



Strathbogie Shire
Council

Annual Financial Report
For the year ended
30 June 2023

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Strathbogie Shire Council

Financial Report

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Certification of the Financial Statements

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

Upul Sathurusinghe CPA
Principal Accounting Officer

Dated : 19th September 2023
Euroa

In our opinion, the accompanying financial statements present fairly the financial transactions of the Strathbogie Shire Council for the year ended 30 June 2023 and the financial position of the Council as at that date.

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

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

Cr Laura Binks (Mayor)
Councillor
Dated : 19th September 2023
Euroa

Cr Paul Murray (Deputy Mayor)
Councillor
Dated : 19th September 2023
Euroa

Julie Salomon
Chief Executive Officer
Dated : 19th September 2023
Euroa

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Comprehensive Income Statement For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Income / Revenue			
Rates and charges	3.1	21,139,734	20,515,058
Statutory fees and fines	3.2	672,191	680,450
User fees	3.3	895,738	840,775
Grants - operating	3.4	13,605,729	9,028,490
Grants - capital	3.4	5,966,478	2,604,333
Contributions - monetary	3.5	203,492	238,761
Contributions - non monetary	3.5	1,675,691	1,721,874
Net gain on disposal of property, infrastructure, plant and equipment	3.6	43,086	28,389
Share of net profits (or loss) of associates and joint ventures	6.3	(2,051)	5,487
Other income	3.7	2,082,049	700,362
Total income / revenue		46,282,137	36,363,979
Expenses			
Employee costs	4.1	13,026,368	12,067,320
Materials and services	4.2	18,921,371	9,979,633
Depreciation	4.3	6,768,642	6,558,729
Amortisation - intangible assets	4.4	70,693	57,243
Amortisation - right of use assets	4.5	254,270	207,533
Bad and doubtful debts - allowance for impairment losses	4.6	5,863	21,801
Borrowing costs	4.7	11,070	14,266
Finance costs - leases	4.8	25,922	22,734
Other expenses	4.9	426,931	417,787
Total expenses		39,511,130	29,347,046
Surplus for the year		6,771,007	7,016,933
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	6.2	28,966,895	39,162,519
Total other comprehensive income		28,966,895	39,162,519
Total comprehensive result		35,737,902	46,179,452

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

Balance Sheet As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	5.1	3,581,705	1,403,913
Trade and other receivables	5.1	4,304,345	3,443,585
Other financial assets	5.1	21,550,000	21,800,000
Prepayments	5.2	293,798	289,261
Non-current assets classified as held for sale	6.1	219,780	417,384
Other assets	5.2	820,235	126,498
Total current assets		30,769,864	27,480,641
Non-current assets			
Trade and other receivables	5.1	17,936	21,903
Other financial assets	5.1	2,032	2,032
Investments in associates, joint arrangements and subsidiaries	6.3	258,723	260,774
Property, infrastructure, plant and equipment	6.2	359,895,400	324,219,741
Right-of-use assets	5.8	586,695	790,874
Intangible assets	5.2	194,276	187,184
Total non-current assets		360,955,062	325,482,508
Total assets		391,724,926	352,963,149
Liabilities			
Current liabilities			
Trade and other payables	5.3	5,102,515	2,039,999
Trust funds and deposits	5.3	924,557	634,913
Unearned income/revenue	5.3	2,603,062	3,156,646
Provisions	5.5	4,179,961	5,669,256
Interest-bearing liabilities	5.4	255,603	96,557
Lease liabilities	5.8	266,302	243,936
Total current liabilities		13,332,000	11,841,307
Non-current liabilities			
Trust funds and deposits	5.3	34,791	52,731
Provisions	5.5	1,713,752	1,595,617
Interest-bearing liabilities	5.4	3,339,659	94,868
Lease liabilities	5.8	343,646	567,733
Total non-current liabilities		5,431,848	2,310,949
Total liabilities		18,763,848	14,152,256
Net assets		372,961,078	338,810,894
Equity			
Accumulated surplus		118,996,864	112,292,357
Reserves	9.1	253,964,214	226,518,537
Total Equity		372,961,078	338,810,894

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

Statement of Changes in Equity For the Year Ended 30 June 2023

	Note	Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
2023					
Balance at beginning of the financial year		338,810,894	112,292,357	226,317,259	201,278
Surplus for the year		6,771,007	6,771,007	-	-
Net asset revaluation increment	6.2	27,379,177	-	27,379,177	-
Transfers to other reserves	9.1	-	(66,500)	-	66,500
		<u>372,961,078</u>	<u>118,996,864</u>	<u>253,696,435</u>	<u>267,778</u>
Balance at end of the financial year		372,961,078	118,996,864	253,696,435	267,778

		Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserves \$
2022					
Balance at beginning of the financial year		292,631,442	105,291,524	187,154,740	185,178
Surplus for the year		7,016,933	7,016,933	-	-
Net asset revaluation increment	6.2	39,162,519	-	39,162,519	-
Transfers to other reserves	9.1	-	(16,100)	-	16,100
		<u>338,810,894</u>	<u>112,292,357</u>	<u>226,317,259</u>	<u>201,278</u>
Balance at end of the financial year		338,810,894	112,292,357	226,317,259	201,278

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

Statement of Cash Flows For the Year Ended 30 June 2023

		2023 Inflows/ (Outflows) \$	2022 Inflows/ (Outflows) \$
	Note		
Cash flows from operating activities			
Rates and charges		21,049,552	20,287,686
Statutory fees and fines		652,782	680,450
User fees		901,973	856,004
Grants - operating		14,421,416	8,875,683
Grants - capital		4,194,503	1,826,818
Contributions - monetary		203,492	238,761
Interest received		558,936	54,264
Trust funds and deposits taken		2,490,052	2,312,754
Other receipts		856,632	527,024
Net GST refund		2,215,654	1,446,527
Employee costs		(13,057,675)	(12,083,132)
Materials and services		(19,542,930)	(14,623,574)
Trust funds and deposits repaid		(2,218,348)	(2,180,333)
Other payments		(426,931)	(417,787)
Net cash provided by/(used in) operating activities		<u>12,299,108</u>	<u>7,801,145</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(13,459,950)	(7,054,859)
Payments for intangible assets		(77,785)	(165,260)
Proceeds from sale of property, infrastructure, plant and equipment		51,386	53,523
Payments for investments		250,000	(4,450,000)
Net cash provided by/(used in) investing activities		<u>(13,236,350)</u>	<u>(11,616,596)</u>
Cash flows from financing activities			
Finance costs		(11,070)	(14,266)
Proceeds from borrowings		3,500,000	-
Repayment of borrowings		(96,163)	(91,000)
Repayment of lease liabilities		(277,733)	(225,439)
Net cash provided by/(used in) financing activities		<u>3,115,034</u>	<u>(330,705)</u>
Net increase (decrease) in cash and cash equivalents		2,177,792	(4,146,156)
Cash and cash equivalents at the beginning of the financial year		1,403,913	5,550,069
Cash and cash equivalents at the end of the financial year		<u>3,581,705</u>	<u>1,403,913</u>

Financing arrangements 5.6

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

Statement of Capital Works For the Year Ended 30 June 2023

	2023 \$	2022 \$
Property		
Buildings	1,331,024	428,802
Total property	1,331,024	428,802
Plant and equipment		
Plant, machinery and equipment	782,185	309,470
Fixtures, fittings and furniture	205,535	323,048
Intangible assets	77,785	165,260
Total plant and equipment	1,065,505	797,778
Infrastructure		
Roads	5,136,619	2,567,886
Bridges and culverts	170,520	318,917
Footpaths and cycleways	3,747,485	667,080
Drainage	53,061	499,601
Recreational, leisure and community facilities	611,368	1,569,769
Parks, open space and streetscapes	1,422,154	370,287
Total infrastructure	11,141,206	5,993,541
Total capital works expenditure	13,537,735	7,220,120
Represented by:		
New asset expenditure	3,400,369	981,936
Asset renewal expenditure	6,082,695	3,763,811
Asset expansion expenditure	970,334	1,278,645
Asset upgrade expenditure	3,084,337	1,195,728
Total capital works expenditure	13,537,735	7,220,120

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

Note 1 OVERVIEW

Introduction

The Strathbogie Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at the corner of Binney and Bury Streets, Euroa, Victoria 3666.

Statement of compliance

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

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

Significant accounting policies

1.1 Basis of accounting

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

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

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

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST recoverable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

1.2 Impact of Covid-19

Impacts from COVID-19 pandemic on council operation during 2022/23 were minimal. Most council operations are back to normal with the following impacts noted on council's financial operations:

- Council received additional \$1,845,804 capital grant from Federal Government under Local Roads and Community Infrastructure Program (RLCIP) for roads constructions. Council also received rapid antigen test program grants \$90,000 during the financial year.
- \$31,685 was spent on other pandemic related expenses. Impact on other revenue, debt collection and operational costs were immaterial.
- Construction industry has experienced a significant increase in cost and skill shortage due to pandemic related macro-economic factors. As a result, capital project delivery and assets valuation were impacted during the year.
- There were no business disruptions during the year except some areas experiencing post-COVID macro-economic implications such as project management and maintenance work experiencing contractor and staff shortages and difficulties in recruiting given a very competitive labour market.

1.3 Impact of natural disaster - October 2022 Flood

October 2022 flooding event affected many parts of Strathbogie Shire. As a result, some of council properties and infrastructure were damaged during the flood. Roads and buildings required repair work to bring back to its pre-flood condition. Council has noted the following significant impacts on its financial operations:

- A flood recovery support team was established to provide support to those whose homes or businesses have been impacted by flood.
- Council received Natural Disaster Financial Assistance (NDFA) grant (\$2,170,000), flood support funds from the Department of Jobs, Precincts and Regions (\$1,500,000), Emergency Recovery Victoria grant (\$771,000) and other flood related grants (\$319,872) during the year.
- Council spent \$3,037,250 both on cleaning and repair work to roads during the financial year and majority of roads repair work was completed during 2022/23.
- Council has estimated \$943,866 for building repair work. Comprehensive Income Statement for 2022/23 includes provision for both expense and insurance recovery income of \$943,866. Repair work is expected to complete during 2023/24.
- Council records a contingent asset of \$4,976,760 as of 30th June 2023. This includes an unconfirmed insurance recoverable amount on damaged buildings and bridges.
- Flood damage on roads and buildings resulted an impairment of assets value by \$971,068 as of 30th June 2023. These impairments are on those assets that have not been repaired as of 30th June 2023.
- Flood event resulted in re-directing Council resources towards flood recovery work. This impacted council operations and delivery of capital projects.
- Kirwans Bridge, a heritage listed timber bridge was damaged by the October 2022 Flood Event and remains closed as it is unsafe for vehicular traffic. Planning work for the future of the bridge is underway including the submission for external funding to enable the reopening of the bridge. No expense or impairment of value recorded as of 30 June 2023.
- Chinamans Bridge a heritage listed timber disused bridge was affected by the October 2022 Flood Event. The bridge is in a state of imminent collapse. Ownership of the bridge remains contested and unresolved. The bridge is not on Council's asset register. Council is in discussion with the relevant state government departments to determine an outcome as soon as possible.

Note 2 ANALYSIS OF OUR RESULTS

2.1 Performance against budget

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

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

2.1.1 Income / Revenue and expenditure

	Budget 2023 \$	Actual 2023 \$	Variance \$	Variance %	Ref
Income / Revenue					
Rates and charges	21,080,000	21,139,734	59,734	0%	
Statutory fees and fines	688,000	672,191	(15,809)	-2%	
User fees	568,000	895,738	327,738	58%	1
Grants - operating	7,075,000	13,605,729	6,530,729	92%	2
Grants - capital	3,729,000	5,966,478	2,237,478	60%	3
Contributions - monetary	413,000	203,492	(209,508)	-51%	4
Contributions - non monetary	-	1,675,691	1,675,691	100%	5
Net gain on disposal of property, infrastructure, plant and equipment	50,000	43,086	(6,914)	-14%	
Share of net profits of associates and joint ventures	-	(2,051)	(2,051)	100%	
Other income	540,000	2,082,049	1,542,049	286%	6
Total income / revenue	34,143,000	46,282,137	12,139,137	36%	
Expenses					
Employee costs	12,022,000	13,026,368	(1,004,368)	-8%	7
Materials and services	13,569,000	18,921,371	(5,352,371)	-39%	8
Depreciation	6,076,000	6,768,642	(692,642)	-11%	9
Amortisation - intangible assets	-	70,693	(70,693)	100%	9
Amortisation - right of use assets	184,000	254,270	(70,270)	-38%	10
Bad & doubtful debts - allowance for impairment losses	5,000	5,863	(863)	-17%	
Borrowing costs	85,000	11,070	73,930	87%	11
Finance costs - leases	11,000	25,922	(14,922)	-136%	
Other expenses	331,000	426,931	(95,931)	-29%	12
Total expenses	32,283,000	39,511,130	(7,228,130)	-22%	
Surplus/(deficit) for the year	1,860,000	6,771,007	4,911,007	264%	

(i) Explanation of material variations

Income

1	User fees	Favourable variance due to increased lease income (\$102,610), increased recreational facilities income (\$29,234) and higher than budgeted tip fees and saleyard fees.
2	Grants - operating	More than budgeted operating grant is mainly due to receipt of unbudgeted flood recovery grants (\$3,973,119) and receipt of 2023/24 full allocation of Grant Commission Financial Assistance funds in 2022/23 which resulted an increased grant income (\$2,309,755) in 2022/23 compared to the budget. Council also received unbudgeted grants; rapid antigen test program grants (\$90,000) and Victorian health promotion grant (\$70,950).
3	Grants - capital	More than budgeted capital grant is mainly due to Nagambie foreshore walk grants carried forward from 2021/22 (\$2,895,524) which partly offset by decreased local road & community infrastructure funding (\$744,180).
4	Contributions - monetary	Less than expected developer contributions received (\$127,997) and less than budgeted contribution from Nagambie Discovery Caravan Park operational delays due to extended flood damage recovery work.
5	Contributions - non monetary	Unbudgeted Gifted Assets received from developers of Nagambie Lifestyle Village (\$525,072), Elloura Estate (\$479,056), Vineyard estate (\$434,678) and other estates (\$236,886).
6	Other income	More than budgeted term deposit interest income (\$624,674) due to increase in interest rates and cash position. Unbudgeted flood recovery insurance claim (\$943,866) for rectification of building damages due to flood damages.

Expense

7	Employee costs	Increase in employee cost is mainly due to capital project officer salary which were recorded as operating expense rather than capital expense (\$427,967), higher than budgeted overtime expense (\$218,896), grant funded Regional Tourism temporary employee salary expense (\$125,413) and fringe benefit tax which has been recorded under material and services expense in the adopted budget (\$119,176). This partly offset by vacancies during the financial year.
8	Materials and services	Increased materials and services expense is mainly due to flood recovery related expenditure (\$3,981,116), increased other waste management expenses (\$191,939) and increased legal fees (\$95,717) and contractors/consultants fees (\$82,321). This also includes Violet Town landfill rehabilitation expense (\$1,993,347) which partly offset by reversal of landfill rehabilitation provision (\$1,339,854).
9	Depreciation/ Amortisation - intangible assets	Increased depreciation expenditure in infrastructure assets (\$458,850) and underbudgeted furniture, plant and equipment depreciation (\$265,510).
11	Amortisation - right of use assets	Depreciation on new grader leased (\$65,810) in 2021/22 and new office leased (\$8,349) in 2022/23.
12	Borrowing costs	New borrowings for Violet Town landfill rehabilitation work and saleyard truck wash were delayed until June 2023.
13	Other expenses	Unbudgeted municipal monitor expense (\$30,371), increased councillor allowances and superannuation (\$25,420).

2.1.2 Capital works

	Budget 2023 \$	Actual 2023 \$	Variance \$	Variance %	Ref
Property					
Buildings	1,902,000	1,331,024	(570,977)	-30%	1
Total property	1,902,000	1,331,024	(570,977)	-30%	
Plant and equipment					
Plant, machinery and equipment	2,071,000	782,185	(1,288,815)	-62%	2
Fixtures, fittings and furniture	748,000	283,320	(464,680)	-62%	3
Total plant and equipment	2,819,000	1,065,505	(1,753,495)	-62%	
Infrastructure					
Roads	7,530,000	5,136,619	(2,393,382)	-32%	4
Bridges	1,200,000	170,520	(1,029,480)	-86%	5
Footpaths and cycleways	1,257,000	3,747,485	2,490,485	198%	6
Drainage	1,388,000	53,061	(1,334,939)	-96%	7
Recreational, leisure and community facilities	1,067,000	611,368	(455,632)	-43%	8
Waste management	3,256,000	-	(3,256,000)	-100%	9
Parks, open space and streetscapes	2,145,000	1,422,154	(722,846)	-34%	10
Total infrastructure	17,843,000	11,141,206	(6,701,794)	-38%	
Total capital works expenditure	22,564,000	13,537,735	(9,026,265)	-40%	
Represented by:					
New asset expenditure	1,127,000	3,400,369	2,273,369	202%	
Asset renewal expenditure	14,312,000	6,082,695	(8,229,305)	-57%	
Asset expansion expenditure	1,066,000	970,334	(95,666)	-9%	
Asset upgrade expenditure	6,059,000	3,084,337	(2,974,663)	-49%	
Total capital works expenditure	22,564,000	13,537,735	(9,026,265)	-40%	

(i) Explanation of material variations

	Item	Explanation
1	Buildings	Due to projects that were carried forward; Saleyards Truck Wash (\$632,638). Work not progressing; Euroa Civic Centre roof cladding work (\$455,564), Partly offset by increased expenditure in Euroa Caravan Park work (\$149,036), Strathbogie recreation reserve work (\$379,162) and unbudgeted expenditure; grant funded ArtBox project (\$134,842).
2	Plant, machinery and equipment	Market constraints in sourcing new vehicles and plants. Part of the remaining budget carried forward to 2023/24.
3	Fixtures, fittings and furniture	Mainly due to regional council information technology project carried forward to 2023/24.
4	Roads	Mainly due to projects that were carried forward to 2023/24; Habel Road (\$1,727,888), Seal Weir Road/Lake Road Kirwans Bridge (\$341,164), Zero Class upgrade program (\$292,874) and Hovell St - Sealed road Between Ewings road and Bank street (\$261,434). Partly offset by increased expenditure in other projects and road work completed that were carried forward from 2021/22.
5	Bridges	Mainly due to Nagambie Locksley Road bridge carried forward to future years (\$1,067,301).
6	Footpaths and cycleways	Due to Lake Nagambie Foreshore Walk (\$2,280,894) and Rockies Pedestrian Footbridge (\$168,121) which were carried forward from 2021/22.
7	Drainage	Most of the budgeted drainage works were put on hold until council adopts drainage strategy.
8	Recreational, leisure and community facilities	Mainly due to Nagambie Recreation Reserve Lighting (\$199,901) and swimming pool work (\$61,458) which were carried forward to 2023/24.
9	Waste management	Waste management budget includes Violet Town Landfill restoration work, transfer station resale shop and Nagambie transfer station new waste bay. During the year council spent \$1,993,347 on landfill rehabilitation work. This has been expensed in the Comprehensive Income Statement - Refer financial statement notes 4.2 and 5.5 for additional details. Resale shop and new waste bay have been carried forward to 2023/24.
10	Parks, open space and streetscapes	Carried forward projects to 2023/24; Streetscapes Renewal Program (\$939,963) and partly offset by 2021/22 projects that were completed in 2022/23.

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Programs

People & Governance

People & Governance provides primarily internally focussed services including financial management, human resources, risk management, occupational health and safety, information communication technology, records management, frontline customer service and corporate governance and council business.

Community & Planning

Community & Planning provides high quality community focused programs. Service areas include maternal and child health, youth, seniors, community grants, arts and culture, tourism, regulatory services, local laws, emergency management and economic development programs. It also includes strategic and statutory land use planning.

Sustainable Infrastructure

Sustainable Infrastructure provides strategic management of council assets and waste management services. Service areas include assets management, operations and waste management.

Corporate Leadership

Corporate Leadership provides effective strategic oversight, policy development and communications/engagement.

Mayor & Councillors

Elected members to the council and associated services.

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

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$	\$	\$	\$	\$
2023					
People & Governance	27,572,035	11,724,359	15,847,677	8,110,530	116,238,729
Community & Planning	6,838,974	9,285,803	(2,446,830)	5,039,494	92,062,177
Sustainable Infrastructure	11,816,918	17,053,945	(5,237,027)	6,372,183	169,077,807
Corporate Leadership	50,000	1,029,577	(979,577)	50,000	10,207,532
Mayor & Councillors	4,211	417,446	(413,235)	-	4,138,680
	46,282,138	39,511,130	6,771,007	19,572,207	391,724,926
	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$	\$	\$	\$	\$
2022					
Corporate Operations	33,243,115	(21,171,755)	12,071,360	9,141,309	254,637,194
Community & Planning	2,912,033	(3,728,808)	(816,775)	2,451,514	44,847,161
People & Governance	155,561	(3,125,545)	(2,969,984)	-	37,591,587
Corporate Leadership	41,000	(966,273)	(925,273)	40,000	11,621,569
Mayor & Councillors	12,269	(354,665)	(342,396)	-	4,265,637
	36,363,978	(29,347,046)	7,016,932	11,632,823	352,963,148

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

3.1 Rates and charges

2023	2022
\$	\$

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the valuation of the land and all improvements on the land.

The valuation base used to calculate general rates for 2022/23 was \$5,268 million (2021/22 \$4,105 million).

General rates	18,064,459	17,590,122
Waste management charge	3,075,275	2,924,936
Total rates and charges	21,139,734	20,515,058

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

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

3.2 Statutory fees and fines

Building fees	122,948	148,825
Planning fees	333,488	336,518
Health registrations	77,235	83,774
Animal registrations	108,369	83,141
Land information certificates	20,848	25,577
Fire Prevention Notice Infringements	9,303	2,615
Total statutory fees and fines	672,191	680,450

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 first occurs.

3.3 User fees

Tip fees	213,872	223,676
Nagambie Lakes events	31,052	12,540
Saleyard operations revenue	217,827	271,625
Swimming pools revenue	10,114	3,594
Rent/lease Charges	192,610	141,720
Euroa Cinema	46,774	4,894
Septic tank fees	17,341	24,959
Other user charges and contributions	166,148	157,767
Total user fees	895,738	840,775

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	895,738	840,775
Total user fees	895,738	840,775

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

	2023 \$	2022 \$
3.4 Funding from other levels of government		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	11,637,421	9,470,645
State funded grants	7,934,786	2,162,177
Total grants received	19,572,207	11,632,822
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grants	8,466,584	7,440,469
<i>Recurrent - State Government</i>		
Maternal & Child Health	229,395	240,581
Community Safety	16,031	7,848
Youth	121,917	121,404
Pests and Plants Program	65,893	65,893
Municipal Emergency Resource Programme	61,500	13,200
Supported Playgroup	44,629	60,710
Vulnerable Persons Register	18,915	21,490
Boat Ramp Maintenance	9,100	8,900
School Crossing Supervision	36,935	30,850
Other	21,885	23,840
Total recurrent operating grants	9,092,784	8,035,185
<i>Non-recurrent - Commonwealth Government</i>		
Other	35,000	-
<i>Non-recurrent - State Government</i>		
Economic Development	-	60,000
Greening Euroa	1,192	63,180
Environment	51,731	88,046
Tourism & Events	91,000	404,000
Emergency & Disaster Management *	4,095,665	-
Planning and Business Case	90,312	35,000
Water/Waterways Management	30,805	54,000
Health	70,950	93,479
Rural Roads Support Program	35,000	21,500
Kindergarten	-	81,000
Other	11,290	93,100
Total non-recurrent operating grants	4,512,945	993,305
Total operating grants	13,605,729	9,028,490

	2023	2022
	\$	\$
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,381,234	1,200,000
Total recurrent capital grants	1,381,234	1,200,000
<i>Non-recurrent - Commonwealth Government</i>		
Drought Funding	-	100,000
Infrastructure Funding Grant	1,456,756	678,023
Nagambie Foreshore Walk	297,847	52,153
<i>Non-recurrent - State Government</i>		
Recreation	232,964	41,250
Footpaths and cycleways	2,597,677	402,323
Tourism & Events	-	130,000
Environment - Capital	-	584
Total non-recurrent capital grants	4,585,244	1,404,333
Total capital grants	5,966,478	2,604,333

*Emergency & Disaster Management grant include October 2022 flood recovery related grant (\$4,005,665)

(c) Recognition of grant income

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

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

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

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

Income recognised under AASB 1058 *Income of Not-for-Profit Entities*

General purpose	12,846,502	7,742,900
Specific purpose grants to acquire non-financial assets	-	-
Other specific purpose grants	686,006	1,116,223

Revenue recognised under AASB 15 *Revenue from Contracts with Customers*

Specific purpose grants	6,039,699	2,773,699
	19,572,207	11,632,822

	2023	2022
	\$	\$
(d) Unspent grants received on condition that they be spent in a specific manner		
<i>Operating</i>		
Balance at start of year	854,126	305,172
Received during the financial year and remained unspent at balance date	1,273,418	765,703
Received in prior years and spent during the financial year	(547,945)	(216,749)
Balance at year end	1,579,599	854,126
<i>Capital</i>		
Balance at start of year	2,675,524	3,401,555
Received during the financial year and remained unspent at balance date	1,014,413	80,000
Received in prior years and spent during the financial year	(2,595,524)	(806,031)
Balance at year end	1,094,413	2,675,524

Unspent grants are determined and disclosed on a cash basis.

3.5 Contributions

Monetary	203,492	238,761
Non-monetary	1,675,691	1,721,874
Total contributions	1,879,183	1,960,635

Contributions of non monetary assets were received in relation to the following asset classes.

Roads	757,292	900,062
Kerb & Channel	169,171	-
Footpath	172,653	225,504
Drainage	407,853	349,355
Land under roads	168,722	246,953
Total non-monetary contributions	1,675,691	1,721,874

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

	2023	2022
	\$	\$
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	51,386	53,523
Written down value of assets disposed	(8,300)	(25,134)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	43,086	28,389

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

3.7 Other income

Interest	692,572	100,225
Interest on rates	188,003	210,561
Diesel rebate	59,831	63,040
Insurance recoveries	1,087,099	139,757
Other items	54,544	186,779
Total other income	2,082,049	700,362

Interest is recognised as it is earned.

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

Insurance recoveries include October 2022 flood related insurance income to date of 30 June 2023 - \$943,866.

	2023	2022
	\$	\$

Note 4 THE COST OF DELIVERING SERVICES

4.1 (a) Employee costs

Wages and salaries	11,212,895	10,281,715
WorkCover	239,892	438,254
Superannuation	1,125,432	991,730
Fringe benefits tax	119,176	111,291
Other	328,973	244,330
Total employee costs	13,026,368	12,067,320

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	49,057	64,633
Employer contributions - other funds	-	-
	49,057	64,633

Employer contributions payable at reporting date.

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	578,434	448,209
Employer contributions - other funds	498,519	475,025
	1,076,953	923,234

Employer contributions payable at reporting date.

594 3,863

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

Building maintenance	946,767	630,854
General maintenance *	5,793,647	4,394,690
Flood recovery	3,981,116	-
Utilities	316,392	281,166
Office administration	1,985,207	1,629,098
Information technology	810,268	703,125
Insurance	533,849	464,731
Consultants	910,796	1,281,740
Legal fees	279,217	285,882
Emergency Expense	2,846	12,814
Waste Management **	3,361,266	295,533
Total materials and services	18,921,371	9,979,633

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

* General maintenance includes, but is not limited to, maintenance of infrastructure (\$1,904,514), maintenance of road canopy and trees (\$1,097,962), plant expenses (\$1,706,564) and contractor and professional service payments (\$613,924).

** Waste Management expenses include landfill rehabilitation expense (\$1,993,347) and reversal of landfill rehabilitation provision (\$1,339,854). Refer to Note 5.5.

	2023	2022
	\$	\$
4.3 Depreciation		
Property	1,068,375	1,106,015
Plant and equipment	423,432	425,188
Furniture and Equipment	227,985	194,874
Infrastructure	5,048,850	4,832,652
Total depreciation	6,768,642	6,558,729

Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Intangible assets

Software	70,693	57,243
Total Amortisation - Intangible assets	70,693	57,243

4.5 Amortisation - Right of use assets

Property	17,554	9,206
Plant and equipment	236,716	198,327
Total Amortisation - Right of use assets	254,270	207,533

4.6 Bad and doubtful debts - allowance for impairment losses

Rates debtors	157	18,263
Other debtors	5,706	3,538
Total bad and doubtful debts - allowance for impairment losses	5,863	21,801

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	6,235	9,573
New provisions recognised during the year	10,292	3,539
Amounts already provided for and written off as uncollectible	(5,863)	(6,877)
Balance at end of year	10,664	6,235

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Borrowing costs

Interest - Borrowings	11,070	14,266
Total borrowing costs	11,070	14,266

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

4.8 Finance Costs - Leases

Interest - Lease Liabilities	25,922	22,734
Total finance costs	25,922	22,734

	2023	2022
	\$	\$
4.9 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	41,000	56,400
Auditors' remuneration - Internal Audit & Audit Committee	45,088	72,927
Councillors' allowances	261,519	229,506
Other Councillor expenses	79,324	55,448
Election Expenses	-	3,506
Total other expenses	426,931	417,787

Other Councillor expenses include Municipal Monitor expense \$30,371.

Note 5 OUR FINANCIAL POSITION

	2023	2022
	\$	\$
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	1,611	1,893
Cash at bank	430,094	902,020
Term deposits	3,150,000	500,000
Total cash and cash equivalents	3,581,705	1,403,913
(b) Other financial assets		
Current		
Term deposits - current	21,550,000	21,800,000
Total current other financial assets	21,550,000	21,800,000
Non-current		
Share in MAV Purchasing Scheme	2,032	2,032
Total non-current other financial assets	2,032	2,032
Total other financial assets	21,552,032	21,802,032
Total financial assets	25,133,737	23,205,945

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

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

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

	2023	2022
	\$	\$
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	2,488,113	2,405,729
Special rate assessment	11,765	9,383
Net GST receivable	610,200	224,933
<i>Non statutory receivables</i>		
Other debtors	1,204,931	809,775
Provision for doubtful debts - other debtors	(10,664)	(6,235)
Total current trade and other receivables	4,304,345	3,443,585
Non-current		
<i>Statutory receivables</i>		
Special rate scheme	17,936	21,903
Total non-current trade and other receivables	17,936	21,903
Total trade and other receivables	4,322,281	3,465,488

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of Receivables

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

Current (not yet due)	654,142	552,137
Past due by up to 30 days	74,688	31,917
Past due between 31 and 180 days	230,000	85,987
Past due between 181 and 365 days	106,210	95,616
Past due by more than 1 year	139,891	44,118
Total trade and other receivables	1,204,931	809,775

5.2 Non-financial assets	2023	2022
	\$	\$
(a) Other assets		
Prepayments	293,798	289,261
Accrued income	805,473	110,321
Inventories	14,762	16,177
Total other assets	1,114,033	415,759
(b) Intangible assets		
Software	194,276	187,184
Total intangible assets	194,276	187,184
	Software	Total
	\$	\$
Gross carrying amount		
Balance at 1 July 2022	1,122,440	1,122,440
Other additions	77,785	77,785
Balance at 30 June 2023	1,200,225	1,200,225
Accumulated amortisation and impairment		
Balance at 1 July 2022	935,256	935,256
Amortisation expense	70,693	70,693
Balance at 30 June 2023	1,005,949	1,005,949
Net book value at 30 June 2022	187,184	187,184
Net book value at 30 June 2023	194,276	194,276

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

5.3 Payables, trust funds and deposits and unearned income/revenue

	2023	2022
(a) Trade and other payables	\$	\$
Current		
<i>Non-statutory payables</i>		
Trade payables	3,239,383	1,923,441
Accrued expenses	1,863,131	116,558
Total current trade and other payables	5,102,514	2,039,999
(b) Trust funds and deposits		
Current		
Fire services levy	64,310	44,425
Retention amounts	459,952	190,683
Other refundable deposits	400,295	399,805
Total current trust funds and deposits	924,557	634,913
Non-current		
Trust funds bequested	34,791	52,731
Total non-current trust funds and deposits	34,791	52,731
Total trust funds and deposits	959,348	687,644
(c) Unearned income/revenue		
Current		
Grants received in advance - operating	1,508,649	481,122
Grants received in advance - capital	1,094,413	2,675,524
Total current unearned income/revenue	2,603,062	3,156,646

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of delivery of community infrastructure and community services. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

Purpose and nature of items

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

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

	2023 \$	2022 \$
5.4 Interest-bearing liabilities		
Current		
Treasury Corporation of Victoria borrowings - secured C	160,341	-
Borrowings - secured	95,262	96,557
Total current interest-bearing liabilities	255,603	96,557
Non-current		
Treasury Corporation of Victoria borrowings - secured NC	3,339,659	-
Borrowings - secured	-	94,868
Total non-current interest-bearing liabilities	3,339,659	94,868
Total	3,595,262	191,425

Borrowings are secured by a registered charge over the Council rates on the Personal Property Security Register.

(a) The maturity profile for Council's borrowings is:

Not later than one year	255,603	96,557
Later than one year and not later than five years	728,354	94,868
Later than five years	2,611,305	-
	3,595,262	191,425

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

5.5 Provisions

	Employee \$	Landfill restoration \$	Total \$
2023			
Balance at beginning of the financial year	3,263,216	4,001,657	7,264,873
Additional provisions	964,998	764,076	1,729,074
Amounts used	(1,129,182)	(1,993,347)	(3,122,529)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	132,878	(110,582)	22,296
Balance at the end of the financial year	3,231,910	2,661,804	5,893,714
<i>Provisions - current</i>	2,770,491	1,409,471	4,179,962
<i>Provisions - non-current</i>	461,419	1,252,333	1,713,752
2022			
Balance at beginning of the financial year	3,279,027	6,135,497	9,414,524
Additional provisions	1,128,048	(1,780,683)	(652,635)
Amounts used	(1,117,401)	-	(1,117,401)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(26,459)	(353,157)	(379,616)
Balance at the end of the financial year	3,263,216	4,001,657	7,264,873
<i>Provisions - current</i>	2,886,605	2,782,651	5,669,256
<i>Provisions - non-current</i>	376,610	1,219,007	1,595,617

	2023	2022
	\$	\$
(a) Employee provisions		
Current provisions expected to be wholly settled within 12		
Annual leave	763,719	767,000
Long service leave	205,844	210,452
Other	11,148	11,254
	980,711	988,706
Current provisions expected to be wholly settled after 12		
Annual leave	286,211	466,717
Long service leave	1,503,569	1,431,183
	1,789,780	1,897,900
Total current employee provisions	2,770,491	2,886,605
Non-current		
Long service leave	461,419	376,610
Total non-current employee provisions	461,419	376,610
Aggregate carrying amount of employee provisions:		
Current	2,770,491	2,886,605
Non-current	461,419	376,610
Total aggregate carrying amount of employee provisions	3,231,910	3,263,215

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

Annual leave

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

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

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

Long service leave

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

	2023	2022
Key assumptions:		
- discount rate	4.06%	3.33%
- index rate	3.50%	1.70%

	2023	2022
(b) Landfill restoration	\$	\$
Current	1,409,471	2,782,651
Non-current	1,252,333	1,219,007
	2,661,804	4,001,658

Council is obligated to restore landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.06%	3.33%
- index rate	7.00%	5.10%

5.6 Financing arrangements

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

Bank overdraft	1,145,000	1,145,000
Credit card facilities	100,000	100,000
Treasury Corporation of Victoria facilities	3,500,000	-
Loan facilities	95,262	191,425
Total facilities	4,840,262	1,436,425
Used facilities	(3,613,530)	(199,414)
Unused facilities	1,226,732	1,237,011

5.7 Commitments

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

(a) Commitments for expenditure

2023

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
Operating					
Governance	97,481	-	-	-	97,481
Finance	209,909	20,807	-	-	230,716
Environment & Waste	1,970,235	-	3,475,369	-	5,445,605
Community	302,274	-	-	-	302,274
Total	2,579,900	20,807	3,475,369	-	6,076,076
Capital					
Buildings	39,662	-	-	-	39,662
Bridges	58,752	-	-	-	58,752
Roads	1,907,389	-	-	-	1,907,389
Footpaths and cycleways	823,751	-	-	-	823,751
Parks open spaces and streetscapes	472,457	-	-	-	472,457
Waste Management	233,337	-	-	-	233,337
Total	3,535,348	-	-	-	3,535,348

2022

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
Operating					
Open space management	373,348	373,348	71,074	-	817,770
Governance	239,645	199,673	62,664	-	501,982
Human Resources	58,592	16,476	-	-	75,068
Assets Services	59,261	-	-	-	59,261
Finance	49,153	-	-	-	49,153
Environment & Waste	125,478	73,393	26,693	-	225,564
Total	905,477	662,890	160,431	-	1,728,798
Capital					
Open Space	1,838,776	-	-	-	1,838,776
Total	1,838,776	-	-	-	1,838,776

5.8 Leases

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under *AASB 16 Leases*, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Right-of-Use Assets	Property	Plant & Equipment	Total
	\$	\$	\$
Balance at 1 July 2022	9,204	781,670	790,874
Additions	50,091	-	50,091
Amortisation charge	(17,554)	(236,716)	(254,270)
Balance at 30 June 2023	41,741	544,954	586,695

Lease Liabilities	2023	2022
Maturity analysis - contractual undiscounted cash flows	\$	\$
Less than one year	285,008	269,066
One to five years	361,364	602,259
More than five years	-	-
Total undiscounted lease liabilities as at 30	646,372	871,325

Lease liabilities included in the Balance Sheet at 30 June:

Current	266,302	243,936
Non-current	343,646	567,733
Total lease liabilities	609,948	811,669

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2023	2022
Expenses relating to:	\$	\$
Short-term leases	18,658	18,606
Leases of low value assets	-	-
Total	18,658	18,606

Other lease payments

Council does not have any variable lease or non-cancellable lease commitments as at 30 June 2023

Note 6 ASSETS WE MANAGE

6.1 Non current assets classified as held for sale

	2023	2022
	\$	\$
Cost of acquisition	219,780	417,384
Total non current assets classified as held for sale	219,780	417,384

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

Notes to the Financial Report
For the Year Ended 30 June 2023

6.2 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2022	Additions	Contributio ns	Revaluation	Depreciation	Disposal	Impairment	Write-off	Transfers/ Reclassification	Carrying amount 30 June 2023
	\$	\$	\$	\$	\$	\$		\$	\$	\$
Property	58,456,202	1,307,916	168,722	7,531,506	(1,068,375)	-	(1,435,480)	-	278,902	65,239,393
Plant and equipment	4,928,588	987,720	-	-	(651,417)	(8,300)	-	-	-	5,256,591
Infrastructure	255,785,179	6,638,007	1,506,969	21,435,389	(5,048,850)	-	(152,238)	-	2,783,358	282,947,814
Work in progress	5,049,772	4,526,307	-	-	-	-	-	(259,821)	(2,864,656)	6,451,602
Total	324,219,741	13,459,950	1,675,691	28,966,895	(6,768,642)	(8,300)	(1,587,718)	(259,821)	197,604	359,895,400

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$	\$	\$	\$	\$
Property	256,289	320,539	(28,524)	(81,298)	467,006
Infrastructure	4,793,483	4,205,768	(231,297)	(2,783,358)	5,984,596
Total	5,049,772	4,526,307	(259,821)	(2,864,656)	6,451,602

Notes to the Financial Report
For the Year Ended 30 June 2023

(a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Cultural and heritage assets	Work In Progress	Total Property
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At fair value 1 July 2022	23,865,948	4,715,000	511,718	29,092,666	62,094,122	3,305,676	65,399,798	2,298,900	256,289	97,047,654
Accumulated depreciation at 1 July 2022	-	-	-	-	(37,242,018)	(1,093,144)	(38,335,162)	-	-	(38,335,162)
	23,865,948	4,715,000	511,718	29,092,666	24,852,104	2,212,532	27,064,636	2,298,900	256,289	58,712,491
Movements in fair value										
Additions	-	-	-	-	1,307,916	-	1,307,916	-	320,539	1,628,455
Contributions	-	-	168,722	168,722	-	-	-	-	-	168,722
Revaluation	2,738,289	540,981	60,179	3,339,449	3,660,369	531,687	4,192,056	-	-	7,531,506
Reclassification	-	197,604	-	197,604	-	-	-	-	-	197,604
Write-off	-	-	-	-	-	-	-	-	(28,524)	(28,524)
Transfers	-	-	-	-	81,298	-	81,298	-	(81,298)	-
Impairment losses recognised in operating result	-	-	-	-	(1,435,480)	-	(1,435,480)	-	-	(1,435,480)
	2,738,289	738,585	228,901	3,705,775	3,614,103	531,687	4,145,790	-	210,717	8,062,283
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	-	(1,068,375)	-	(1,068,375)	-	-	(1,068,375)
	-	-	-	-	(1,068,375)	-	(1,068,375)	-	-	(1,068,375)
At fair value 30 June 2023	26,604,237	5,453,585	740,619	32,798,441	65,708,225	3,837,363	69,545,589	2,298,900	467,006	105,109,937
Accumulated depreciation at 30 June 2023	-	-	-	-	(38,310,393)	(1,093,144)	(39,403,537)	-	-	(39,403,537)
Carrying amount	26,604,237	5,453,585	740,619	32,798,441	27,397,832	2,744,219	30,142,052	2,298,900	467,006	65,706,399

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Cultural and heritage assets - Arts & Monuments	Total plant and equipment
	\$	\$	\$	\$
At fair value 1 July 2022	6,070,401	3,483,150	2,146,950	11,700,501
Accumulated depreciation at 1 July 2022	(4,070,047)	(2,701,867)	-	(6,771,914)
	2,000,354	781,283	2,146,950	4,928,588
Movements in fair value				
Additions	782,185	205,535	-	987,720
Disposal	(115,066)	-	-	(115,066)
	667,119	205,535	-	872,654
Movements in accumulated depreciation				
Depreciation and amortisation	(423,432)	(227,985)	-	(651,417)
Accumulated depreciation of disposals	106,766	-	-	106,766
	(316,666)	(227,985)	-	(544,651)
At fair value 30 June 2023	6,737,520	3,688,685	2,146,950	12,573,155
Accumulated depreciation at 30 June 2023	(4,386,713)	(2,929,852)	-	(7,316,565)
Carrying amount	2,350,807	758,833	2,146,950	5,256,591

Notes to the Financial Report
For the Year Ended 30 June 2023

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb and channel	Parks open spaces and streetscapes	Cultural and heritage assets	Work In Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At fair value 1 July 2022	244,895,914	72,783,468	5,990,918	18,781,080	15,141,966	22,258,340	2,288,263	4,793,483	386,933,432
Accumulated depreciation at 1 July 2022	(81,657,410)	(21,520,699)	(1,688,468)	(4,753,992)	(5,958,496)	(10,775,705)	-	-	(126,354,770)
	163,238,504	51,262,769	4,302,450	14,027,088	9,183,470	11,482,635	2,288,263	4,793,483	260,578,662
Movements in fair value									
Additions	4,288,312	90,338	710,445	-	-	1,548,912	-	4,205,768	10,843,775
Contributions	757,292	-	172,653	407,853	169,171	-	-	-	1,506,969
Revaluation	8,020,032	2,518,579	1,270,193	11,883,462	468,973	1,679,920	-	-	25,841,160
Write-off	-	-	-	-	-	-	-	(231,297)	(231,297)
Transfers	1,074,813	210,151	391,468	-	-	1,106,926	-	(2,783,358)	-
Impairment losses recognised in operating result	(144,961)	(7,277)	-	-	-	-	-	-	(152,238)
	13,995,488	2,811,791	2,544,759	12,291,315	638,144	4,335,758	-	1,191,113	37,808,369
Movements in accumulated depreciation									
Depreciation and amortisation	(3,102,190)	(710,479)	(159,844)	(327,105)	(203,344)	(545,888)	-	-	(5,048,850)
Revaluation	-	-	164,190	(4,569,961)	-	-	-	-	(4,405,771)
	(3,102,190)	(710,479)	4,346	(4,897,066)	(203,344)	(545,888)	-	-	(9,454,621)
At fair value 30 June 2023	258,891,402	75,595,259	8,535,677	31,072,395	15,780,110	26,594,098	2,288,263	5,984,596	424,741,800
Accumulated depreciation at 30 June 2023	(84,759,600)	(22,231,178)	(1,684,122)	(9,651,058)	(6,161,840)	(11,321,593)	-	-	(135,809,390)
Carrying amount	174,131,802	53,364,082	6,851,555	21,421,337	9,618,270	15,272,505	2,288,263	5,984,596	288,932,410

Acquisition

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

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

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

	Depreciation Period	Threshold Limit
Asset recognition thresholds and depreciation periods		\$
Property		
land	-	10,000
Buildings		
buildings	10 to 100 years	5000
Plant and Equipment		
plant, machinery and equipment	2 to 20 years	1,000
furniture and equipment	2 to 10 years	1000
leased plant and equipment including right of use assets	3 to 5 years	5,000
Infrastructure		
road pavements - sealed	40 to 130 years	5,000
road pavements - unsealed	25 to 40 years	5,000
road seals	18 to 40 years	5,000
formation and earthworks	100 years	5,000
bridges deck	50 to 120 years	5,000
bridges substructure	60 to 250 years	5,000
culverts	60 to 250 years	5,000
footpaths	10 to 60 years	5,000
drainage	100 years	5,000
parks open spaces and streetscapes	15 to 100 years	5,000
kerb and channel	50 to 100 years	5,000
cultural and heritage assets	-	5,000

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, there are no leasehold improvements.

Valuation of land and buildings

Valuation of land were undertaken by a qualified independent valuer APV Valuers & Assets Management (Megan Matteschek - Registered Valuer No. 3745MR) in June 2021 and then adjusted for indexation in June 2023, which was reviewed by Jeeva Ali, Civil Engineer/Manager Asset. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The date and type of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	5,453,585	-	Jun-23	Indexation
Specialised land	-	-	26,604,237	Jun-23	Indexation
Land under roads	-	-	740,619	Jun-23	Indexation
Heritage Buildings	-	-	2,298,900	Jun-20	Full Valuation
Buildings & site improvements	-	2,212,532	27,929,519	Jun-23	Indexation
Total	-	7,666,117	57,573,276		

Valuation of infrastructure

The valuation is at fair value as at 30 June 2021 plus all 2021/22 additions at cost and is based on replacement cost less accumulated depreciation as at the date of valuation. The base valuation of infrastructure assets conducted at 30 June 2020 was made by Jeeva Ali, Civil Engineer/Manager Asset.

Condition survey of Footpaths and cycleways were conducted internally. Replacement unit rates have been applied to the asset condition to arrive at revaluation figure as at 30th June 2023. Drainage assets were revalued based on its age and replacement unit rates. All valuations were reviewed by Jeeva Ali, Civil Engineer/Manager Asset.

The date and type of the current valuation is detailed in the following table.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	174,131,802	Jun-23	Indexation
Bridges	-	-	53,364,082	Jun-23	Indexation
Footpaths and cycleways	-	-	6,851,555	Jun-23	Inhouse full valuation
Drainage	-	-	21,421,337	Jun-23	Inhouse full valuation
Kerb and channel	-	-	9,618,270	Jun-23	Indexation
Parks, open space and streetscapes	-	-	15,272,505	Jun-23	Indexation
Total	-	-	280,659,551		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 85% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.48 and \$565 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$200 to \$700 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 18 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2023	2022
	\$	\$
Reconciliation of specialised land		
Parks and reserves	19,196,815	17,220,948
Waste management	1,687,711	1,514,000
Civic centres	2,721,071	2,441,000
Council depts	1,226,210	1,100,000
Caravan parks	1,058,999	950,000
Pre schools	434,747	390,000
Saleyards	278,684	250,000
Total specialised land	26,604,237	23,865,948

	2023	2022
	\$	\$

6.3 Investments in associates, joint arrangements and subsidiaries

(a) Investments in associates

- Goulburn Valley Regional Library Corporation	258,723	260,774
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Goulburn Valley Regional Library Corporation

Background

The Goulburn Valley Regional Library Corporation is an entity which has been established to serve three northern Victorian councils; Strathbogie Shire Council, the Greater Shepparton City Council and Moira Shire Council. Each Council has two committee representatives on the Board of Directors. Each Member council contributes financial to the operation of the Corporation based on the ratio of their population base. Contribution payments are considered a 'fee for service' on a commercial basis and are relative to the services the Corporation provides. The amount of financial contributions does not bring with it any additional voting rights or influence on the library activities and therefore no greater power or control.

Fair value of Council's investment in Goulburn Valley Regional Library Corporation	258,723	260,774
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	260,774	255,287
Reported surplus(deficit) for year	(2,051)	5,487
Council's share of accumulated surplus(deficit) at end of year	258,723	260,774
Movement in carrying value of specific investment		
Carrying value of investment at start of year	260,774	255,287
Share of surplus(deficit) for year	(2,051)	5,487
Carrying value of investment at end of year	258,723	260,774

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

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

For joint operations, Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

(b) Community Asset Committee

All entities controlled by Council that have material income, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Note 7 PEOPLE AND RELATIONSHIPS

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Strathbogie Shire Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

(b) Key Management Personnel

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

Details of KMP at any time during the year are:

Councillors

Cr Laura Binks
Cr Paul Murray
Cr Chris Raeburn
Cr Kristy Hourigan *
Cr Reg Dickinson
Cr Sally Hayes-Burke
Cr David Andrews **

Management

Chief Executive Officer
Director - People & Governance
Director - Director Sustainable Infrastructure
Director - Community & Planning
Executive Manager Communications and Engagement

	2023 No.	2022 No.
Total Number of Councillors	7	8
Total of Chief Executive Officer and other Key Management Personnel	7	6
Total Number of Key Management Personnel	14	14

* Cr Kristy Hourigan resigned on 26th July 2023.

** Cr David Andrews resigned on 12th June 2023 and replaced by Cr Robin Weatherald on 18th July 2023.

(c) Remuneration of Key Management Personnel

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

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

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

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

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

Total remuneration of key management personnel was as follows:

	2023	2022
	\$	\$
Short-term employee benefits	1,299,868	1,259,638
Other long-term employee benefits	14,199	9,078
Post-employment benefits	138,235	115,502
Termination benefits	74,359	47,855
Total	1,526,661	1,432,073

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2023	2022
	No.	No.
\$1 - \$9,999	-	1
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	6	3
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	-
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	-	1
\$180,000 - \$189,999	-	1
\$200,000 - \$209,999	2	1
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	1	-
\$270,000 - \$279,999	-	1
\$300,000 - \$309,999	1	-
	14	14

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 (\$150,000 in 2022) and who report directly to a member of the KMP. *

Remuneration includes salary and other oncost items such as superannuation, accrued leave entitlements, vehicle benefits and employee related insurance expenses.

Total remuneration of other senior staff was as follows:

	2023	2022
	\$	\$
Short-term employee benefits	899,107	651,956
Other long-term employee benefits	12,973	12,482
Post-employment benefits	81,010	59,938
Termination benefits	-	66,939
Total	993,090	791,316

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

	2023	2022
	No.	No.
Income Range:		
\$150,000 - \$159,999	-	3
\$160,000 - \$169,999	6	2
	6	5

Total remuneration for the reporting year for other senior staff included above, 993,090 791,316

	2023 \$	2022 \$
7.2 Related party disclosure		
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties.		
<i>Euroa Caravan Park - Operating and Capital Expenses *</i>	264,914	19,469
<i>Euroa Caravan Park - Lease Income *</i>	148,839	133,618
<i>Contribution expenses - Goulburn Valley Regional Library Corporation</i>	281,028	276,875
<i>Other Related Party Expenses **</i>	45,804	36,180
(b) Outstanding balances with related parties		
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
Euroa Caravan Park - Sundry Debtors (Lease) *	43,997	69,603
(c) Loans to/from related parties		
There are no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.		
(d) Commitments to/from related parties		
The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:		
<i>Euroa Caravan Park - Commitments to related parties - Amount allocated for specific</i>	110,465	226,539

* On 26 June 2013 Council entered into a lease agreement with a tenant for 21 years for Euroa Caravan park and subsequently the lease agreement was transferred to the new tenant Lilly Ann Pty Ltd on 27 February 2017. Former Councillor Kristy Hourigan is a director of Lilly Ann Pty Ltd and Kristy Hourigan was a Councillor from 17 November 2020 to 26 July 2023. There has been no change to the terms and conditions of the lease agreement during the year.

** Related to transactions with related parties to Amanda Tingay - Director Community & Planning (\$26,481) and Councillor Chris Raeburn

Note 8 MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council. At balance date the Council is not aware of any contingent assets other than the following.

Insurance claims

Some of council's assets were damaged during the flood event in October 2022. Council has lodged insurance claims with the insurance company. However, total claimable amount is yet to be finalised for some assets. Outcome of this will result in insurance recoverable income in future years. Council estimates additional insurance recoverable income of \$476,760 for buildings and \$4,500,000 for bridges.

(b) Contingent liabilities

Contingent liabilities are:

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

Superannuation

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

Landfill

Council does not have an operational landfill. However, rehabilitation works at Violet Town old landfill site is currently in progress. Revised estimated total cost of the project is \$3.2 million and projected to complete in 2023/24. Council has an obligation to maintain landfill after the rehabilitation work. Landfill provision (\$2,662k) include both rehabilitation and future maintenance cost.

Bridges

Chinamans Bridge - Nagambie, a heritage listed timber disused bridge was affected by the October 2022 Flood Event. The bridge is in a state of imminent collapse. Ownership of the bridge remains contested and unresolved. The bridge is not on Council's asset register. Council is in discussion with the relevant state government departments to determine an outcome as soon as possible.

Kirwans Bridge - Nagambie, a heritage listed timber bridge was damaged by the October 2022 Flood Event and remains closed as it is unsafe for vehicular traffic. Planning work for the future of the bridge is underway including the submission for external funding to enable the reopening of the bridge. No expense or impairment of value recorded as of 30 June 2023.

Insurance claims

There are no major insurance claims that could have a material impact on future operations.

Legal matters

There are no major legal matters that could have a material impact on future operations.

Building cladding

Council is not exposed to any potential contingents that may exist in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

Liability Mutual Insurance

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

MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

(c) Guarantees for loans to other entities

Council does not have any financial guarantees.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

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

(c) Credit risk

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

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;

- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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

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

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

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.25% and -1.00% in market interest rates (AUD) from year-end rates of 5.41%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	4 to 5 years
Kerb and channel	3 to 5 years
Parks open spaces and streetscapes	3 to 5 years
Other infrastructure	3 to 5 years

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

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

8.5 Events occurring after balance date

No material events have occurred after the balance date that require disclosure in the financial report.

Note 9 OTHER MATTERS

9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$	Increment (decrement) \$	Balance at end of reporting period \$
2023			
Property			
Land and land improvements	23,815,626	3,339,449	27,155,076
Buildings	26,958,316	2,756,576	29,714,892
	50,773,942	6,096,026	56,869,968
Plant and Equipment			
Cultural and heritage assets	1,541,200	-	1,541,200
Infrastructure			
Roads	120,392,406	7,875,071	128,267,477
Bridges	38,225,000	2,511,302	40,736,302
Footpaths and cycleways	1,600,498	1,434,383	3,034,881
Drainage	4,026,118	7,313,501	11,339,619
Parks, open space and streetscapes	6,786,361	1,679,920	8,466,281
Kerb and channel	-	468,973	468,973
Aerodromes	2,954,641	-	2,954,641
Other infrastructure	17,093	-	17,093
	174,002,117	21,283,151	195,285,268
Total asset revaluation reserves	226,317,259	27,379,177	253,696,436
2022			
Property			
Land and land improvements	23,815,626	-	23,815,626
Buildings	26,958,316	-	26,958,316
	50,773,942	-	50,773,942
Plant and Equipment			
Cultural and heritage assets	1,541,200	-	1,541,200
Infrastructure			
Roads	89,369,647	31,022,759	120,392,406
Bridges	30,085,240	8,139,760	38,225,000
Footpaths and cycleways	1,600,498	-	1,600,498
Drainage	4,026,118	-	4,026,118
Parks, open space and streetscapes	6,786,361	-	6,786,361
Aerodromes	2,954,641	-	2,954,641
Other infrastructure	17,093	-	17,093
	134,839,598	39,162,519	174,002,117
Total asset revaluation reserves	187,154,740	39,162,519	226,317,259

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

(b) Other reserves

	Balance at beginning of reporting period \$	Transfer from accumulated surplus \$	Transfer to accumulated surplus \$	Balance at end of reporting period \$
2023				
Open space reserve	201,278	66,500	-	267,778
Total Other reserves	201,278	66,500	-	267,778
2022				
Open space reserve	185,178	16,100	-	201,278
Total Other reserves	185,178	16,100	-	201,278

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

	2023 \$	2022 \$
Surplus/(deficit) for the year	6,771,007	7,016,933
Depreciation/amortisation	7,093,605	6,823,505
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(43,086)	(28,389)
Contributions - Non-monetary assets	(1,675,691)	(1,721,874)
Borrowing costs/Finance Cost	36,992	37,000
Share of net profits of associates	2,051	(5,487)
Other	259,821	46,678
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(856,793)	(834,372)
Trust funds and other deposits received (repaid)	271,704	132,422
(Increase)/decrease in prepayments	(4,537)	118,542
Increase/(decrease) in accrued income	(695,152)	62,576
Increase/(decrease) in trade and other payables	3,062,516	(1,139,809)
(Decrease)/increase in other liabilities	(553,584)	(550,081)
(Increase)/decrease in inventories	1,415	(6,847)
Increase/(decrease) in provisions	(1,371,160)	(2,149,652)
Net cash provided by/(used in) operating activities	12,299,108	7,801,145

9.3 Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10.0%)).

Defined Benefit

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

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

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

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

As at 30 June 2022, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2%. The financial assumptions used to calculate the VBI were:

Net investment returns	5.5% pa
Salary information	2.5% pa to 30 June 2023, and 3.5% pa thereafter
Price inflation (CPI)	3.0% pa

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Vision Super has advised that the estimated VBI at June 2023 was 104.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

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

(b) Funding calls

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

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

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

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

The 2022 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

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

	2022 (Interim) \$m	2021 (Interim) \$m
- A VBI Surplus	44.6	214.7
- A total service liability surplus	105.8	270.3
- A discounted accrued benefits surplus	111.9	285.2

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2022.

The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.5% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	2023 \$	2022 \$
Vision super	Defined benefits	10.5% (2022:10.0%)	49,057	64,633
Vision super	Accumulation	10.5% (2022:10.0%)	578,434	448,209
Other funds	Accumulation	10.5% (2022:10.0%)	498,519	475,025

Council hasn't paid any unfunded liability payments to Vision Super in 2021/22 or 2022/23. Council does not expect to pay to the Defined Benefit category of Vision Super for the year ending 30 June 2024.

Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2022-23 year.

There are no pending accounting standards that are likely to have a material impact on Council.