



Goldenfields
Water

ANNUAL REPORT

2023-2024

INTEGRITY

TRUST

RESPECT

TEAMWORK

CONTINUOUS IMPROVEMENT



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Mission

Mission Statement

To provide regional economic opportunity and lifestyle choices through provision of a quality water supply by innovative leadership showing environmental responsibility in cooperation with the community, constituent councils and governments

Values

Integrity

All staff act in the best interest of the communities that we serve, demonstrating and promoting moral and ethical principles in all that we do.

Trust

Built on from the value of Integrity, mutual trust is established between teams and staff at all levels. Open communication lines and transparency in our operations reflects and further builds on this trust.

Respect

All staff treat others with courtesy, politeness and kindness. Differences in viewpoints and beliefs are recognised and considered, with all people being treated fairly and equally.

Teamwork

All staff work together collaboratively and support one another in achieving the operational objectives of GWCC. Our staff understand the importance of working with each other to achieve our objectives.

Continuous Improvement

Staff feel confident and comfortable to offer ideas and suggestions to ensure that GWCC is continually working to deliver better services to our community and finding more efficient ways of undertaking business.



Chairperson's Message

It is my pleasure to present the Goldenfields Water Annual Report for 2023/2024.

I am honored to have served my second term as Chairman for Goldenfields Water County Council and extend my appreciation to Deputy Chairman Callow and all my fellow Board Members for their consistent support and contributions over the past 12 months. I would also like to thank our General Manager and Leadership team along with all Goldenfields staff for their commitment and hard work in providing our customers with quality and safe drinking water.

Each year brings its own set of challenges and despite the issues we have faced in 2024, I am proud of the way Goldenfields Water as an organisation have collaboratively met to overcome these matters and continue to work towards providing our communities with a quality water supply and service.

The 2023/24 delivery year has seen Goldenfields Water achieve unprecedented results in terms of the delivery of over \$18.7m in capital works. The West Wyalong Water Reliability project, the internal delivery of 23km of renewed water pipelines, the delivery of new high voltage electrical infrastructure at the Jugiong Water Treatment plant and now the continued upgrade of the Oura Water Treatment Plant, has shown what can be done to solve water issues in the bush when those with the means and the know how come together.

Our General Manager Aaron Drenovski and his leadership team have led our skilled and dedicated workforce through a challenging year, to continue delivering a quality service in line with Council's organisational goals, Mission, Vision and Values.

I would also like to take this opportunity and sincerely thank our constituent councils and the community for their continued support and their trust in our ability to plan for the future and provide a continued quality water supply.

Matthew Stadtmiller Chairperson



General Manager's message

It has been my pleasure to undertake another 12 months as General Manager for Goldenfields Water County Council and once again, I am proud of the achievements our organisation has accomplished during the 2023/24 financial year.

Importantly, I would like to acknowledge the efforts and dedication of our highly skilled staff and the leadership demonstrated by our Management Team. The commitment and hard work displayed each day by our staff members to ensure every community member that relies on Goldenfields Water receives high quality, reliable drinking water is commendable.

This is the second report for the 2022 – 2026 Delivery Program and contains an overview of our key successes from the past 12 months. There has been a strong focus on community education and engagement and the delivery of a very healthy capital works program.

Some of these highlights include:

- Completion of the West Wyalong Water Reliability Project, was officially opened in December 2023. The project was originally budgeted at \$13.7 million however, due to exceptional delivery and management of the project via our staff and selection of quality contractors, the final estimated costs were \$12.5 million.
- Completion of our Urban Renewals Program in Marrar and commencement of the program in Coolamon.
- Successful delivery of the inaugural 'Depths Days' and 'Your Water, Your Future' programs, which are student educational programs, aligning with the current school curriculum.
- 90% of the Thanowring Road Mains Renewal completed and commissioned with a total of 39km of renewed water supply pipelines installed across our networks.



- The continuation of support towards all schools and preschools within our service area, through a \$200 annual donation towards their End of Year Assembly.
- Oura Water Treatment Plant upgrades which has included two new 4ML reservoirs and a new aeration system is around 70% completed.
- Works on the Jugiong High Voltage Project is 90% complete with finalization estimated for November 2024.

I sincerely thank and appreciate the Board and our Management Team for their support over the past 12 months and am grateful for the efforts of all staff who have been instrumental in achieving the results listed in this report.

Aaron Drenovski General Manager



Profile

Goldenfields Water is a single-purpose county council that has been responsible for providing water supply services to many communities in the South West Slopes and Riverina regions of NSW since 1997.

Goldenfields Water's supply system covers 22,500 square kilometers between the Lachlan and Murrumbidgee rivers. It services over 46,000 people and includes more than 2,400 kilometers of water mains (the longest in Rural NSW).

Water is sourced from protected natural catchments at Jugiong, Oura, Mt Arthur, Mt Daylight and Hylands Bridge before undergoing a world-class purification process at either of its two water treatment plants.

As a county council Goldenfields Water is a unique organisation given it is made up of seven constituent councils that each depend on it to deliver essential drinking water for their communities.

Goldenfields Water's seven constituent councils are:

- ✓ Bland Shire Council
- ✓ Coolamon Shire Council
- ✓ Junee Shire Council
- ✓ Temora Shire Council
- ✓ Cootamundra-Gundagai Regional Council
- ✓ Narrandera Shire Council
- ✓ Hilltops Council

Currently, Goldenfields Water supplies all drinking water directly to over 11,974 rural, residential, commercial and other properties in the local government areas of Bland, Coolamon, Junee, Temora, and parts of Cootamundra-Gundagai and Narrandera.

Goldenfields Water supplies water in bulk to Cootamundra-Gundagai and Hilltops councils, which then distribute water directly to their residents (except those already supplied directly by Goldenfields Water in parts of Cootamundra-Gundagai).

It also provides non-potable water (untreated water for non-drinking purposes) directly to 250 properties as well as water in bulk to Riverina Water County Council.



The Board

The Goldenfields Water Board is the governing body responsible for managing the affairs of Goldenfields Water County Council.

Goldenfields Water's constituent councils elect the Board members from among their councillors. The Board is currently comprised of eight members – one elected from six of the constituent councils and two elected from Hilltops Council. The Board elects a Chairperson from amongst its members. The Chairperson holds office for two years and is responsible for presiding at Board meetings as well as exercising other functions of the county council as the Board determines. The Board also elects a deputy Chairperson.

Ordinary meetings of the Board are currently held six times a year (on the fourth Thursday of every second month). Meetings of a county council are subject to the requirements of the Local Government Act 1993 (NSW).





Annual Report Explained

As a NSW county council, Goldenfields Water is required as part of the Integrated Planning and Reporting framework for NSW local government to implement a suite of interrelated strategic planning documents.

The documents include a long-term Business Activity Strategic Plan, a four-year Delivery Program as well as an annual Operational Plan. These documents are supported by the Resourcing Strategy, which comprises a Long-Term Financial Plan, Workforce Management Plan and an Asset Management Plan.

At the end of each financial year, an annual report must be produced that provides information to the community about Goldenfields Water's achievements in implementing its Delivery Program. It also needs to report on the effectiveness of the principal activities Goldenfields Water has undertaken to achieve the objectives in the Business Activity Strategic Plan. These details can be found in the Delivery Program Progress section of this Annual Report.

Goldenfields Water's Annual Report must also include financial, asset and other information that is prescribed by the Local Government (General) Regulation 2021 (NSW) and the Integrated Planning and

Reporting Guidelines. This information aims to help community members understand how Goldenfields Water has been performing both as a service provider and a community leader. It can be found in the Statutory Reporting section of this Annual Report.

Goldenfields Water is also required to include a copy of its audited financial reports. These are reported in the Financial Statements section of this Annual Report.



Integrated Planning and Reporting framework

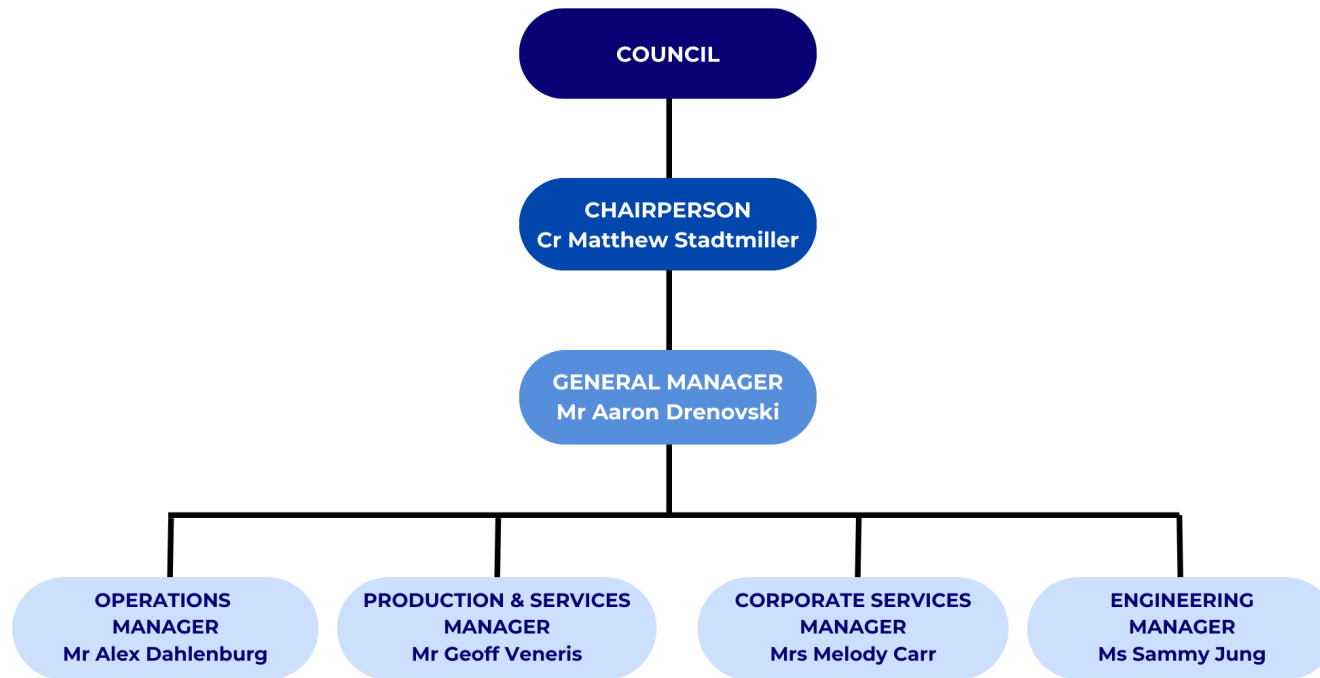




Organisational Structure

Goldenfields Water’s organisational structure operates under the direction of its Board. The Board must appoint a General Manager to lead Goldenfields Water’s day-to-day operations.

The organisational structure consists of five business units – the General Manager’s Office, Operations, Production & Services, Engineering, and Corporate Services





DELIVERY PROGRAM PROGRESS

2022-2026

REPORTING ON PROGRESS

Under the Integrated Planning and Reporting framework the main focus of the Annual Report is Goldenfields Water's progress in implementing its Delivery Program and annual Operational Plan.

This section contains the report on Goldenfields Water's Delivery Program progress for 2023/24.

It is categorised in-line with the nine strategic priorities established by its long-term Business Activity Strategic Plan and the strategic objectives, strategies and actions outlined in its 2022/26 Delivery Program and 2023/24 Operational Plan to achieve those priorities.



Green – Completed



Blue – Progressing



Red – Not yet started



1: Excellence in service provision

1.1: Potable water supplies meet Australian Drinking Water Guidelines and Public Health requirements

1.1.1: Drinking Water Management System is implemented

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.1.1.1	Drinking Water Management System annual reporting	Annual report developed and submitted to council by December prior to submission to NSW health	Production & Services Manager		100%	Annual reporting for Councils Drinking Water Management system is finalised in October to December. The Annual report is a comprehensive analysis of Councils performance in accordance with the Australian Drinking Water Guidelines. The report includes a list of actions and implementation requirements for continual improvement. The report is submitted for review to NSW Health and adopted by the Board.

1.1.2: Goldenfields adheres to NSW Government Best Practice Management

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.1.2.1	Reduced Pressure Zone Device (backflow prevention device) testing and audit is completed.	All RPZD's have been tested and audit is complete	Engineering Manager		10%	Approximately 10% of the reduced pressure zone devices have been audited. Of those audited approximately 80% passed, 10% had no device installed and 10% failed. Of those that failed only 2 of the devices failed both the discharge requirement and the check valve, the other still passed the check valve requirements which still provides protection to GWCC



1.1.3 Goldenfields adheres to NSW Government Best Practice Management

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.1.3.1	Goldenfields Water adheres to NSW Government Best Practice Management.	IWCM Strategy developed to 75%	Engineering Manager		75%	GWCC currently developing documentation in accordance with best practice guidelines

1.2: Future growth is planned for and managed

1.2.1 : Growth opportunities are considered through business planning

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.2.1.1	Rosehill to Young strategy is implemented to improve operation and allow for future growth (including supply to Boorowa)	Rosehill Pump Station Pipeline section construction completed	Engineering Manager		15%	Rosehill offtake pipeline is awaiting landholder consultation. Wombat reservoir project was put on hold due to inflated market prices.
1.2.1.1	West Wyalong Water Reliability Project	70% construction completed	Engineering Manager		100%	Completed and operational.



1.3: Water supply is reliable and efficient

1.3.1 : Disruptions to supply are planned for and managed

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.3.1.1	Disruptions to supply are planned for and managed	Report on number of planned and unplanned disruptions for quarter	Operations Manager		100%	All planned outages and disruptions to supply were dealt with via Council's social media department. After hours emergency works and/or unplanned outages were dealt with via the on-call Duty Officer.

1.3.2 : Disruptions to supply are planned for and managed

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.3.2.1	New Temora Depot construction is progressing	Construction of shed is completed. Detailed design of office building completed.	Engineering Manager		0%	Project put on hold to prioritise critical water infrastructure projects.



1.4: Our assets are managed and renewed in accordance with Council's Asset management systems

1.4.1

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.4.1.1	Comprehensive revaluation of water infrastructure assets is completed.	Comprehensive revaluation of water infrastructure assets is completed.	Engineering Manager		100%	2024 comprehensive revaluation of water infrastructure assets has been completed.

1.4.2 : Assets are renewed in accordance with the requirements of the Asset Management Plans

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.4.2.1	Assets are renewed in accordance with the requirements of the asset management plans	Capital works program is generated from the asset management system	Engineering Manager		100%	Asset renewals are prioritised based on the condition and criticality of the assets. Renewals are sized in accordance with strategic planning documents.
1.4.2.2	Council's backlog of works is reduced.	Council's backlog of works is reduced.	Engineering Manager		85%	Council completed approximately 85% of its capital works budgets. Some major projects incurred delays whilst ensuring the quality of the products being delivered.
1.4.2.2	Minimum 10km of rural renewals completed	Km undertaken	Operations Manager		100%	Engineering department, via Council's asset management system, identify pipeline/valve infrastructure that requires replacement and/or maintenance. This information is




						relayed to Operations who plan and deliver the required works as completed in 2023/24 financial year.
1.4.2.2	Minimum 10km of urban reticulation renewals completed	Km undertaken	Operations Manager		100%	Operations work closely with Engineering and all works were identified and planned in accordance with Councils asset management system. Works undertaken include Marrar urban renewals (various streets), Stinson St Coolamon, Coolamon Town Reticulation (various streets), Barellan Mains Replacements, Hoskins St Temora, Duke Street Junee, Little Crowley Street Temora and Milvale Road Temora.
1.4.2.2	Minimum 5km trunk renewals completed (excluding Thanowring Road)	Progress report	Operations Manager		100%	Trunk main assets renewed as identified by Engineering and delivered by Operations staff during 2023/24 financial year, in excess of 5km achieved.



Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.4.2.2	Thanowring Road pipeline upgrade minimum 10km constructed	Progress report	Operations Manager		100%	Thanowring Road pipeline construction has been on track and under budget. At the end of financial year, the project was delivered to approximately the 34 km mark out of 40 km's planned. Up to the Aria Park Reservoir being 32 km's has been commissioned and consumers transferred onto the new pipeline with the existing pipeline decommissioned. Anticipated completion September 2024.
1.4.2.3	Jugiong high voltage electrical renewal	Completion of new switch room, electrical design and installation and HV install	Production & Services Manager		90%	All design, civil works including new building and purchase of High Voltage assets have been completed. Engagement of the electrical installation contract has been completed with works commencing onsite in December 2023. Estimated project completion date is September 2024 for commissioning of new assets.
1.4.2.3	Oura reservoir and aerator progresses	Oura reservoirs and aerators 80% complete	Engineering Manager		90%	The contract is progressing on site. The reservoirs are approximately 75% complete. Some project delays have been incurred in order to provide quality assurance of the final product. The aerator is due to start being manufactured soon.



1.4.3 : Maintenance programs are developed and implemented

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
1.4.3.1	Routine Mains Maintenance Program	Minimum 30km of mains flushing undertaken	Operations Manager		100%	Councils annual maintenance program was completed for 2023/2024 FY which revolved around water mains flushing, valve and hydrant maintenance and reservoir inspections which are conducted monthly and quarterly.



2: Customer Service Focus

2.1: Well trained and highly motivated workforce

2.1.2 : Staff professional development opportunities

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.1.2.1	Staff professional development opportunities	Staff Development Plan process incorporates employee development through informal and formal professional development and training opportunities	HR Coordinator		100%	Staff Development Plans undertaken in March.

2.1.3 : Build a diverse workforce

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.1.3.1	Build a diverse workforce	Action items from Goldenfields Water's EEO Management 2021-2025 implemented.	HR Coordinator		100%	EEO Management Plan action items complete.



2.1.4 : Measure and improve employee engagement

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.1.4.1	Measure and improve employee engagement	Staff survey undertaken	HR Coordinator		100%	Training Plan 2022-2026 implemented.
		Develop, implement and monitor organisation-wide training plan to ensure available funds for required training focusing on skills gaps and leadership				

2.2: Safe, healthy, and risk managed working environment exists for staff and the community

2.2.1 : Integrated approach to safety risk management in the workplace

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.2.1.1	Integrated approach to risk management in the workplace	MANEX team informed of WHS performance and accountable for continual improvement in workplace safety	WHS Coordinator		100%	Development of WHS-P003 WHS Planning and Reporting Procedure aims to support the Goldenfields Water WHS Management System's strategic direction and key priority areas. Consultation continues under the purview of the Health and Safety Committee, WHS Coordinator and leadership team.



2.2.2 : Implement WHS Program

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.2.2.1	Implement WHS Program	Health and Wellbeing Strategy implemented	HR Coordinator		100%	Health and Wellbeing Strategy implemented.

2.3 : Community satisfaction is built and maintained through provision of services and information

2.3.1 : Inform our customers about projects, programs, issues etc

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.3.1.1	Social Media utilised for promotion of projects, outages and upcoming works	Social media statistics Social media posts, subscribers change, visitors to website, social media pages.	Community Engagement Officer		100%	Social media, Councils website and media releases are ongoing and have been used when required to inform and engage with our customers and stakeholders about relevant upcoming works, major projects, education programs etc.



2.3.2 : Undertake Customer Survey

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.3.2.1	Customer survey undertaken	Conduct an online community survey (via Survey Monkey) and collate responses for the October 2024 Council Meeting	Community Engagement Officer		100%	The Customer Survey was undertaken during the months of September and October 2023. A total of 117 customers completed the survey. Report provided to December Board Meeting.

2.4: Financial Management

2.4.1 : Long term financial plan reviewed and updated regularly

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.4.1.1	Review and update Long Term Financial Plan	Review and update Long Term Financial Plan	Corporate Services Manager		60%	Long Term Financial Plan was reviewed in line with 2024-25 Operational Plan.



2.4.2 : Review and determine fees and charges consistent with the Long Term Financial Plan

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.4.2.1	Develop a long term pricing path. Review and determine fees and charges annually	Review and determine fees and charges annually	Corporate Services Manager		100%	Fees and Chargers for 2024-25 have been set and increased by 5%. Interest and s603's were also increased in line with OLG. Interest increased from 9% to 10.5% and s603's from \$95 to \$100. The aim will be to commence cost modelling through 2024-25 to ensure our long-term pricing path will be secure.



2.4.3 : Plant replacement program maintained to ensure safe and fit for purpose fleet

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.4.3.1	Plant replacement program maintained to ensure safe and fit for purpose fleet	Prepare annual plant replacement program	Corporate Services Manager		100%	Completed for inclusion in the 2024-2025 budget.

2.5: Improving performance and managing risk

2.5.2 : Audit Risk and Improvement Committee function complies with Framework, regular meetings are held and internal audits undertaken

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.5.2.1	Audit Risk & Improvement Committee function complies with Framework, regular meetings are held and internal audits undertaken	Review framework requirements at least annually Hold meetings at least quarterly Undertake internal audits in accordance with Strategic Internal Audit Plan	Corporate Services Manager		85%	2 Internal Audits were scheduled for financial year 2024. The 2 audits were combined as they were closely related - water billing and debt recovery. We are still awaiting the final report from the internal Auditor. We have updated the ARIC Charter and Internal Audit Charter as drafts to be approved and adopted at the first ARIC meeting in August 2024 with a new committee commencing in line with the recent Local Government Regulation changes.



2.5.3 : Prepare statutory financial reports within required timeframes

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.5.3.1	Prepare statutory financial reports within required timeframes	Prepare Annual Financial Statements	Corporate Services Manager		100%	2022/23 Financial Statements completed and lodged within statutory timeframe.
2.5.3.2	Prepare quarterly budget reviews	Prepare quarterly budget reviews	Corporate Services Manager		100%	There were Quarterly budget reviews undertaken for Q1, Q2 and Q3. There is no need to undertake a quarterly budget review for the end of financial year.

2.5.4 : Maintain an up to date ICT infrastructure to ensure organisational efficiency

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.5.4.1	Maintain an up to date ICT infrastructure to ensure organisational efficiency	Develop annual ICT project plan	Corporate Services Manager		35%	2023/24 plan to be developed in 2024 in conjunction with the ICT Coordinator. We have only recently secured an ICT Coordinator and we are now on track to ensure operational efficiency and security. This will however take some time to implement and expect that it may flow into 2025.



2.6: Regional Collaboration

2.6.1 : Membership Joint Organisation

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.6.1.1	Membership RivJo and REROC	Goldenfields participates in projects with a joint interest	General Manager		100%	Goldenfields have attended RivJo and REROC meetings regularly with consideration of any projects that may have a joint interest.

2.6.2 : Work with Constituent Councils

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
2.6.2.1	Regular meetings with Constituent Councils	Meeting with General Managers annually or as necessary	General Manager		100%	Meetings with Constituent Council General Managers are held as required.
2.6.2.2	Update SLA with Bulk Councils	New SLA developed and signed off between each Bulk Council and GWCC	General Manager		80%	Service Level Agreement draft documents are complete. Negotiations with bulk Councils are ongoing and awaiting further feedback.



3: A Healthy Natural Environment

3.1: Energy costs and usage are monitored and reduced through utilisation of alternative technologies and system innovations

3.1.1 : Energy efficiency considered in infrastructure design and benefit cost assessments

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.1.1.1	Energy usage records kept and monitored	Energy trends monitored for inclusion in future upgrades of facilities	Production & Services Manager		100%	Staff look to conserve energy usage where possible utilising automated control systems such as SCADA. The development of tariff inhibits have now been implemented across the schemes to align with Councils new energy contractual conditions to reduce costs. Limitations of council's energy management occurs during summer months where demands require extensive pump run times and SCADA controls cannot limit pumping requirements failing loss of pressure and flow for customers.

3.1.2 : Council Maintains an energy management system

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.1.2.1	Council maintains an energy management system	Staff review annual consumption data to inform future upgrades and replacement requirements	Production & Services Manager		100%	Council currently operates two systems for energy management. Azility is a platform that is currently utilised to process energy invoices and incorporates payment processes through the Authority system. E21, is a management system that staff utilise to trend usage and report operational data to make informed



						decisions upon. These systems have been in place and utilised since 2018.
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3.2: Environmentally adverse consequences are minimised from operations including water extraction, capital works and day to day operations

3.2.1 : All construction and maintenance work undertaken to minimise impact to the natural environment

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.2.1.1	All construction and maintenance work undertaken to minimise impact to the natural environment	Environmental impacts considered for each capital project through production of Review Environmental Factors	Operations Manager		100%	All construction activities were undertaken and adhered to all environmental factors. Major construction activities that were undertaken adhered to specific Construction Environmental Management Plans.

3.3: Potential effect of climate change on water supply is identified, planned and managed


3.3.1 : IWCM strategy to consider climate change affects in modelling

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.3.1.1	IWCM Strategy to consider climate change affects	Climate change considered in demand and supply figures	Engineering Manager		60%	Hydraulic model has now been completed with the current draft for options assessment being completed. Outstanding items are the Total Asset Management Plan, Financial assessment and price path, Drought & Demand Management Plan and a new Developer Servicing Plan. The completed strategy is now expected to be finalised in December 2024.



3.4: Water is used wisely with systems losses minimised and accounted for

3.4.1 : Non-revenue water is minimised and accounted for

Code	Operational Plan Desired Outcome	Performance Measure	Responsible Officer Position	Traffic Lights	Progress	Annual Comment
3.4.1.1	Non-revenue water is minimised and accounted for	Production and bulk meters are compared to identify losses within the system	Production & Services Manager		100%	All Non-Revenue water is monitored and reported as part of the NSW Benchmark reporting. Council provides a target of <10% per scheme for Non-Revenue water within the distribution and reticulated systems.



Achievements in implementing the Business Activity Strategic Plan 2022-2032

01 High Quality, Secure & Efficient Water Supplies

- ✓ DWMS framework consisting of documents, procedures and other supporting information for the safe supply of drinking water, along with the annually reporting on the delivery of the DWMS
- ✓ Wyalong and West Wyalong Water Reliability Project was completed in December 2023 to improve the pressure within the townships.
- ✓ Thanowring Road Pipeline construction is 90% completed with finalisation of the project set for October 2024.
- ✓ Jugiong High Voltage Electrical Renewal project includes new switch room, electrical design and installation and High Voltage installation and is estimated for completion November 2024.
- ✓ Oura Reservoir and Aerator project is expected for completion early 2025 and includes the construction of 2 x 4ML reservoirs, an Aeration Tower and ancillary items at the Oura treatment plant.

02 Customer Service Focus

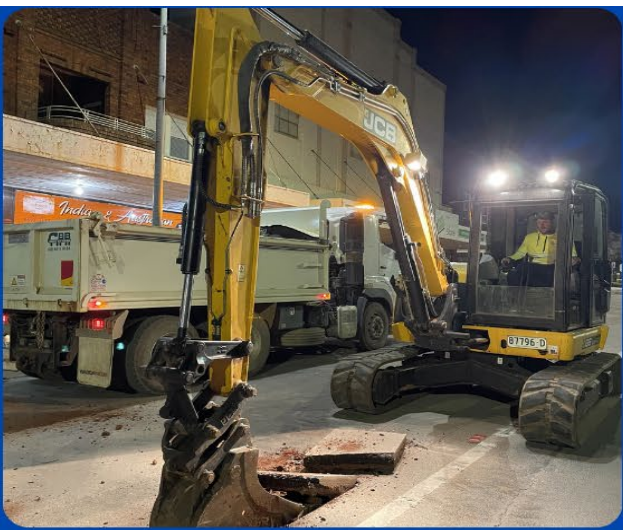
- ✓ As part of the Goldenfields Water Delivery Program for 2022-2026, Goldenfields Water committed to develop and implement its second Community Engagement Strategy. As part of this strategy Goldenfields will be undertaking the 2024 customer survey in August 2024 to help inform its medium and long-term decision making.
- ✓ Goldenfields Water hosted International Women's Day on 12 March 2024, with constituent council members invited to attend the event. International Women's Day provides an important opportunity to celebrate the achievements and contributions of women around the world. This year's theme revolved around Inspire Inclusion.
- ✓ On 13 June 2024 Goldenfields Water put a focus on men's health hosting an event with 50 male staff and 20 male staff from its constituent councils. Coinciding with International Men's Health Week which celebrated its 30th anniversary, it's a great opportunity for organisations, workplaces and communities to focus on some of the different ways we can keep men and boys healthier.

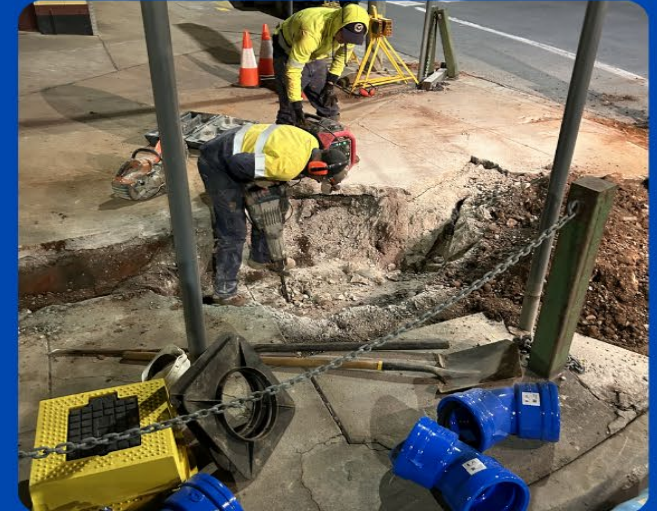
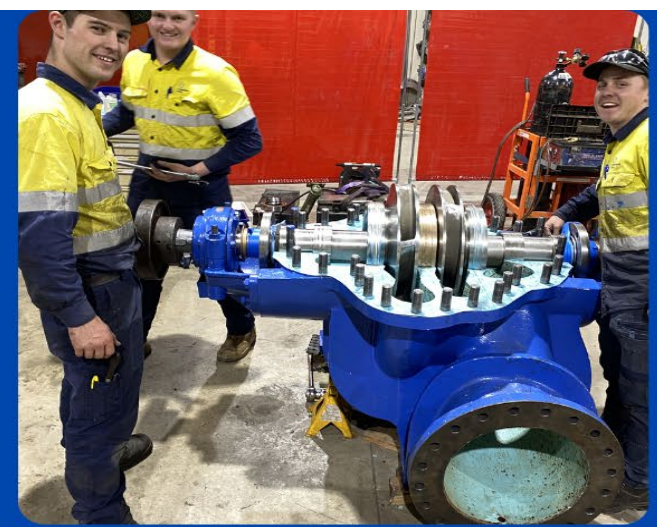


03 A Healthy Natural Environment

- ✓ The Local Government NSW Water Management Conference was held in Goulburn this year. Goldenfields was represented by the Chairman and Deputy Chairman along with the General Manager and Production & Services Manager.
- ✓ With the updates to the Guidelines for Risk Management and Internal Audit for Local Government in NSW, Goldenfields Water appointed 2 new ARIC Members and held their first meeting on 3 June 2024.
- ✓ The 2024-2025 Operational Plan including Fees & Charges were adopted in June 2024.
- ✓ The WHS Planning & Reporting Procedure was finalised this year and will support the WHS Management Systems in its strategic direction.
- ✓ The General Manager is a member of REROC, attending meetings throughout the year to consider any projects that may have joint interest.
- ✓ As part of the Community Engagement Strategy Goldenfields donates \$200 annually to schools to go towards the cost of prizes and awards.
- ✓ Goldenfields Water regularly posts on social media to update its customers on emergency bursts, upcoming planned works, billing updates, School programs, project progress and position vacancies.

- ✓ Goldenfields Water utilise the automated control system SCADA which has been implemented across the schemes to conserve energy usage where possible.
- ✓ With the use of Azility and E21 energy platforms, Goldenfields Water can review, monitor and interrogate energy usage data. The platforms also allow staff to process energy invoices and incorporate payment processes through our existing financial system. The system allows staff to trend usage and report operational data to make decisions.
- ✓ Goldenfields Water adheres to all environmental factors and specific Construction Environmental Management Plans when conducting all small and major construction activities.
- ✓ The IWCM Strategy has been used to complete the Hydraulic Model with the current draft for options assessment being completed. With outstanding items, the completed strategy is expected to be finalised in December 2024.
- ✓ As part of the NSW Benchmark reporting all Non-Revenue water is monitored and council then provide a target of <10% per scheme.









STATUTORY REPORTING

Financial, asset and other reporting requirements

Under the Local Government Act 1993 (NSW), Goldenfields Water's Annual Report must contain:

- ✓ A copy of its audited financial report prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting published by the NSW Government's Office of Local Government.
- ✓ Such other information or material as the Local Government (General) Regulation 2021 (NSW) or the Integrated Planning and Reporting Guidelines may require.

This section contains information about those items that Goldenfields Water as a single purpose county council is statutorily obligated to report on.



Overseas visits by Goldenfields Water representatives
Clause 217(1) (a1) Local Government (General) Regulation 2021

During the 2023/24 year, no overseas visits were undertaken by Goldenfields Water representatives.

Councillor remuneration, expenses and provision of facilities
Clause 217(1) (a1) Local Government (General) Regulation 2021

Councillor Induction Training and Ongoing Professional Development

Councillors are provided the opportunity to attend relevant conferences, including the LGNSW Annual Conference and LGNSW Water Conference – attended by Chairperson Matthew Stadtmiller during the 2023/2024 year.

Chairpersons fees	\$ 17,278
Members fees	\$ 84,796
Superannuation	\$ 7,745
Total	\$109,819
Provision of dedicated office equipment	Nil
Telephone call allowance	Nil
Attendance of councillors at conferences and seminars	\$ 841
Induction training and professional development programs	Nil
Other training and skill development	Nil
Attendance of councillors spouse at conferences	Nil
Travel expenses	\$ 7,238
Provision of care for child or immediate family member	Nil
Total	\$117,898



Contracts awarded with a value of \$150,000.00 or more
Clause 217 (1) (a2) Local Government (General) Regulation 2021

Contractor Name	Name of goods/ services provided	Total amount payable under the contract (excl GST)
ProMinent Fluid Controls Pty Ltd	Design, supply and installation of fluoride dosing equipment at Oura Treatment Plant	\$193,705
Trility Solutions Australia Pty Ltd	Design, supply and installation of chlorine dosing equipment at Oura Treatment Plant	\$182,221
JRC Electrical Services Pty Ltd	Electrical installation works at Jugiong Treatment Plant	\$2,259,111
ACS Equip Pty Ltd	Swage relining of Oura Bore 3	\$171,245
Viadux Pty Ltd	Pipework for Oura Treatment plant	\$846,927
Narrandera Shire Council	Contribution made to mains potable pipeline replacements as part of Barellan Sewer Project	\$332,008
Toshiba International Corporation Pty Ltd	3 x motors for Jugiong Treatment Plant	\$313,500
Elster metering Pty Ltd	Supply of water meters for replacement program	\$277,332

Contractor Name	Name of goods/ services provided	Total amount payable under the contract (excl GST)
Killard Infrastructure Pty Ltd	Pipelines construction for the West Wyalong Reliability Project	\$6,209,037
Temora Truck and Tractor	Supply of new Telehandler	\$218,704
Xyalem Water Solutions	Supply of 2 x Jugiong Raw Water pumps	\$216,888
Riverina Ford Cootamundra	Supply of 3 x Ford Rangers	\$187,241



Report on certain proposed capital works projects where a capital expenditure review had been submitted

*OLG Capital Expenditure Guidelines**

Whilst the OLG Capital Expenditure Guidelines 2010 do not apply to water supply infrastructure the following comments are provided for capital works projects over \$1m

1. Wyalong and West Wyalong Water Reliability Project was completed in December 2023. This project included the construction of pipelines, a pump station and a high level concrete reservoir to improve the pressure within the townships. The project ran slightly under budget and on time.
2. The Thanowring Road pipeline construction is expected to be completed by early October 2024. This project included 40km of replacement pipeline renewal and upsizing. The project has come in under budget as a result of completing the works by GWCC construction teams rather than using external contractors.
3. Oura reservoirs and aerator project includes the construction of 2 x 4ML reservoirs, an aeration tower and ancillary items at the Oura treatment plant. Some delays have been incurred pushing project completion into early 2025.
4. Oura pump station and dosing project is the next stage of upgrades for the Oura treatment plant. This project includes a new pump station equipped with larger pumps to cater for future demands and improved dosing facilities for treatment. This project has commenced and is due for completion in 2025.

5. Jugiong High Voltage upgrade project is nearing completion with the construction of a new building, supply and installation of new High Voltage assets and the connection of new Low Voltage assets being complete. Commissioning of the new system has commenced and finalisation of the project is expected to be done by early December.

Legal Proceedings: Expenses & Progress

Clause 217(1) (a3) Local Government (General) Regulation 2021

During the 2023/24 year Goldenfields Water incurred \$187,286 in legal fees for general legal issues and debt recovery. Legal fees were not in relation to legal proceedings in court, they were only in relation to legal advice or debt recovery action.

Section 67 Works on private land

Clause 217(1) (a4) Local Government (General) Regulation 2021

During the 2023/24 year Goldenfields did not carry out any works on private land.



Section 356 contributions

Clause 217(1) (a5) Local Government (General) Regulation 2021

Section 365 of the Local Government Act 1993 enables a council to contribute money to persons for the purpose of exercising its functions. Goldenfields Water grants concessions and donations to Schools, Community Groups and Service Organisations located within its distribution area.

The following groups and service organisations are eligible to be granted the following concessions:

- Constituent General Purpose Councils - a donation equal to the value of access charges levied on the first connection to "community" land, together with any connections within road reserves (where such connection is used for public beautification) and crown reserves (where such reserves are not leased or otherwise subject to restrictions on public access);
- All Schools (State and Church), colleges and pre-schools within Council's service area – on application, a donation of \$200 per annum each, to be applied towards the cost of prizes and/or awards to students or any other approved purpose;
- Premises owned by recognised Churches - a donation equal to the value of access charges for any connection which serves, in whole or part, a place of public worship, residence occupied by a minister of religion and/or member of a recognised religious order, and/or welfare facility operated by that church (not including commercial operations);

- Premises owned (or held in trust) and used by the following community organisations, together with others which may be accepted from time to time - a donation equal to the value of access charges for any connection which serves premises primarily utilised to further the objectives of such organisation:
 - Scouting & Guiding movement
 - Rescue and disaster response groups
 - Masonic Lodge meeting places
 - Community halls / recreation facilities
 - Country Women's Association
 - Red Cross
 - Local history societies / museums
 - Local senior citizens' groups
 - Agricultural showgrounds
 - Unlicensed RSL halls or similar premises

During 2023/24, Goldenfields Water provided the following donations:

- Access Charge Donation - \$ 170,569
- Schools - \$12,782
- Build a Bridge Sponsorship - \$2,500
- Take Charge Youth Leadership Forum Sponsorship - \$500

Total rates and charges written off

Clause 132 Local Government (General) Regulation 2021

During the 2023/24 year, Goldenfields Water did not write off any rates and charges.



Goldenfields Water functions delegated to external bodies
Clause 217(1) (a6) Local Government (General) Regulation 2021.

During the 2023/24 year, Goldenfields Water has delegated building inspections related to onsite water functions to retail councils: Bland, Coolamon, Junee and Temora.

Goldenfields Water's controlling interest in corporations, partnerships, trusts, joint ventures, syndicates or other bodies
Clause 217(1) (a7) Local Government (General) Regulation.

During the 2023/24 year, Goldenfields Water held no controlling interests under this section.

Participation in partnerships, trusts, joint ventures, syndicates or other bodies

Clause 217(1) (a8) Local Government (General) Regulation

Goldenfields Water was a party to the following partnerships, co-operatives or joint ventures during the 2023/24 financial year:

- Statewide Mutual - a self-insurance mutual providing public liability and professional indemnity cover for Council.
- Statewide Property Mutual - a self-insurance mutual providing property insurance for Council.
- StateCover - a self-insurance mutual providing workers compensation insurance for Council.
- Riverina Eastern Regional Organisation of Councils (REROC) - a collective of 7 General Purpose Councils and 1 Water County Councils whose objectives are as follows:

- To participate in activities which promote effective regional development.

- To enhance the collective status of Local Government within the eastern Riverina.

- MOU with Riverina Water – Goldenfields Water developed MOU to encourage resource and technical advice sharing.

Equal Employment Opportunity Statement of Activities
Clause 217(1) (a9) Local Government (General) Regulation 2021

It is Council's policy to provide equal employment opportunity for all persons in accordance with relevant legislation to ensure our workplace is free of discrimination and supports diversity. An Equal Employment Opportunity policy and accompanying Management Plan is in place which provides a comprehensive overview of EEO while outlining the actions Goldenfields Water will undertake to ensure compliance.

Council's EEO Policy & Management Plan focuses on three key areas:

- Communication and awareness
- Policies practices and reporting
- Recruitment and training processes

Strategies in line with these key areas, including staff training and awareness, policy development and implementation, key messaging are put in place to reinforce Council's position against discrimination and harassment in any form.



Total remuneration for general managers and senior staff
 Clause 217(1) (b) & (c) Local Government (General) Regulation 2021

During the 2023/24 financial year the general manager was the only position on a senior staff contract. The remuneration total includes salaries paid, employer superannuation contributions, fringe benefits tax and termination payments for exiting general managers.

General Manager \$288,160

Total remuneration for senior staff (other than the General Manager)
 Clause 217(1)(c) Local Government (General) Regulation 2021

During the 2023/24 financial year the general manager was the only position on a senior staff contract.

Total number of persons performing paid work – 14 February 2024
 Clause 217(1)(d) Local Government (General) Regulation 2021

70 persons were employed by the Council on a permanent full-time, permanent part-time or casual basis or under a fixed-term contract.

1 person was employed by Council as a senior staff member.

0 persons were engaged by the Council under a contract or other arrangement with the person’s employer, wholly or principally for the labor of the person.

0 persons were supplied to the Council, under a contract or other arrangement with the person’s employer, as an apprentice or trainee.

Anti-Slavery

Act section 428 (4) (c)

Goldenfields Water has not had any issues raised by the Anti-Slavery Commissioner during 2023-2024 concerning its operations.

Modern Slavery

Act section 428 (4) (c)

This Modern Slavery Statement is provided by Goldenfields Water in accordance with Section 428 (4) of the NSW Local Government Act 1993.

This statement outlines Goldenfields Water’s commitment to combatting modern slavery and the measures we have implemented during this reporting period to reduce the risk of our procurement activities resulting in or contributing to human rights violations.

Goldfields Water covers an area of approximately 22,526 square kilometres supplying to approximately 46,000 customers.

Goldenfields Water is implementing a centre-led procurement model and recognises the importance of taking steps to ensure that goods and services procured by and for Goldenfields Water are not the product of modern slavery.

Our supply chain includes purchasing of: chemicals; equipment; vehicle fleet, office resources; electricity to power our operations; and materials and services related to the management of inputs and waste related to the construction, operation and maintenance of water infrastructure.

Goldenfields Water has adopted a [Purchase Order Terms and Conditions](#) and [Statement of Business Ethics](#) outlining our commitment to preventing and addressing modern slavery in all its procurement activities.



Compliance with the Australian Drinking Water Guidelines (ADWG)

Goldenfields Water has developed and maintained a new Drinking Water Management System (DWMS) since 2018. The DWMS demonstrates Goldenfields Waters' compliance with the requirement of s25 Public Health Act 2010 which requires a water utility to develop a Quality Assurance Program in line with the Framework for Drinking Water Quality Management in the Australian Drinking Water Guidelines 2011 v3.4 (NHMRC 2017). This DWMS and its associated documents, act as a roadmap of the activities that Council undertakes to ensure the provision of safe drinking water to its customers.

As part of maintaining a DWMS, Goldenfields Water staff undertake an extensive water analysis of all of its water supply systems via the collection and testing of water for both operational and verification monitoring. These samples are tested at the GWCC laboratory, or an external NATA accredited laboratory for operational monitoring or NSW Health's FASS lab for verification and compliance purposes.

Throughout the 2023/24 reporting period Goldenfields Staff have conducted a total of 916 microbial water samples, 151 comprehensive chemical samples, 16 pesticide samples, and 2450 in-situ testing samples undertaken and reported on.

The DWMS is a public document and can be accessed through the following link.

<http://www.gwcc.nsw.gov.au/Plans-policies/Plans-and-reports>



Government Information (Public Access) Act 2009

Section 125 of the Government Information (Public Access) Act 2009 & clause 8. Schedule 2 of the Government Information (Public Access) Regulation 2018.

Review of proactive release program – Clause 8 (a)

Under section 7 of the GIPA Act, Council must review its program for the release of government information to identify the kinds of information that can be made public. This must be undertaken every year.

Council’s program for the release of information is on a case-by-case basis as little information is discretionally unavailable.

Number of access applications received - Clause 8(b)

During the reporting period, Council received no formal access application.

Number of refused applications for Schedule 1 information – Clause 8(c)

During the reporting period, Council refused no formal access applications.

Statistical information about access applications – Clause 8(d) and Schedule 2

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access re-fused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

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



Table B: Number of applications by type of application and outcome								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

**A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual). The total number of decisions in Table B should be the same as Table A.*

Table C: Invalid applications	
Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0



Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under Electricity Network Assets (Authorised Transactions) Act 2015	0
Information about authorised transactions under Land and Property Information NSW (Authorised Transaction) Act 2016	0

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

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of the Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	0



Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	0	0	0

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

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications for review
Agency initiated transfers	0
Applicant initiated transfer	0



Public interest disclosures

Section 31 of the Public Interest Disclosures Act 1994 (PID Act) & clause 4 of the Public Interest Disclosures Regulation 2011

Goldenfields Water is required to report annually on statistical information in accordance with the Public Interest Disclosures Act 1994 (PID Act).

Goldenfields Water maintains a Complaints Management Policy as well as an Internal Reporting Policy to manage public interest disclosures. These are published on council's website as well as distributed to staff.

Statistical information for 2023/24 can be found in the following table

1 July 2023 - 30 June 2024	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs directly	0	0	0
Number of PIDs received	0	0	0
Of PIDs received, number primarily about: Corrupt conduct	N/A	N/A	N/A
Maladministration	N/A	N/A	N/A
Serious and substantial waste	N/A	N/A	N/A
Government information contravention	N/A	N/A	N/A
Local government pecuniary interest contravention	N/A	N/A	N/A
Number of PIDs finalised	0		



Financial Statements

Goldenfields' audited financial reports for the year 2023/24 are included below.

Goldenfields Water County Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2024

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

General Purpose Financial Statements

for the year ended 30 June 2024

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Overview

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

84 Parkes Street
Temora NSW 2666

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.gwcc.nsw.gov.au.

Goldenfields Water County Council

General Purpose Financial Statements

for the year ended 30 June 2024

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

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

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

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


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

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

Signed in accordance with a resolution of Council made on 5 September 2024.



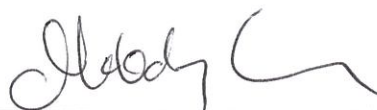
Clr Matthew Stadtmiller
Chairperson
5 September 2024



Clr Robert Callow
Deputy Chairperson
5 September 2024



Aaron Drenovski
General Manager
5 September 2024



Melody Carr
Responsible Accounting Officer
5 September 2024

Goldenfields Water County Council

Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	2023
Net operating result for the year – from Income Statement		11,464	2,215
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain on revaluation of infrastructure, property, plant and equipment	C1-6	45,764	19,170
Other reserves movements		(1,453)	–
Total items which will not be reclassified subsequently to the operating result		44,311	19,170
Total other comprehensive income for the year		44,311	19,170
Total comprehensive income for the year attributable to Council		55,775	21,385

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

Goldenfields Water County Council

Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	5,882	5,748
Investments	C1-2	25,500	27,500
Receivables	C1-4	10,488	5,208
Inventories	C1-5	1,144	979
Prepayments		909	–
Total current assets		43,923	39,435
Non-current assets			
Infrastructure, property, plant and equipment (IPPE)	C1-6	372,296	319,651
Total non-current assets		372,296	319,651
Total assets		416,219	359,086
LIABILITIES			
Current liabilities			
Payables	C3-1	2,529	1,603
Employee benefit provisions	C3-3	3,076	2,657
Total current liabilities		5,605	4,260
Non-current liabilities			
Payables	C3-1	–	12
Employee benefit provisions	C3-3	163	138
Total non-current liabilities		163	150
Total liabilities		5,768	4,410
Net assets		410,451	354,676
EQUITY			
Accumulated surplus	C4-1	111,246	97,081
IPPE revaluation reserve	C4-1	299,205	257,595
Council equity interest		410,451	354,676
Total equity		410,451	354,676

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

Goldenfields Water County Council

Statement of Changes in Equity

for the year ended 30 June 2024

\$ '000	Notes	2024			2023		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		97,081	257,595	354,676	94,866	238,425	333,291
Net operating result for the year		11,464	–	11,464	2,215	–	2,215
Net operating result for the period		11,464	–	11,464	2,215	–	2,215
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	45,764	45,764	–	19,170	19,170
Other reserves movements		2,701	(4,154)	(1,453)	–	–	–
Other comprehensive income		2,701	41,610	44,311	–	19,170	19,170
Total comprehensive income		14,165	41,610	55,775	2,215	19,170	21,385
Closing balance at 30 June		111,246	299,205	410,451	97,081	257,595	354,676

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

Goldenfields Water County Council

Statement of Cash Flows

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
Cash flows from operating activities				
<i>Receipts:</i>				
6,795	Annual charges		4,352	7,166
16,608	User charges and fees		17,218	12,624
998	Interest received		1,086	870
1,838	Grants and contributions		10,453	4,568
178	Other		168	394
<i>Payments:</i>				
(8,415)	Payments to employees		(8,066)	(7,943)
(8,912)	Payments for materials and services		(8,339)	(8,295)
(172)	Other		(971)	(706)
8,918	Net cash flows from operating activities	F1-1	15,901	8,678
Cash flows from investing activities				
<i>Receipts:</i>				
12,911	Redemption of term deposits		2,000	13,582
–	Proceeds from sale of IPPE		796	642
<i>Payments:</i>				
(19,162)	Payments for IPPE		(18,563)	(20,280)
(6,251)	Net cash flows from investing activities		(15,767)	(6,056)
2,667	Net change in cash and cash equivalents		134	2,622
10,059	Cash and cash equivalents at beginning of year		5,748	3,126
12,726	Cash and cash equivalents at end of year	C1-1	5,882	5,748
19,189	plus: Investments on hand at end of year	C1-2	25,500	27,500
31,915	Total cash, cash equivalents and investments		31,382	33,248

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

Goldenfields Water County Council

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Goldenfields Water County Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 5 September 2024. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

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

Historical cost convention

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

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 C3-3.

Significant judgements in applying the Council's accounting policies

- (i) Impairment of receivables – refer Note C1-4
- (ii) Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income for Not-for-Profit Entities* - refer to Notes B2-2 - B2-3.

Monies and other assets received by Council

The Consolidated Fund

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

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

General Purpose Operations (Water Services)

Goods and Services Tax (GST)

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

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

A1-1 Basis of preparation (continued)

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

New accounting standards and interpretations issued but not yet effective

Council's assessment on the impact of upcoming new standards and interpretations (pronouncements) published by the Australian Accounting Standards Board that are likely to have an effect on Council's future financial statements, financial performance, financial position and cash flows are set out below:

Pronouncement	AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>
Nature of change in accounting policy	<p>This Standard amends AASB 13, including adding authoritative implementation guidance and providing related illustrative examples, for application by not-for-profit public sector entities.</p> <p>In particular, this standard provides guidance on:</p> <ol style="list-style-type: none"> a. highest and best use b. financially feasible uses c. use of assumptions d. nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence when using the cost approach.
Effective date	The standard applies prospectively to annual periods beginning on or after 1 January 2024; i.e. Council's financial statements for the year ended 30 June 2025, with earlier application not permitted.
Expected impact on Council financial statements	There is not expected to be significant impact on the Councils' reported financial position, however Council shall review our fair value methodology to ensure that it is in accordance with the guidance included in AASB 2022-10.

Apart from the standards listed above, there are no other released standards and interpretations (with future effective dates) that are expected to have a material impact on Council.

Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2023.

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 2024.

B Financial Performance

B1 Functions or activities

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

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

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Functions or activities										
Water supplies	38,639	26,904	27,175	24,689	11,464	2,215	11,899	4,649	416,219	359,086
Total functions and activities	38,639	26,904	27,175	24,689	11,464	2,215	11,899	4,649	416,219	359,086

B1-2 Components of functions or activities

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

Water supplies

Council is responsible for water supply functions within the Local Government areas of Bland, Coolamon, Junee, Temora and parts of Cootamundra-Gundagai and Narrandera.

Council also supplies bulk water to Hilltops and other parts of Cootamundra-Gundagai.

Council does not undertake any other functions.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2024	2023
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
– Residential	1,869	1,771
– Non-residential	1,121	1,056
– Rural	1,676	1,592
– Bulk supplies to councils	1,698	1,608
Less: pensioner rebates	(233)	(66)
Annual charges levied	6,131	5,961
Pensioner annual charges subsidies received:		
– Water	85	80
Total annual charges	6,216	6,041
Total rates and annual charges	6,216	6,041

Material accounting policy information

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

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

Pensioner 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

\$ '000	Timing	2024	2023
User charges			
Residential	2	5,097	4,192
Non residential	2	3,998	2,915
Rural	2	4,187	3,256
Bulk supplies to councils	2	5,069	4,436
Inspection services	2	8	8
Private works	2	1	–
Section 603 certificates	2	54	48
Tapping fees	2	161	72
Connection application fees	2	54	53
Total user charges		18,629	14,980
Timing of revenue recognition for user charges and fees			
User charges and fees recognised at a point in time (2)		18,629	14,980
Total user charges and fees		18,629	14,980

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. There is no material obligation for Council in relation to refunds or returns.

B2-3 Other revenues

\$ '000	Timing	2024	2023
Rental income – investment property	2	5	1
Diesel rebate	2	18	7
Employment / training incentives	2	73	9
Insurance rebates	2	7	23
Workers compensation rebate	2	–	14
Other	2	8	7
Total other revenue		111	61
Timing of revenue recognition for other revenue			
Other revenue recognised at a point in time (2)		111	61
Total other revenue		111	61

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

\$ '000	Timing	Capital 2024	Capital 2023
Special purpose grants and non-developer contributions (tied)			
Cash contributions			
Water supplies	2	4,448	3,799
Total special purpose grants and non-developer contributions		4,448	3,799
Non-cash contributions			
Water supply network	2	91	–
Total other contributions – non-cash		91	–
Comprising:			
– Other funding		4,539	3,799
		4,539	3,799

Developer contributions

Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):

Cash contributions			
S 64 – water supply contributions	2	7,360	850
Total developer contributions		7,360	850
Total grants and contributions		11,899	4,649

Timing of revenue recognition for grants and contributions

Grants and contributions recognised at a point in time (2)		11,899	4,649
Total grants and contributions		11,899	4,649

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. 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 and contributions 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.

Council was in receipt of a Capital Grant for the West Wyalong Water System Augmentation - supply and reticulation construction.

B2-4 Grants and contributions (continued)

Other grants and contributions

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

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

B2-5 Interest and investment income

\$ '000	2024	2023
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	87	37
– Cash and investments	1,490	777
Total interest and investment income (losses)	1,577	814
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	–	37
General Council cash and investments	1,577	777
Total interest and investment income	1,577	814

Material accounting policy information

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

B2-6 Other income

\$ '000	Notes	2024	2023
Rental income			
Rental properties			
Lease income (excluding variable lease payments not dependent on an index or rate)		61	56
Lease income relating to variable lease payments not dependent on an index or a rate		23	27
Total Rental properties		84	83
Other lease income			
Leaseback fees - council vehicles		123	108
Total other lease income		123	108
Total other income	C2-2	207	191
Total other income		207	191

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2024	2023
Salaries and wages	6,172	5,734
Employee leave entitlements (ELE)	1,473	1,390
Superannuation	1,200	1,019
Workers' compensation insurance	193	175
Fringe benefit tax (FBT)	103	101
Payroll tax	378	365
Training costs (other than salaries and wages)	127	160
Protective clothing	64	84
Recruitment costs	60	28
Other	64	61
Total employee costs	9,834	9,117
Less: capitalised costs	(1,331)	(1,039)
Total employee costs expensed	8,503	8,078

Material accounting policy information

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

Retirement benefit obligations

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

Superannuation plans

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

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

B3-2 Materials and services

\$ '000	Notes	2024	2023
Advertising		41	17
Audit Fees	E2-1	53	50
Bank charges		14	7
Cleaning		87	35
Collection agencies		56	70
Computer software charges		97	207
Contractor costs		12,409	14,791
Council land rates		96	94
Councillor and Mayoral fees and associated expenses	E1-2	119	120
Electricity and heating		3,408	2,655
Insurance		336	271
Other expenses		64	50
Printing, postage and stationery		81	86
Raw materials and consumables		8,662	8,072
Subscriptions and publications		157	377
Telephone and communications		179	244
Legal expenses		187	79
– Legal expenses: debt recovery		13	8
Expenses from leases of low value assets	C2-1	79	70
Purchase of water		134	128
Total materials and services		26,272	27,431
Less: capitalised costs		(17,310)	(19,302)
Total materials and services		8,962	8,129

Material accounting policy information

Expenses are recorded on an accruals basis as the Council receives the goods or services.

B3-3 Depreciation, amortisation and impairment of non-financial assets

\$ '000	2024	2023
Depreciation and amortisation		
Plant and equipment	1,183	993
Office equipment	16	286
Furniture and fittings	11	11
Infrastructure:		
– Buildings – non-specialised	225	227
– Water mains	4,797	4,501
– Reservoirs	1,298	1,123
– Pumping stations and bores	1,066	516
– Treatment plants	826	546
– Microwave Network	54	68
Total gross depreciation and amortisation costs	9,476	8,271
Total depreciation and amortisation costs	9,476	8,271
Total depreciation, amortisation and impairment for non-financial assets	9,476	8,271

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.

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.

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.

B3-4 Other expenses

\$ '000	2024	2023
Other		
– Other contributions/levies	25	–
Donations, contributions and assistance to other organisations (Section 356)	186	211
Total other	211	211
Less: capitalised costs	(25)	–
Total other expenses	186	211

Material accounting policy information

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

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

\$ '000	Notes	2024	2023
Gain (or loss) on disposal of property (excl. investment property)			
Less: carrying amount of building assets sold/written off		(37)	–
Gain (or loss) on disposal		(37)	–
Gain (or loss) on disposal of plant and equipment			
	C1-6		
Proceeds from disposal – plant and equipment		796	642
Less: carrying amount of plant and equipment assets sold/written off		(807)	(474)
Gain (or loss) on disposal		(11)	168
Net gain (or loss) from disposal of assets		(48)	168

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

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

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

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

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Revenues				
Rates and annual charges	6,759	6,216	(543)	(8)% U
User charges and fees	16,534	18,629	2,095	13% F
Water usage was higher than original budget due to increased demand following a return to normal weather conditions compared to last two previous years where weather conditions had unusually high rainfall and low average temperatures.				
Other revenues	243	111	(132)	(54)% U
2023/24 financial year actual is consistent with prior financial year and variance to budget is due to updating the classifications compared to original budget.				
Capital grants and contributions	1,672	11,899	10,227	612% F
Council received a Capital Grant for the West Wyalong Reliability Project which was not included in the original budget. Council also received a Developer Contribution of \$5.1m in the 2023/24 financial year which was also not included in the original budget. There was also a increased number of developer applications.				
Interest and investment revenue	928	1,577	649	70% F
Interest rates increased in 2023/24 resulting in a significant increase than budgeted for.				
Other income	-	207	207	∞ F

B5-1 Material budget variations (continued)

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
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Expenses

Employee benefits and on-costs	8,405	8,503	(98)	(1)%	U
Materials and services	8,969	8,962	7	0%	F
Depreciation, amortisation and impairment of non-financial assets	8,480	9,476	(996)	(12)%	U
Variance due to the water infrastructure revaluation being completed in the 2023/24 financial year resulting in higher than budgeted depreciation expenses.					
Other expenses	172	186	(14)	(8)%	U

Statement of cash flows

Cash flows from operating activities	8,918	15,901	6,983	78%	F
Revenue for 2023/24 was higher than originally budgeted for which resulted in higher cash flows from operating activities.					

Cash flows from investing activities	(6,251)	(15,767)	(9,516)	152%	U
Less investments required redeeming during the year than originally budgeted for due to an increase in the operating activities cash flow.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2024	2023
Cash assets		
Cash at bank and on hand	2,042	2,044
Cash equivalent assets		
– Deposits at call	3,840	3,704
Total cash and cash equivalents	5,882	5,748

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	5,882	5,748
Balance as per the Statement of Cash Flows	5,882	5,748

Material accounting policy information

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

C1-2 Financial investments

\$ '000	2024 Current	2023 Current
Debt securities at amortised cost		
Long term deposits	25,500	27,500
Total	25,500	27,500
Total financial investments	25,500	27,500

Material accounting policy information

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

C1-2 Financial investments (continued)

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.

Financial assets through profit or loss

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

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

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

\$ '000	2024	2023
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	31,382	33,248
Less: Externally restricted cash, cash equivalents and investments	-	(1)
Cash, cash equivalents and investments not subject to external restrictions	31,382	33,247

Water fund	-	1
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\$ '000	2024	2023
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	31,382	33,247
Less: Internally restricted cash, cash equivalents and investments	(10,365)	(26,474)
Unrestricted and unallocated cash, cash equivalents and investments	21,017	6,773

Internal allocations

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

Plant and vehicle replacement	1,463	3,463
Infrastructure replacement	1,350	20,459
Employees leave entitlement	2,552	2,552
Section 64 developer contributions	5,000	-
Total internal allocations	10,365	26,474

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

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

\$ '000	2024	2023
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	21,017	6,773

C1-4 Receivables

\$ '000	2024 Current	2023 Current
Availability (access) charges	2,149	276
Interest and extra charges	119	78
User charges and fees	5,496	4,085
Accrued revenues		
– Interest on investments	543	93
Deferred developer contributions	1,050	309
Government grants and subsidies	84	161
Net GST receivable	328	178
Other debtors	719	28
Total	10,488	5,208
Total net receivables	10,488	5,208

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.

Council's provision for impairment of receivables at 30 June 2024 is \$nil (2023: \$nil)

C1-5 Inventories

\$ '000	2024 Current	2023 Current
(i) Inventories at cost		
Stores and materials	1,144	979
Total inventories at cost	1,144	979
Total inventories	1,144	979

Material accounting policy information

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. 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 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 / (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	16,930	–	16,930	6,496	4,244	–	–	(11,611)	(137)	–	15,922	–	15,922
Plant and equipment	9,760	(5,109)	4,651	–	1,635	(697)	(1,183)	–	(111)	–	9,270	(4,975)	4,295
Office equipment	1,773	(1,724)	49	–	26	–	(16)	–	(8)	–	1,313	(1,262)	51
Furniture and fittings	110	(84)	26	–	–	–	(11)	–	–	–	107	(92)	15
Land:													
– Operational land	3,751	–	3,751	–	–	–	–	–	167	800	4,718	–	4,718
Infrastructure:													
– Buildings – non-specialised	7,821	(2,893)	4,928	–	12	(36)	(225)	–	–	2,148	10,192	(3,365)	6,827
– Water mains	381,213	(192,459)	188,754	3,587	900	–	(4,797)	6,297	(3,926)	34,174	393,174	(168,185)	224,989
– Reservoirs	95,753	(43,190)	52,563	86	404	–	(1,298)	4,076	740	8,768	117,889	(52,549)	65,340
– Pumping stations and bores	38,824	(17,519)	21,305	734	491	–	(1,066)	1,017	1,181	(1,423)	37,031	(14,792)	22,239
– Treatment plants	45,591	(20,071)	25,520	27	62	–	(826)	73	478	1,193	45,675	(19,148)	26,527
– Microwave Network	1,282	(108)	1,174	–	–	–	(54)	148	1	104	1,461	(88)	1,373
Total infrastructure, property, plant and equipment	602,808	(283,157)	319,651	10,930	7,774	(733)	(9,476)	–	(1,615)	45,764	636,752	(264,456)	372,296

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

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

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period						At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000												
Capital work in progress	12,783	–	12,783	7,476	7,878	–	–	(11,192)	(15)	16,930	–	16,930
Plant and equipment	9,419	(4,525)	4,894	–	1,222	(474)	(993)	–	–	9,760	(5,109)	4,651
Office equipment	1,764	(1,438)	326	–	9	–	(286)	–	–	1,773	(1,724)	49
Furniture and fittings	110	(73)	37	–	–	–	(11)	–	–	110	(84)	26
Land:												
– Operational land	3,751	–	3,751	–	–	–	–	–	–	3,751	–	3,751
Infrastructure:												
– Buildings – non-specialised	7,821	(2,666)	5,155	–	–	–	(227)	–	–	7,821	(2,893)	4,928
– Water supply network	353,962	(178,139)	175,823	1,070	209	–	(4,501)	1,915	14,238	381,213	(192,459)	188,754
– Reservoirs	88,719	(39,667)	49,052	414	–	–	(1,123)	477	3,744	95,753	(43,190)	52,563
– Pumping stations and bores	31,645	(15,873)	15,772	1,768	142	–	(516)	4,635	(496)	38,824	(17,519)	21,305
– Treatment plants	39,487	(19,320)	20,167	43	48	–	(546)	4,165	1,643	45,591	(20,071)	25,520
– Microwave Network	1,190	(4)	1,186	–	–	–	(68)	–	56	1,282	(108)	1,174
Total infrastructure, property, plant and equipment	550,651	(261,705)	288,946	10,771	9,508	(474)	(8,271)	–	19,170	602,808	(283,157)	319,651

(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 cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Buildings	Years
Office equipment	5 to 10	Buildings: masonry	50 to 60
Office furniture	10	Buildings: other	25 to 40
Computer equipment	5		
Vehicles	6.25		
Heavy plant	8 to 20		
Other plant and equipment	5 to 15		

Water assets

Reservoirs	40 to 90
Bores	30 to 80
Reticulation pipes: PVC	50 to 80
Reticulation pipes: other	50 to 90
Pumps and telemetry	10 to 40

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 network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning, industry and Environment - Water.

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 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.

Found Assets

The revaluation process typically finds assets that have not been previously recognised. These assets are recognised in accordance with the revaluation model and disclosed as current year adjustments. Accumulated surplus is increased and is disclosed as an other reserve movement. For 2023/24 the fair value of found assets was \$2.7m.

C2 Leasing activities

C2-1 Council as a lessee

Income Statement

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

\$ '000	2024	2023
Expenses relating to leases of low-value assets	79	70
	79	70

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.

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

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. All of Council's leases have been assessed as being eligible for either the short-term lease or low-value asset exceptions.

C2-2 Council as a lessor

Operating leases

Council leases out a number of residential properties to staff as well as access to Council owned sites to other utilities and leaseback vehicles to staff; these leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E in the Statement of Financial Position.

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

\$ '000	2024	2023
(i) Assets held as rental property		
Lease income (excluding variable lease payments not dependent on an index or rate)	61	56
Lease income relating to variable lease payments not dependent on an index or a rate	23	27
Total income relating to operating leases for rental property assets	84	83
(ii) Assets held as property, plant and equipment		
Lease income (excluding variable lease payments not dependent on an index or rate)	123	108
Total income relating to operating leases for Council assets	123	108

C2-2 Council as a lessor (continued)

Material accounting policy information

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

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

The lease income is recognised on a straight-line basis over the lease term.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
Goods and services – operating expenditure	827	–	39	–
Prepaid rates and charges	572	–	563	–
Accrued expenses:				
- Salaries and wages	155	–	162	–
- Employee benefits on-costs	–	–	283	12
- Other expenditure accruals	642	–	465	–
Other	333	–	91	–
Total payables	2,529	–	1,603	12

Material accounting policy information

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

The financial liabilities of the Council comprise trade payables.

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 Borrowings

Financing arrangements

\$ '000	2024	2023
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities ¹	500	500
Credit cards/purchase cards	100	100
Total financing arrangements	600	600
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	1,000	500
– Credit cards/purchase cards	98	94
Total undrawn financing arrangements	1,098	594

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

Material accounting policy information

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

C3-3 Employee benefit provisions

\$ '000	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
Annual leave	838	–	698	–
Sick leave	7	–	–	–
Long service leave	2,169	163	1,917	138
Accrued leave	62	–	42	–
Total employee benefit provisions	3,076	163	2,657	138

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

\$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	222	1,587
	222	1,587

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.

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods. These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

Accumulated surplus

Other reserve movements in the Statement of Changes in Equity include the realisation of found assets (\$2.7m) and derecognition of duplicate assets (\$4.15m) discovered during the revaluation process and posted directly to accumulated surplus / IPPE revaluation reserve.

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

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

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

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

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

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

\$ '000	Carrying value 2024	Carrying value 2023	Fair value 2024	Fair value 2023
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	5,882	5,748	5,882	5,758
Receivables	10,488	5,208	10,488	5,208
Investments				
– Debt securities at amortised cost	25,500	27,500	25,500	27,500
Total financial assets	41,870	38,456	41,870	38,466
Financial liabilities				
Payables	2,529	1,615	2,529	1,615
Total financial liabilities	2,529	1,615	2,529	1,615

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value
- **Debt securities at amortised cost** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

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

Council's finance area manages the cash and investments portfolio.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled at each Council meeting 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.

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

(a) Market risk – interest rate and price risk

\$ '000	2024	2023
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The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

Impact of a 1% movement in interest rates

– Equity / Income Statement	310	320
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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.

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.

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

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	overdue rates and annual charges			Total
	Not yet due	< 5 years	≥ 5 years	
2024				
Gross carrying amount	1,349	773	27	2,149
2023				
Gross carrying amount	–	256	20	276

Receivables - non-rates and annual charges and contract assets

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

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

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2024						
Gross carrying amount	5,443	174	603	132	1,987	8,339
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2023						
Gross carrying amount	–	4,692	23	10	207	4,932
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

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

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk – 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 maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

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 and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
2024							
Payables	0.00%	–	2,529	–	–	2,529	2,529
Total financial liabilities		–	2,529	–	–	2,529	2,529
2023							
Payables	0.00%	–	1,615	–	–	1,615	1,615
Total financial liabilities		–	1,615	–	–	1,615	1,615

D2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

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

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

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

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

Level 3: Inputs for the asset or liability.

		Fair value measurement hierarchy							
\$ '000	Notes	Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
Recurring fair value measurements									
Infrastructure, property, plant and equipment									
	C1-6								
Plant and Equipment		30/06/24	30/06/23	–	–	4,295	4,651	4,295	4,651
Office Equipment		30/06/24	30/06/23	–	–	51	49	51	49
Furniture and Fittings		30/06/24	30/06/23	–	–	15	26	15	26
Operational Land		30/06/24	30/06/18	4,718	3,751	–	–	4,718	3,751
Buildings – Non Specialised		30/06/24	30/06/18	6,827	4,928	–	–	6,827	4,928
Water Mains		30/06/24	30/06/22	–	–	224,989	188,754	224,989	188,754
Reservoirs		30/06/24	30/06/22	–	–	65,340	52,563	65,340	52,563
Pumping Stations and Bores		30/06/24	30/06/22	–	–	22,239	21,305	22,239	21,305
Treatment Plants		30/06/24	30/06/22	–	–	26,527	25,520	26,527	25,520
Microwave Network		30/06/24	30/06/22	–	–	1,373	1,174	1,373	1,174
Total infrastructure, property, plant and equipment				11,545	8,679	344,829	294,042	356,374	302,721

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:

Infrastructure, property, plant and equipment (IPPE)

Plant and Equipment, Office Equipment and Furniture and Fittings

Plant and Equipment, Office Equipment and Furniture and Fittings are valued at depreciated historical cost.

The carrying amount of these assets approximates fair value due to the nature of the items. Council values Plant and Equipment, Office Equipment and Furniture and Fittings using unobservable level 3 inputs including gross historical cost, estimated useful life of the asset and residual value.

Land - Operational

This asset class comprises of all of Council's land classified as Operational Land under the *NSW Local Government Act 1993*. Land was revalued as at 30 June 2024 by Marsh Pty Ltd.

Fair value is based on sales of land in the locality and principles of the direct comparison method for individual parcels. Where there is a lack of comparable sales, closest comparable sales of properties with similar characteristics is used.

D2-1 Fair value measurement (continued)

Direct comparison method is considered a level 2 input, involves the analysis of sales evidence and comparisons of the subject land, taking into account matters such as area, location and other general site characteristics. The valuation techniques used maximise the use of observable data where it is available.

Buildings - Non Specialised

Buildings were valued at 30 June 2024 by Marsh Pty Ltd.

Fair value is determined using a sales based market value approach. A market approach is based on available sales evidence using either the direct comparison, summation or income approaches. Where a market value approach is not suitable, an alternative replacement cost approach is used. The cost approach may not be suitable for assets of a specialised nature where there is a lack of market evidence.

Market approach valuation is deemed to be a level 2 input. The valuation techniques used maximise the use of observable data where it is available.

Water Infrastructure

This comprises of water mains, reservoirs, bores, pumping stations and treatment plants.

These asset classes were revalued as at 30 June 2024 by Engineering staff at Council utilising the cost approach in conjunction with the NSW Water Supply & Sewerage Construction Cost Index from the NSW Reference Rates Manual. This method is based on determining the replacement cost of the modern equivalent and then adjusting for the level of consumed future economic benefit and impairment to arrive at the current replacement cost.

Replacement costs are based on the use of relevant unit rates based on component design, specification and material used, further adjusted for any location, geographical or other adjustments. All assets are split into the components used for asset management planning purposes.

Physical inspections were undertaken during 2023/24 on above ground infrastructure to confirm condition. Some assets such as underground pipes are not able to be inspected due to their nature. For these assets, reliance is placed on asset management and GIS system data based from day-to-day operations to manage these assets.

This approach is deemed to be a level 3 input due to the use of data that is unobservable in the market.

Fair value measurements using significant unobservable inputs (level 3)

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

\$ '000	2024	2023
Balance at 1 July	294,042	267,257
Total gains or losses for the period		
Recognised in other comprehensive income – revaluation surplus	42,816	19,170
Other movements		
Purchases (GBV)	19,564	16,360
Disposals (WDV)	(697)	(474)
Depreciation and impairment	(9,251)	(8,271)
Adjustments and transfers	(1,645)	–
Balance at 30 June	344,829	294,042

Highest and best use

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

D3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

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

Description of the funding arrangements.

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

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

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

* For 180 Point Members, Employers are required to contribute 8.5% of salaries for the year ending 30 June 2024 (increasing to 9% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

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

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

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

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.

D3-1 Contingencies (continued)

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

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ended 30 June 2024 was \$46,584. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2023.

Council's expected contribution to the plan for the next annual reporting period is \$29,180.

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

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

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

The share of this deficit that is broadly attributed to Council is estimated to be in the order of 0.22% as at 30 June 2024.

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	6.00% per annum
Salary inflation *	3.5% per annum
Increase in CPI	3.5% for FY 23/24 and 2.5% per annum thereafter

* Plus promotional increases

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

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

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

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

D3-1 Contingencies (continued)

(iv) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

E People and relationships

E1 Related party disclosures

E1-1 Key management personnel (KMP)

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

\$ '000	2024	2023
Compensation:		
Short-term benefits	1,180	953
Post-employment benefits	160	129
Other long-term benefits	35	23
Total	1,375	1,105

Other transactions with KMP and their related parties

Nature of the transaction	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
\$ '000						
2024						
Rental of Council Owned Properties	1	16	-		-	-
2023						
Rental of Council Owned Properties	1	11	-		-	-

1 Council owned properties rented to KMP.

E1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2024	2023
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Members expenses – chairperson’s fee	17	17
Members expenses – members fees	85	82
Members expenses (incl. chairperson) – other (excluding fees above)	17	21
Total	119	120

E2 Other relationships

E2-1 Audit fees

\$ '000	2024	2023
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	35	17
Remuneration for audit and other assurance services	35	17
Total Auditor-General remuneration	35	17
Non NSW Auditor-General audit firms		
(i) Audit and other assurance services		
Internal Audit costs	18	33
Remuneration for audit and other assurance services	18	33
Total remuneration of non NSW Auditor-General audit firms	18	33
Total audit fees	53	50

F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of Operating Result

\$ '000	2024	2023
Net operating result from Income Statement	11,464	2,215
Add/(less) for non-cash items:		
Depreciation and amortisation	9,476	8,271
(Gain) / loss on disposal of assets	48	(168)
Non-cash capital grants and contributions	(91)	–
Change in assets and liabilities:		
Movements in operating assets and liabilities		
(Increase) / decrease of receivables	(5,280)	132
(Increase) / decrease of inventories	(165)	(205)
(Increase) / decrease of other current assets	(909)	–
Increase / (decrease) in payables	788	39
Increase / (decrease) in other accrued expenses payable	170	(570)
Increase / (decrease) in other liabilities	(44)	5
Increase / (decrease) in employee benefit provision	444	84
Increase / (decrease) in income received in advance	–	(1,125)
Net cash flows from operating activities	15,901	8,678

F2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2024	2023
---------	------	------

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

Property, plant and equipment

Water infrastructure	8,463	3,705
Total commitments	8,463	3,705

These expenditures are payable as follows:

Within the next year	8,463	3,705
Total payable	8,463	3,705

Sources for funding of capital commitments:

Unrestricted general funds	8,463	3,705
Total sources of funding	8,463	3,705

Details of capital commitments

Construction of Awning at Temora Workshop - \$58k
 Jugiong High Voltage Project - \$692k
 Kingsvale to Young Pipeline Upgrade - \$63k
 Marinna Pump Station Renewal - \$66k
 Matong WPS - \$49k
 Microwave Link Sites - \$50k
 Minor Pipeline Works - \$27k
 Minor Reservoir Repairs - \$22k
 Oura Pump Station and Dosing Room - \$1,889k
 Oura Reservoir and Aerator - \$5,308k
 Pump Station Switch Board Orders - \$109k
 Thanowring Road - \$95k
 West Wyalong Standpipe Reservoir - \$12k
 Other Minor Works - \$23k

F3-1 Events occurring after the reporting date

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

F4 Statement of performance measures

F4-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2024	Indicator 2024	Indicators 2023 2022		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(387)	(1.45)%	(11.78)%	(9.83)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	26,740				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	26,740	69.20%	82.61%	93.13%	> 60.00%
Total continuing operating revenue ¹	38,639				
3. Unrestricted current ratio					
Current assets less all external restrictions	32,291	6.00x	14.75x	10.58x	> 1.50x
Current liabilities less specific purpose liabilities	5,383				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	9,089	∞	∞	∞	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	–				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	2,268	34.07%	4.62%	21.86%	< 10.00%
Rates and annual charges collectable	6,657				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	31,382	21.67	23.55	28.23	> 3.00
Monthly payments from cash flow of operating and financing activities	1,448	months	months	months	months

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

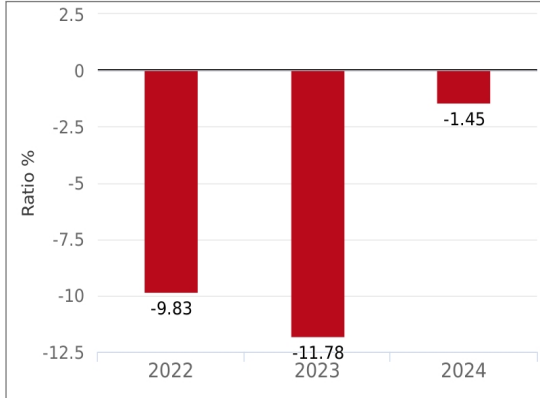
(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

End of the audited financial statements

G Additional Council disclosures (unaudited)

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

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2023/24 result

2023/24 ratio (1.45)%

Council is marginally below an acceptable level in meeting the Operating Performance ratio of greater than 0% with an indicator of -1.45% for the 2023/24 financial year.

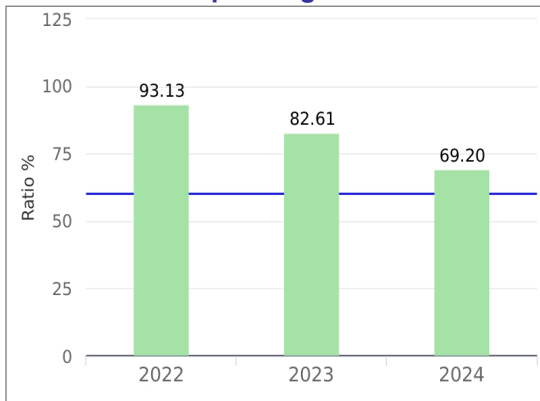
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

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

Commentary on 2023/24 result

2023/24 ratio 69.20%

Council meets this indicator above the benchmark of meeting operating expenses with own source revenue with the exclusion of grant funding.

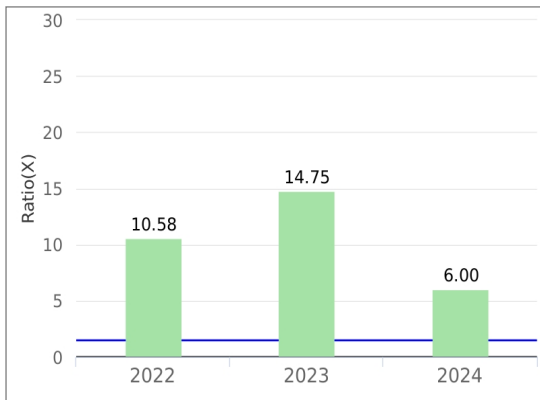
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

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

Commentary on 2023/24 result

2023/24 ratio 6.00x

Council is above the acceptable performance indicator of greater than 1.5 times with a result of 6 times.

Benchmark: — > 1.50x

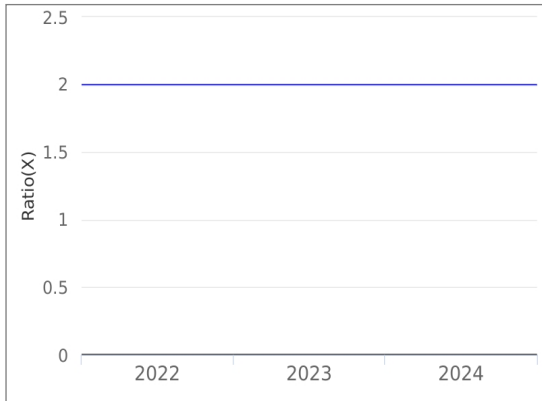
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

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

4. Debt service cover ratio



Purpose of debt service cover ratio

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

Commentary on 2023/24 result

2023/24 ratio ∞

This is not applicable to Council as there are no loans.

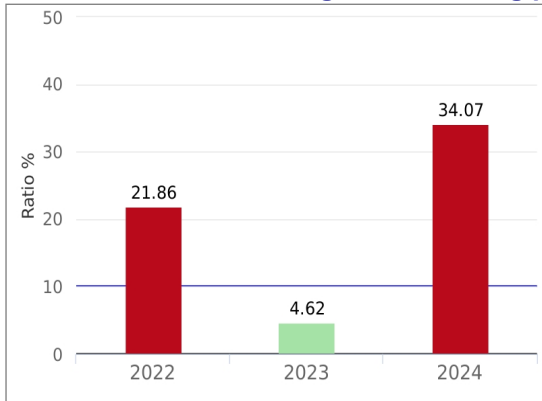
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

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

Commentary on 2023/24 result

2023/24 ratio 34.07%

Council's outstanding debt is below an acceptable range.

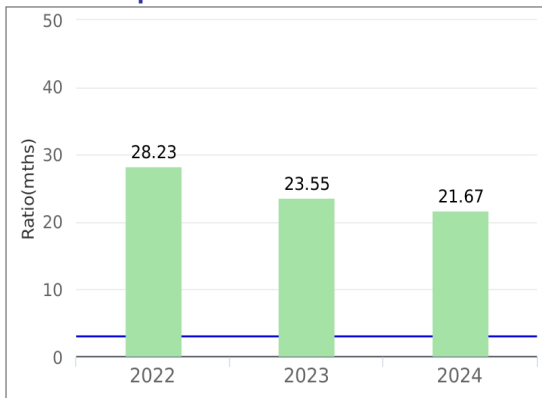
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

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

Commentary on 2023/24 result

2023/24 ratio 21.67 months

Council is well within this benchmark. This performance measure indicates the number of months that Council can pay expenses and is set at 3 months. Council currently would be able to meet payment of expenses for 21.67 months.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Goldenfields Water County Council

General Purpose Financial Statements

for the year ended 30 June 2024

Independent Auditor's Reports:

On the Financial Statements (Sect 417 [2])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (opinion) for inclusion in the GPFS report (via the Home screen).

Goldenfields Water County Council

General Purpose Financial Statements

for the year ended 30 June 2024

Independent Auditor's Reports: (continued)

On the Financial Statements (Sect 417 [3])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (commentary) for inclusion in the GPFS report (via the Home screen).

Goldenfields Water County Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2024

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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).

Goldenfields Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2024

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

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

- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- Sections 3 and 4 of the NSW Department of Planning and Environment, Water's Regulatory and assurance framework for local water utilities.

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

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

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

Signed in accordance with a resolution of Council made on 5 September 2024.



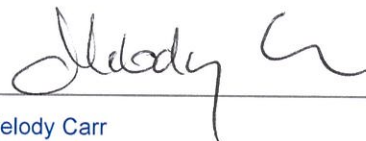
Clr Matthew Stadtmiller
Chairperson
05 September 2024



Clr Robert Callow
Deputy Chairperson
05 September 2024



Aaron Drenovski
General Manager
05 September 2024



Melody Carr
Responsible Accounting Officer
05 September 2024

Goldenfields Water County Council

Income Statement of water supply business activity

for the year ended 30 June 2024

\$ '000	2024	2023
Income from continuing operations		
Access charges	6,216	6,041
User charges	18,629	14,980
Fees	111	61
Interest and investment income	1,577	814
Net gain from the disposal of assets	–	168
Other income	207	191
Total income from continuing operations	26,740	22,255
Expenses from continuing operations		
Employee benefits and on-costs	8,503	8,078
Materials and services	8,828	8,001
Depreciation, amortisation and impairment	9,476	8,271
Water purchase charges	134	128
Other expenses	186	211
Net loss from the disposal of assets	48	–
Total expenses from continuing operations	27,175	24,689
Surplus (deficit) from continuing operations before capital amounts	(435)	(2,434)
Grants and contributions provided for capital purposes	11,899	4,649
Surplus (deficit) from continuing operations after capital amounts	11,464	2,215
Surplus (deficit) from all operations before tax	11,464	2,215
Surplus (deficit) after tax	11,464	2,215
Plus accumulated surplus	97,081	94,866
Plus: other reserves movements	2,701	–
Plus adjustments for amounts unpaid:		
Closing accumulated surplus	111,246	97,081
Return on capital %	(0.1)%	(0.8)%
Subsidy from Council	16,444	15,284
Calculation of dividend payable:		
Surplus (deficit) after tax	11,464	2,215
Less: capital grants and contributions (excluding developer contributions)	(11,899)	(4,649)
Surplus for dividend calculation purposes	–	–
Potential dividend calculated from surplus	–	–

Goldenfields Water County Council

Statement of Financial Position of water supply business activity

as at 30 June 2024

\$ '000	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	5,882	5,748
Investments	25,500	27,500
Receivables	10,488	5,208
Inventories	1,144	979
Prepayments	909	–
Total current assets	43,923	39,435
Non-current assets		
Infrastructure, property, plant and equipment	372,296	319,651
Total non-current assets	372,296	319,651
Total assets	416,219	359,086
LIABILITIES		
Current liabilities		
Payables	2,529	1,603
Employee benefit provisions	3,076	2,657
Total current liabilities	5,605	4,260
Non-current liabilities		
Payables	–	12
Employee benefit provisions	163	138
Total non-current liabilities	163	150
Total liabilities	5,768	4,410
Net assets	410,451	354,676
EQUITY		
Accumulated surplus	111,246	97,081
Revaluation reserves	299,205	257,595
Total equity	410,451	354,676

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 2022 (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)

Goldenfields Water County Council (whole of Council operation)

Water supply within the Local Government areas of Bland, Coolamon, Junee, Temora and parts of Cootamundra-Gundagai, Hilltops and Narrandera. Bulk water is supplied to Hilltops and Cootamundra-Gundagai Councils.

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.

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

Note – Material accounting policy information (continued)

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25% (LY: 25%).

Income tax is only applied where a gain 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.

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 4.30% at 30/6/2024.

(iii) Dividends

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

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

Each dividend must be calculated and approved in accordance with Section 4 of the Department of Planning and Environment - Water’s regulatory and assurance framework.

- 50% of this surplus in any one year, or
- the number of water supply assessments at 30/06/2024 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with Section 4 of the Department of Planning and Environment - Water’s regulatory and assurance framework, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to DPIE - Water.

Goldenfields Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2024

Goldenfields Water County Council

SPECIAL SCHEDULES
for the year ended 30 June 2024

To be innovative leaders in the supply and distribution of water through regional efficiency, technical excellence and customer service.



Goldenfields Water County Council

Special Schedules

for the year ended 30 June 2024

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Goldenfields Water County Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost		2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Buildings	Council Office	–	–	175	112	2,325	2,876	0.0%	100.0%	0.0%	0.0%	0.0%
	Council Works Depots	–	–	109	88	2,492	3,313	2.9%	86.4%	8.3%	2.4%	0.0%
	Council Houses	–	–	26	29	2,010	4,003	19.7%	0.0%	62.9%	17.4%	0.0%
	Sub-total	–	–	310	229	6,827	10,192	8.7%	56.3%	27.4%	7.6%	0.0%
Water supply network	Mains	24,233	38,047	2,381	2,225	224,989	393,174	25.6%	34.7%	19.9%	12.8%	7.0%
	Pumping Stations & Bores	2,993	3,968	2,430	3,333	22,239	37,031	37.7%	22.1%	17.6%	12.9%	9.7%
	Reservoirs	2,510	10,254	689	478	65,340	117,889	8.4%	46.1%	28.7%	16.1%	0.8%
	Treatment	1,641	5,593	2,548	2,284	26,527	45,675	16.5%	14.8%	61.1%	2.9%	4.7%
	Microwave Network	–	–	119	195	1,373	1,461	100.0%	0.0%	0.0%	0.0%	0.0%
Sub-total	31,377	57,862	8,167	8,515	340,468	595,230	22.4%	34.6%	24.6%	12.7%	5.7%	
Total – all assets		31,377	57,862	8,477	8,744	347,295	605,422	22.2%	34.9%	24.6%	12.6%	5.7%

(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

Goldenfields Water County Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2024	Indicator 2024	Indicators		Benchmark
			2023	2022	
Buildings and infrastructure renewals ratio					
Asset renewals ¹	10,930	132.23%	297.61%	309.51%	> 100.00%
Depreciation, amortisation and impairment	8,266				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	31,377	9.03%	22.02%	34.78%	< 2.00%
Net carrying amount of infrastructure assets	347,295				
Asset maintenance ratio					
Actual asset maintenance	8,744	103.15%	109.92%	92.08%	> 100.00%
Required asset maintenance	8,477				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	57,862	9.56%	12.01%	14.58%	
Gross replacement cost	605,422				

(*) 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.



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Goldenfields Water County Council

To the Councillors of Goldenfields Water County Council

Opinion

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

In my opinion:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

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

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.

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.



Unaib Jeffrey
Delegate of the Auditor-General for New South Wales

23 October 2024
SYDNEY



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Goldenfields Water County Council

To the Councillors of Goldenfields Water County Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Goldenfields Water County Council's (the Council) Declared Business Activity, Water Supply Business Activity, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2024, the Statement of Financial Position of each Declared Business Activity as at 30 June 2024 and the Material accounting policy information note.

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 2024, 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 2023–24 (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 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements.

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.

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 'Unaib Jeffrey', with a long, sweeping flourish extending to the right.

Unaib Jeffrey
Delegate of the Auditor-General for New South Wales

23 October 2024
SYDNEY