations after capital amounts	1,276	708
Surplus (deficit) from all operations before tax	1,276	708
Surplus (deficit) after tax	1,276	708
Plus accumulated surplus	26,558	25,850
Closing accumulated surplus	27,834	26,558
Return on capital %	(1.1)%	(1.2)%
Subsidy from Council	2,744	2,684
Calculation of dividend payable:		
Surplus (deficit) after tax	1,276	708
Less: capital grants and contributions (excluding developer contributions)	(1,836)	(1,287)
Surplus for dividend calculation purposes	–	–
Potential dividend calculated from surplus	–	–

Bogan Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2025

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
Income from continuing operations		
Access charges	388	377
User charges	178	163
Interest and investment income	91	157
Grants and contributions provided for operating purposes	8	7
Other income	5	4
Total income from continuing operations	670	708
Expenses from continuing operations		
Employee benefits and on-costs	123	108
Materials and services	465	526
Depreciation, amortisation and impairment	283	251
Other expenses	4	3
Total expenses from continuing operations	875	888
Surplus (deficit) from continuing operations before capital amounts	(205)	(180)
Grants and contributions provided for capital purposes	–	641
Surplus (deficit) from continuing operations after capital amounts	(205)	461
Surplus (deficit) from all operations before tax	(205)	461
Surplus (deficit) after tax	(205)	461
Plus accumulated surplus	6,584	6,123
Closing accumulated surplus	6,379	6,584
Return on capital %	(1.4)%	(1.6)%
Subsidy from Council	808	675
Calculation of dividend payable:		
Surplus (deficit) after tax	(205)	461
Less: capital grants and contributions (excluding developer contributions)	–	(641)

Bogan Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2025

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	4,735	2,511
Receivables	372	311
Total current assets	5,107	2,822
Non-current assets		
Receivables	135	155
Infrastructure, property, plant and equipment	52,505	48,949
Total non-current assets	52,640	49,104
Total assets	57,747	51,926
LIABILITIES		
Current liabilities		
Contract liabilities	2,374	—
Payables	64	50
Total current liabilities	2,438	50
Total liabilities	2,438	50
Net assets	55,309	51,876
EQUITY		
Accumulated surplus	27,834	26,558
IPPE revaluation surplus	27,475	25,318
Total equity	55,309	51,876

Bogan Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2025

	2025 <i>Actual</i> \$ '000	2024 <i>Actual</i> \$ '000
ASSETS		
Current assets		
Cash and cash equivalents	2,093	2,003
Receivables	131	181
Total current assets	2,224	2,184
Non-current assets		
Receivables	162	166
Infrastructure, property, plant and equipment	14,488	11,503
Total non-current assets	14,650	11,669
Total assets	16,874	13,853
LIABILITIES		
Current liabilities		
Payables	–	1
Total current liabilities	–	1
Total liabilities	–	1
Net assets	16,874	13,852
EQUITY		
Accumulated surplus	6,379	6,584
IPPE revaluation surplus	10,495	7,268
Total equity	16,874	13,852

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)

a. Bogan Shire Council Combined Water Supplies

Water supply operations servicing the town of Nyngan and the villages of Hermidale, Girilambone and Coolabah.

Category 2

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

b. Bogan Shire Council Sewerage Service

Sewerage reticulation and treatment operations and net assets servicing the town of Nyngan.

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):

Notional rate applied (%)

Corporate income tax rate – 25% (LY 25%)

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

Note – Material accounting policy information (continued)

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

In accordance with 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 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 relevant corporate income tax rate, currently 25% (LY 25%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the '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:

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.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Bogan 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 'Soh Wee Hong', followed by a period.

Hong Wee Soh
Delegate of the Auditor-General for New South Wales

29 October 2025
SYDNEY

Bogan Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2025



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Bogan Shire Council

Permissible income for general rates

	Notes	Calculation 2024/25 \$ '000	Calculation 2025/26 \$ '000
Notional general income calculation ¹			
Last year notional general income yield	a	3,228	3,388
Plus or minus adjustments ²	b	18	—
Notional general income	c = a + b	3,246	3,388
Permissible income calculation			
Percentage increase	d	4.50%	4.10%
Plus percentage increase amount ³	f = d x (c + e)	146	139
Sub-total	g = (c + e + f)	3,392	3,527
Plus (or minus) last year's carry forward total	h	22	26
Sub-total	j = (h + i)	22	26
Total permissible income	k = g + j	3,414	3,553
Less notional general income yield	l	3,388	3,532
Catch-up or (excess) result	m = k - l	26	21
Carry forward to next year ⁴	p = m + n + o	26	21

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

Bogan Shire Council

To the Councillors of Bogan Shire Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Bogan 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.

A handwritten signature in black ink, appearing to read 'Soh Wee Hong'.

Hong Wee Soh
Delegate of the Auditor-General for New South Wales

29 October 2025
SYDNEY

Bogan 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 Required maintenance ^a	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000			1	2	3	4	5
Buildings	Administration & Governance	130	130	130	16	1,372	2,721	0.0%	56.0%	44.0%	0.0%	0.0%
	Public Order & Safety	10	10	10	34	1,393	1,576	0.0%	52.0%	48.0%	0.0%	0.0%
	Health	10	10	10	4	3,091	4,376	0.0%	78.0%	22.0%	0.0%	0.0%
	Solid Waste Management	—	—	—	1	279	351	0.0%	100.0%	0.0%	0.0%	0.0%
	Inclusive Communities	10	10	15	29	3,109	3,676	41.0%	59.0%	0.0%	0.0%	0.0%
	Housing & Community Amenities	250	250	250	62	3,512	3,859	6.0%	19.0%	75.0%	0.0%	0.0%
	Cemeteries	10	10	35	5	24	55	0.0%	0.0%	100.0%	0.0%	0.0%
	Libraries	25	20	20	2	844	1,679	0.0%	0.0%	100.0%	0.0%	0.0%
	Museums & Cultural Heritage	10	10	10	20	135	445	0.0%	20.0%	80.0%	0.0%	0.0%
	Community Centres & Halls	1,300	1,300	1,300	6	6,821	14,488	22.0%	0.0%	65.0%	10.0%	3.0%
	Sporting Grounds and Venues	—	—	—	71	6,307	10,553	12.0%	11.0%	77.0%	0.0%	0.0%
	Parks & Gardens	—	—	—	448	1,472	2,383	6.0%	94.0%	0.0%	0.0%	0.0%
	Swimming Pool	40	40	40	7	1,005	1,756	1.0%	1.0%	98.0%	0.0%	0.0%
	Transport	—	—	—	—	2,140	4,023	1.0%	1.0%	95.0%	3.0%	0.0%
	Other Economic Affairs	—	—	—	13	129	166	0.0%	24.0%	76.0%	0.0%	0.0%
Sub-total		1,795	1,790	1,820	718	31,633	52,107	12.3%	24.2%	59.7%	3.0%	0.8%

Bogan Shire Council

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

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 Required maintenance ^a	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Other structures	Other structures	—	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Museums & Cultural Heritage	—	—	—	—	—	48	52	0.0%	0.0%	0.0%	0.0%	100.0%
	Housing & Community Amenities	—	—	—	—	—	10	12	0.0%	59.0%	41.0%	0.0%	0.0%
	Administration & Governance	—	—	—	—	—	29	57	0.0%	0.0%	0.0%	0.0%	100.0%
	Public Order & Safety	—	—	—	—	—	10	15	0.0%	0.0%	0.0%	0.0%	100.0%
	Health	—	—	—	—	—	12	18	0.0%	0.0%	0.0%	0.0%	100.0%
	Solid Waste Management	—	—	—	—	—	143	225	0.0%	0.0%	0.0%	0.0%	100.0%
	Inclusive Communities	—	—	—	—	—	39	42	0.0%	0.0%	0.0%	0.0%	100.0%
	Cemeteries	—	—	—	—	—	91	119	0.0%	0.0%	0.0%	0.0%	100.0%
	Libraries	—	—	—	—	—	20	30	0.0%	0.0%	0.0%	0.0%	100.0%
	Community Centres & Halls	—	—	—	—	—	380	553	0.0%	0.0%	0.0%	0.0%	100.0%
	Sporting Grounds & Venues	—	—	50	—	—	2,537	4,494	8.0%	22.0%	57.0%	13.0%	0.0%
	Parks & Gardens	—	—	20	—	—	2,494	3,394	8.0%	5.0%	86.0%	1.0%	0.0%
	Swimming Pool	—	—	20	—	—	1,988	4,112	51.0%	44.0%	5.0%	0.0%	0.0%
	Transport	—	—	15	—	—	298	422	54.0%	33.0%	13.0%	0.0%	0.0%
	Other Economic Affairs	—	—	—	—	—	384	786	0.0%	0.0%	100.0%	0.0%	0.0%
Sub-total		—	—	105	—	—	8,483	14,331	20.6%	21.7%	45.6%	4.3%	7.8%

Bogan Shire Council

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

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 Required maintenance ^a	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Roads	Bridges	50	50	50	—	11,149	18,586	23.0%	17.0%	60.0%	0.0%	0.0%
	Footpaths	130	130	130	247	2,189	4,976	12.0%	25.0%	54.0%	9.0%	0.0%
	Kerb & Gutter	100	100	100	—	3,281	5,994	1.0%	53.0%	43.0%	2.0%	1.0%
	Traffic Island	10	10	10	—	9	29	0.0%	51.0%	49.0%	0.0%	0.0%
	Floodways	10	10	10	—	630	1,305	0.0%	100.0%	0.0%	0.0%	0.0%
	Signs	—	—	—	—	484	1,040	0.0%	40.0%	60.0%	0.0%	0.0%
	Bus Shelters	10	10	10	—	49	95	0.0%	0.0%	100.0%	0.0%	0.0%
	Culverts	—	—	—	—	9,402	16,743	0.0%	0.0%	60.0%	40.0%	0.0%
	Regional Road Sealed - Pavement	135	135	135	395	8,524	13,117	0.0%	100.0%	0.0%	0.0%	0.0%
	Regional Road Sealed - Surface	600	600	600	602	2,064	3,962	0.0%	100.0%	0.0%	0.0%	0.0%
	Regional Road - Unsealed Pavement	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Rural Road Sealed - Pavement	150	150	150	758	25,428	32,792	1.0%	48.0%	50.0%	1.0%	0.0%
	Rural Road Sealed - Surface	340	340	340	—	7,788	14,194	2.0%	20.0%	76.0%	2.0%	0.0%
	Rural Road Sealed - Shoulder	—	—	—	—	265	555	0.0%	0.0%	100.0%	0.0%	0.0%
	Rural Road - Unsealed Pavement	500	500	500	1,153	24,903	35,921	0.0%	26.0%	71.0%	3.0%	0.0%
	Bulk earthworks	—	—	—	—	97,165	97,165	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub-total	2,035	2,035	2,035	3,155	193,330	246,474	2.2%	22.0%	72.1%	3.6%	0.0%
Water supply network	Reticulation	150	150	150	155	11,363	20,695	27.0%	49.0%	17.0%	7.0%	0.0%
	Potable Water Storage	20	20	20	—	2,202	3,715	1.0%	61.0%	38.0%	0.0%	0.0%
	Buildings	30	30	30	—	724	1,095	39.0%	23.0%	19.0%	19.0%	0.0%
	Raw Water Storage	20	20	20	72	25,916	29,524	85.0%	8.0%	7.0%	0.0%	0.0%
	Water Canal	—	—	—	182	7,755	8,261	100.0%	0.0%	0.0%	0.0%	0.0%
	Treatment	450	450	450	269	3,515	8,134	23.0%	33.0%	21.0%	22.0%	1.0%
	Pump Stations	140	140	140	—	440	722	14.0%	40.0%	44.0%	2.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	810	810	810	678	51,915	72,146	57.4%	24.9%	12.8%	4.8%	0.1%
	Buildings	—	—	—	—	65	91	14.0%	77.0%	9.0%	0.0%	0.0%
	Electrical/Telemetry	50	50	50	56	452	737	8.0%	74.0%	18.0%	0.0%	0.0%
	Reticulation	90	90	90	124	10,251	17,346	22.0%	22.0%	55.0%	1.0%	0.0%
	Manholes	—	—	—	—	628	1,573	7.0%	91.0%	2.0%	0.0%	0.0%
	Mechanical	20	20	20	34	646	993	9.0%	76.0%	15.0%	0.0%	0.0%

Bogan Shire Council

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

Sewerage network	Civil	—	—	—	—	2,446	3,469	0.0%	83.0%	17.0%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	160	160	160	214	14,488	24,209	16.9%	39.2%	43.2%	0.7%	0.0%

Bogan Shire Council

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

Asset Class	Asset Category	<i>Estimated cost to bring assets to satisfactory standard</i>		<i>Estimated cost to bring to the agreed level of service set by Council</i>	<i>2024/25 Required maintenance ^a</i>	<i>2024/25 Actual maintenance</i>	<i>Net carrying amount</i>	<i>Gross replacement cost (GRC)</i>	<i>Assets in condition as a percentage of gross replacement cost</i>				
		<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>			<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Stormwater drainage	Culverts	200	200	200	—	—	7,814	16,318	2.0%	39.0%	58.0%	1.0%	0.0%
	Floodways	—	—	—	—	—	467	812	0.0%	32.0%	66.0%	2.0%	0.0%
	Sub-total	200	200	200	—	—	8,281	17,130	1.9%	38.7%	58.4%	1.0%	0.0%
Total – all assets		5,000	4,995	5,130	4,765	308,130	426,397		14.2%	24.4%	57.4%	3.5%	0.5%

^(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

Bogan Shire Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (consolidated) *

	Amounts 2025 \$ '000	Indicator 2025	Indicator 2024	Benchmark
Buildings and infrastructure renewals ratio				
Asset renewals ¹	3,191	68.61%	192.92%	> 100.00%
Depreciation, amortisation and impairment	4,651			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	10,255	3.30%	1.69%	< 2.00%
Net carrying amount of infrastructure assets	310,337			
Asset maintenance ratio				
Actual asset maintenance	4,765	45.76%	161.09%	> 100.00%
Required asset maintenance	10,412			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	10,245	2.40%	1.25%	
Gross replacement cost	426,397			

(*) 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.

Bogan Shire Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (by fund)

	General fund		Water fund		Sewer fund		Benchmark
\$ '000	2025	2024	2025	2024	2025	2024	
Buildings and infrastructure renewals ratio							
Asset renewals ¹							
Depreciation, amortisation and impairment	81.52%	210.24%	35.25%	76.75%	14.49%	284.06%	> 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	3.81%	1.70%	1.56%	1.73%	1.10%	1.39%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	41.02%	175.69%	83.70%	90.72%	133.75%	157.50%	> 100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	2.81%	1.28%	1.12%	1.29%	0.66%	0.72%	

(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.