



Rural City of  
**Wangaratta**

# Agenda

For the Unscheduled Council Meeting  
Council Chambers, Municipal Offices  
62-68 Ovens Street, Wangaratta  
**10am 6 October 2025**



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## 1. Acknowledgement to Country

*We acknowledge the traditional custodians of the lands, on which the Rural City of Wangaratta communities reside.*

*We pay our respect to their Elders past, present and emerging, and celebrate and respect their continuing cultures.*

*We are committed to walking beside all traditional owners as we move toward reconciliation.*

## 2. Opening Prayer

*Almighty God, we humbly ask thee to bless and guide this council in its deliberations so that we may truly preserve the welfare of the people whom we serve. Amen*

## 3. Present

## 4. Absent

## 5. Acceptance of Apologies & Granting of Leave of Absence



## Order of Business

### 6. Conflict of Interest Disclosure

In accordance with section 130 of the Local Government Act 2020 a councillor who has a conflict of interest in respect of a matter must disclose the conflict of interest in the manner required by Council's Governance Rules and exclude themselves from the decision making process in relation to that matter, including any discussion or vote on the matter and any action in relation to the matter.

Clause 28.1 of Council's Governance Rules requires a councillor to indicate that they have a conflict of interest by clearly stating:

- (a) the item for which they have a conflict of interest; and
- (b) whether their conflict of interest is general or material; and
- (c) the circumstances that give rise to the conflict of interest.

**Immediately prior to the consideration of the item in which they have a conflict of interest, a councillor must indicate to the meeting the existence of the conflict of interest and leave the meeting.**

A councillor who discloses a conflict of interest and leaves a Council meeting must not communicate with any participants in the meeting while the decision is being made.

## Presentation Of Reports

## Officers' Reports

### 7. Corporate and Leisure

#### 7.1 Financial Statements and Performance Statement for Year Ended 30 June 2025

Meeting Type:	Unscheduled Council Meeting
Date of Meeting:	6 October 2025
Author:	Finance Manager
Approver:	Director Corporate & Leisure

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### Executive Summary

This report is presented to Council to consider approval of the Financial Statements 2024/25 (Attachment 1), Performance Statement 2024/25 (Attachment 2) and the Governance and Management Checklist (Attachment 3), in readiness to submit the statements to the Victorian Auditor-General.

#### Recommendation:

That Council:

1. Approves the Financial Statements and Performance Statement for the Wangaratta Rural City Council for the Financial Year ending 30 June 2025 as endorsed by the Audit and Risk Committee on 25 September 2025.
2. Authorises for two Councillors to certify the Financial Statements and Performance Statement for the Wangaratta Rural City Council for the Financial Year ending 30 June 2025 in their final form, as authorised by Victorian Auditor-General's Office (VAGO).
3. Adopts the Governance and Management Checklist of the Wangaratta Rural City Council for the Financial Year ending 30 June 2025.
4. Authorises a Councillor to certify the Governance and Management Checklist for the Wangaratta Rural City Council for the Financial Year ending 30 June 2025.

#### Background

This report presents the Financial Statements, Performance Statement and Governance and Management Checklist for the financial year ending 30 June 2025 for approval by the Council prior to submission to the Victorian Auditor-General in accordance with the *Local Government Act 2020* (the Act).

Council must submit for auditing, the Financial Statements 2024/25 (Financial Statements) and Performance Statement 2024/25 (Performance Statement) in their finalised form, to the Auditor appointed by the Victorian Auditor-General's Office (VAGO), as soon as possible after the end of the financial year and be certified in the manner prescribed.

The initial external audit is complete, and Council is now required to consider the audited Financial Statements and Performance Statement and provide approval for the statements, which are then submitted to VAGO.

VAGO's auditors must then prepare a report on the submitted Financial Statements and Performance Statement and provide it to Council, as well as provide a copy to the Minister for Local Government.

VAGO can only sign the audit reports once the Financial Statements and Performance Statement are in their final form, inclusive of any changes recommended or agreed by the Auditor, and once they are certified in accordance with *the Local Government (Planning and Reporting) Regulations 2014 (Regulations)* by two Councillors authorised by Council, the Chief Executive Officer and the Principal Accounting Officer.

The Governance and Management Checklist and Performance Indicators have been prepared in accordance with the Regulations.

The Audit & Risk Committee, at its meeting held Thursday, 25 September 2025 recommended that Council approves 'in principle' the Financial Statements and Performance Statement.

### Implications

#### Policy Considerations

There are no specific Council policies or strategies that relate to this report.

#### Financial/Economic Implications

The Financial Statements comprise the:

1. Comprehensive Income Statement
2. Balance Sheet
3. Statement of Changes in Equity
4. Statement of Cash Flows
5. Statement of Capital Works
6. Notes to the Financial Statements

The Comprehensive Income Statement shows Council's revenue and expenses for the year plus other comprehensive income.

The statement does not include the cost of asset purchases, loan repayments or reserve funds. It does however include the depreciation of asset values as an expense. Below is a summary of the Council Comprehensive Income Statement.

	2023/24 (Restated) (\$'000s)	2024/25 (\$'000s)	Increase / (decrease) (\$'000s)
Total income	100,072	94,263	(5,809)
Total expenses	93,305	89,361	(3,944)
<b>Surplus (deficit) for the year</b>	<b>6,767</b>	<b>4,903</b>	<b>(1,865)</b>
Other comprehensive income	17,020	41,039	24,019
<b>Comprehensive result</b>	<b>23,788</b>	<b>45,942</b>	<b>22,154</b>

Explanations of some of the key changes between 2023/24 and 2024/25 in the components of the Comprehensive Income Statement are as follows:

1. Total income decreased by \$5.81 million. Some of the key movements between income categories were:
  - a. Rates and charges increased by \$1.55 million. The increase was due to a 2.75% increase in rates which is within the Rate Cap and a similar increase in waste charges. All other rates and charges (cultural/recreational land, supplementary rates, revenue in lieu, interest) increased by \$221k.
  - b. Operating grants increased by \$11.34m (from \$12.36m to \$23.70m) due to early receipt of the Commonwealth Financial Assistance Grants for the 2025/26 financial year (\$13.8m), caused by a timing difference in recognition. Aged and community care funding was \$6.32 million in 2024/25, compared to \$7.08 million in 2023/24, reflecting a decrease in this category. The overall increase in operating grants was partially offset by lower non-recurrent grants in other areas.
  - c. Capital grants decreased by \$3.87m (from \$11.89m to \$8.01m), due to Lower Roads to Recovery and State capital grants, with some projects delayed or carried forward.
  - d. Other income decreased by \$13.52m (from \$18.26m to \$4.74m). This decrease is primarily attributable to lower movements in landfill provisions, which contributed \$2.18 million in 2024/25 compared to \$10.43 million in 2023/24. Additionally, there were no found assets recognised in 2024/25.
2. Total expenses decreased by \$3.94 million. Some of the key movements between expense categories were:
  - a. Employee costs increased by \$0.95m (from \$32.64m to \$33.59m) due to wage growth from EBA increase, superannuation increases, and higher FTE in some areas, partially offset by vacancies savings.
  - b. Materials and services increased by \$0.77m (from \$28.64m to \$29.40m), with the largest increases in utilities (\$455k), consultants/contractors (\$1.05m), and insurance costs.
  - c. Depreciation increased by \$4.36m. This is a significant increase from \$16.84 million in 2023/24 to \$21.20 million in 2024/25. This increase is partially attributable to asset revaluations for both 2022/23 and 2023/24 being processed in 2023/24, which led to a catch-up in depreciation expenses in 2024/25. The balance of the increase is due to a correction in the asset management system which previously applied fixed-rate depreciation codes, which lead to immaterial understatements in depreciation in prior years. The capitalisation of assets further expanded the depreciable asset base, contributing to the overall increase.

- d. Other expenses decreased by \$10.07m (from \$13.99m to \$3.93m) as 2023/24 included a large landfill provision adjustment (\$10.18m), and higher write-offs of non-capital items from work-in-progress (WIP).
3. Other comprehensive income increased by \$24.02m (from \$17.02m to \$41.04m). This movement is a result of the changes in the asset revaluation reserve caused by revaluations. The classes that were revalued this year were land and land under roads. Other assets classes that were to be revalued in 2024/25 have been postponed to 2025/26.

#### Prior year restatement (2023/24)

During the 2024/25 audit it was identified that certain contributed infrastructure assets from developers had not been recognised in the 2023/24 financial year due to delays in processing Work In Progress capitalisations. Therefore, Council has restated the 2023/24 comparative figures to include \$3.373 million in previously omitted non-monetary contributions. This adjustment increases the reported surplus and asset balances for 2023/24.

	2023/24 (Original) (\$'000s)	2023/24 (Restated) (\$'000s)	Increase due to Restatement (\$'000s)
Total income	96,699	100,072	+3,373
Total expenses	93,305	93,305	NIL
<b>Surplus for the year</b>	<b>3,394</b>	<b>6,767</b>	<b>+3,373</b>
Other comprehensive income	17,020	17,020	NIL
<b>Comprehensive result</b>	<b>20,414</b>	<b>23,788</b>	<b>+3,373</b>

This restatement is disclosed in Note 11.1 of the Financial Statements, which details the nature and amount of the adjustment and its impact on the comparative figures.

#### Balance Sheet

The Balance Sheet shows what Council owns as assets and what it owes as liabilities. The bottom line of this statement is Total Equity which is an accumulation over time of the net worth of Council.

	2023/24 (Restated) (\$'000s)	2024/25 (\$'000s)	Increase / (decrease) (\$'000s)
Current assets	30,086	33,783	3,697
Non-current assets	800,709	839,706	38,997
Current liabilities	17,727	24,987	7,260
Non-current liabilities	38,081	27,383	(10,698)
Equity	774,987	821,120	46,133

1. Current assets increased by \$3.7 million, mainly due to higher cash and cash equivalents at year end due to Financial Assistance Grants income received in advance.

2. Non-current assets have increased by \$39.0m. The increase reflects the impact of asset revaluations.
3. Current liabilities increased by \$7.26 million, rising from \$17.73 million in 2023/24 to \$24.99 million in 2024/25. This increase is primarily driven by the reclassification of \$7.10 million loan that is due to mature within the next 12 months. This increase is offset by a decrease in non-current liabilities of the same amount. Notably, contract liabilities (unearned income) decreased by \$1.57 million, as grants received in advance were recognised as revenue.
4. Non-current liabilities decreased by \$10.70 million, from \$38.08 million in 2023/24 to \$27.38 million in 2024/25. This is due to the de-reclassification of a maturing loan from non-current to current liabilities as described above. The landfill restoration provision also decreased by \$935k.
5. Total equity is the term used to describe the value of the Council to its ratepayers and is divided between:
  - i. Accumulated surplus - the value of all net assets over time;
  - ii. Asset revaluation reserve;
  - iii. Reserves - funds reserved for specific future expenditure.

Council's accumulated surplus increased by \$39k from 2023/24, rising from \$194.31 million to \$194.35 million. This movement is the result of:

- (i) The accounting surplus of \$4.90 million for 2024/25.
- (ii) Transfers to reserves for future expenditure requirements of \$4.86 million, including allocations to waste and landfill, plant replacement, and developer contributions.

### Statement of Cash Flows

The Statement of Cash Flows is a record of cash received and cash paid by Council for the financial year. It excludes non-cash expenses such as depreciation that are included in the Comprehensive Income Statement and includes items such as capital expenditure and proceeds from loans or repayment of loans that are not included in the Comprehensive Income Statement.

Overall, the Statement of Cash Flows shows that cash on hand was \$27.54 million at the end of the year. This represents a significant increase from the previous year's balance of \$13.59 million. Council's total cash and investments (including other financial assets) were \$27.94 million at 30 June 2025.

The strong cash position at year end is primarily due to the early receipt of Financial Assistance Grants and a reduced capital works program, with some projects carried over to future years. Net cash provided by operating activities was \$25.87 million, while net cash used in investing activities was \$(8.56) million, mainly due to delays in capital works expenditure.

While Council's cash flow remains healthy at year end, the current high cash balance is not expected to be sustained at this level, as it reflects the timing of grant receipts and the deferral of capital works rather than an ongoing surplus of funds.

### Budget Comparison

A budget comparison with actual performance is provided at Note 2. The *Local Government (Planning and Reporting) Regulations 2014* require explanation of any material variances. Council

has adopted a materiality threshold of ten percent and positive or negative \$200,000. Refer to Note 2.1 in the attached Financial Statements.

### Performance Statement

The Performance Statement is a key section of the annual report whereby Council makes itself accountable to the community and contains information about the performance of the Council for the financial year.

### Governance and Management Checklist

This checklist demonstrates that Council has strong governance and management frameworks in place covering community engagement, planning, monitoring, reporting and decision-making.

### Legal/Statutory

Under the *Local Government Act 2020* (Vic), Council must endorse its Annual Report, including its Financial Statement, Performance Statement and Governance and Management Checklist for the relevant financial year, by October 31 each year.

### Social

There are no social impacts identified for the subject of this report.

### Environmental/Sustainability Impacts

There are no environmental/ sustainability impacts identified for this subject of this report.

## Strategic Links

### Council Plan 2021 – 2025

This report supports the 2021-2025 Council Plan through the following objectives and actions:

#### 1. Strengthening our Leadership

### Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Financial reports not prepared in accordance with statutory requirements	Low	Medium	Medium	Consultation with external auditors, Local Government Victoria and FinPro for the latest updates and changes.

### Consultation/Communication

Extensive consultation has been undertaken with the Auditor appointed by the Victorian Auditor General's Office, Crowe Australasia, during the preparation of the Financial Statements and

Performance Statement. They have also been reviewed by council's Audit and Risk Committee for further oversight.

Officers believe that appropriate consultation has occurred, and the matter is now ready for Council consideration.

### Options for Consideration

### Conclusion

The production of the Financial Statements Performance Statement and the Governance and Management Checklist is a critical component in the management of Council's operations to ensure accountability and public disclosure in the delivery of services and programs to residents of the municipality.

### Attachments

- 1 2024-25 Financial Statements [↓](#) 
- 2 Performance Statement 2024-25 [↓](#) 
- 3 Governance and Management Checklist 2024-25 [↓](#) 



## 8. Community and Infrastructure

### 8.1 Award of Contract 57516 Annual Road Reseal Program 2025-26

Meeting Type:	Unscheduled Council Meeting
Date of Meeting:	6 October 2025
Category:	Strategic
Author:	Delivery & Contracts Project Manager
Approver:	Director Community and Infrastructure

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### Executive Summary

This report is presented to Council with the recommendation to award contract 57516 Annual Road Reseal Program 2025-26.

#### Recommendation:

That Council:

1. Awards contract 57516 Annual Road Reseal Program 2025-26 to Boral Resources Pty Ltd.
2. Authorises the Chief Executive Officer to sign contract documents for the contract 57516 Annual Reseal Program 2025-26.
3. Discloses the contract price of contract 57516 Annual Road Reseal Program 2025-26.

#### Background

As part of the Rural City of Wangaratta's asset renewal program, Council completes an annual road reseal program based on road condition data. The reseal program consists of the preparation for and bitumen sealing of selected roads in urban and rural areas.

#### Implications

##### Policy Considerations

Council's procurement policy outlines the approved methods and processes for procurement. Collaborative procurement was not considered for this procurement.

##### Financial/Economic Implications

The 2025/26 budget allocates \$750,000 (ex GST) to the Annual Road Reseal Program 2025-26.

**Legal/Statutory**

There are no legal/statutory implications identified for the subject of this report.

**Social and Diversity**

There are no social impacts identified for the subject of this report.

**Equity Impact Assessment (EIA)**

There are no equity impacts identified for the subject of this report.

**Environmental/Sustainability Impacts**

By resealing the roads, it is expected that the road life will be improved without major reconstruction works occurring. This approach will have a reduced impact on the environment.

**Strategic Links****Council Plan 2021 – 2025**

This report supports the 2021-2025 Council Plan through the following objectives and actions:

Strengthening our Leadership

1.1 - An engaged and connected community

1.1.1 - Provide open and transparent communication to the community to build trust, respect and understanding

1.2 - An efficient and effective Council

1.2.1 - Ensure Council's financial sustainability through transparent and accountable financial management.

**Other strategic links**

This report supports the Asset Plan

**Risk Management**Risk Management Framework

Risks	Likelihood	Consequence	Rating	Mitigation Action
Not achieving the proposed timelines	Possible (3)	Moderate (3)	Medium (6)	Project manager to monitor
Unsatisfactory quality of works	Possible (3)	Moderate (3)	Medium (6)	Project Manager to monitor
Residents unable to access their property	Possible(3)	Minor(2)	Medium (6)	Project Manager to monitor & advise residents

**Consultation/Communication**

This was a public tender process. This tender was advertised on eProcure and was also advertised in the Wangaratta Chronicle in accordance with the procurement policy.

**Options for Consideration**

1. Award Contract 57516 Annual Road Reseal Program 2025-26 to Boral Resources Pty Ltd.
2. Do not award and retender as per the Council's procurement policy.

**Conclusion**

Following an internal evaluation against pre-determined evaluation criteria and weightings, contract 57516 Annual Road Reseal Program 2025-26 is recommended to be awarded to Boral Resources Pty Ltd in accordance with approved evaluation report.

**Attachments**

- 1 Evaluation Report - Confidential

## **9. Closure of Meeting**

### **Attachments**

**Wangaratta Rural City Council  
ANNUAL FINANCIAL REPORT**

*For the Year Ended 30 June 2025*

**Wangaratta Rural City Council**  
**Financial Report**  
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**Wangaratta Rural City Council**  
**2024/2025 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.

Jessica Greening, Manager Finance, CA  
**Principal Accounting Officer**  
**6 October 2025**  
Wangaratta

In our opinion the accompanying financial statements present fairly the financial transactions of the Rural City of Wangaratta and its controlled entity for the year ended 30 June 2025 and the financial position of the Council and its controlled entity 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 Harvey Benton*  
**Deputy Mayor**  
**6 October 2025**  
Wangaratta

*Cr Harry Bussell*  
**Councillor**  
**6 October 2025**  
Wangaratta

*Stephen Swart*  
**Acting Chief Executive Officer**  
**6 October 2025**  
Wangaratta

*Wangaratta Rural City Council*  
*2024/2025 Financial Report*

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Wangaratta Rural City Council  
2024/2025 Financial Report

**Comprehensive Income Statement  
For the Year Ended 30 June 2025**

	Note	2025 \$'000	Restated 2024 \$'000
<b>Income / Revenue</b>			
Rates and charges	3.1	41,979	40,432
Statutory fees and fines	3.2	1,111	1,177
User fees	3.3	11,759	11,438
Grants - operating	3.4	23,698	12,360
Grants - capital	3.4	8,014	11,886
Contributions - monetary	3.5	72	1,962
Contributions - non monetary	3.5	4,893	3,373
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	(2,004)	(818)
Other income	3.7	4,741	18,262
<b>Total income / revenue</b>		<b>94,263</b>	<b>100,072</b>
<b>Expenses</b>			
Employee costs	4.1	33,590	32,636
Materials and services	4.2	29,403	28,635
Depreciation	4.3	21,198	16,837
Amortisation - intangible assets	5.2	224	224
Depreciation - right of use assets		123	139
Allowance for impairment losses		332	237
Borrowing costs		554	600
Finance costs - leases		11	5
Other expenses	4.4	3,927	13,992
<b>Total expenses</b>		<b>89,361</b>	<b>93,305</b>
<b>Surplus/(deficit) for the year</b>		<b>4,903</b>	<b>6,767</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation gain/(loss)	6.2	41,039	17,020
<b>Total other comprehensive income</b>		<b>41,039</b>	<b>17,020</b>
<b>Total comprehensive result</b>		<b>45,942</b>	<b>23,788</b>

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

*Wangaratta Rural City Council*  
*2024/2025 Financial Report*

**Balance Sheet**  
**As at 30 June 2025**

			Restated
	Note	2025 \$'000	2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1 (a)	27,542	13,593
Trade and other receivables	5.1 (c)	4,762	4,505
Other financial assets	5.1 (b)	-	10,000
Inventories		3	2
Prepayments	5.2 (a)	859	742
Non-current assets classified as held for sale	6.1	277	624
Other assets	5.2 (a)	340	620
<b>Total current assets</b>		<b>33,783</b>	<b>30,086</b>
<b>Non-current assets</b>			
Other financial assets	5.1 (b)	396	324
Property, infrastructure, plant and equipment	6.2	837,878	798,771
Right-of-use assets		142	100
Intangible assets	5.2 (b)	1,290	1,514
<b>Total non-current assets</b>		<b>839,706</b>	<b>800,709</b>
<b>Total assets</b>		<b>873,489</b>	<b>830,795</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3 (a)	2,275	1,972
Trust funds and deposits	5.3 (b)	5,416	4,060
Contract and other liabilities	5.3 (c)	774	2,347
Provisions	5.5	6,693	6,558
Interest-bearing liabilities	5.4	9,780	2,678
Lease liabilities		50	112
<b>Total current liabilities</b>		<b>24,987</b>	<b>17,727</b>
<b>Non-current liabilities</b>			
Provisions	5.5	14,685	15,693
Interest-bearing liabilities	5.4	12,608	22,388
Lease liabilities		90	-
<b>Total non-current liabilities</b>		<b>27,383</b>	<b>38,081</b>
<b>Total liabilities</b>		<b>52,370</b>	<b>55,808</b>
<b>Net assets</b>		<b>821,120</b>	<b>774,988</b>
<b>Equity</b>			
Accumulated surplus		194,348	194,309
Reserves	9.1	626,771	580,678
<b>Total Equity</b>		<b>821,120</b>	<b>774,987</b>

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

Wangaratta Rural City Council  
2024/2025 Financial Report

**Statement of Changes in Equity  
For the Year Ended 30 June 2025**

	Note	Total Equity		Accumulated Surplus		Asset Revaluation Reserve		Other Reserves	
		2025	Restated 2024	2025	Restated 2024	2025	Restated 2024	2025	Restated 2024
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		774,987	748,218	194,309	194,166	540,512	523,492	40,166	30,560
Adjustment to recognise contributed assets	11.1	-	2,982	-	2,982	-	-	-	-
<b>Adjusted opening balance</b>		<b>774,987</b>	<b>751,200</b>	<b>194,309</b>	<b>197,148</b>	<b>540,512</b>	<b>523,492</b>	<b>40,166</b>	<b>30,560</b>
Surplus/(deficit) for the year		4,903	6,767	4,903	6,767	-	-	-	-
Net asset revaluation gain/(loss)	9.1	41,039	17,020	-	-	41,039	17,020	-	-
Transfers to other reserves	9.1	-	-	(13,665)	(16,088)	-	-	13,665	16,088
Transfers from other reserves	9.1	190	-	8,801	6,482	-	-	(8,611)	(6,482)
<b>Balance at end of the financial year</b>		<b>821,120</b>	<b>774,987</b>	<b>194,348</b>	<b>194,309</b>	<b>581,551</b>	<b>540,512</b>	<b>45,220</b>	<b>40,166</b>

The statements of change in equity should be read in conjunction with the accompanying notes.

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**Statement of Cash Flows**  
**For the Year Ended 30 June 2025**

	Note	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		41,979	40,393
Statutory fees and fines		1,111	1,177
User fees		11,759	11,438
Grants - operating		23,698	12,360
Grants - capital		8,014	11,886
Contributions - monetary	3.5	72	1,962
Interest received		1,345	1,502
Reimbursements		770	596
Other receipts		-	(7,281)
Net GST refund		128	187
Employee costs		(33,603)	(32,550)
Materials and services		(29,403)	(25,211)
<b>Net cash provided by/(used in) operating activities</b>	9.2	<b>25,870</b>	<b>16,459</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(18,889)	(28,951)
Proceeds from sale of property, infrastructure, plant and equipment		333	241
Net (increase)/decrease in other financial assets		10,000	(5,000)
<b>Net cash provided by/(used in) investing activities</b>		<b>(8,556)</b>	<b>(33,710)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(554)	(600)
Repayment of borrowings		(2,678)	(2,629)
Interest paid - lease liability		(11)	(5)
Repayment of lease liabilities		(123)	(144)
<b>Net cash provided by/(used in) financing activities</b>		<b>(3,365)</b>	<b>(3,378)</b>
Net increase (decrease) in cash and cash equivalents		13,949	(20,629)
Cash and cash equivalents at the beginning of the financial year		13,593	34,222
<b>Cash and cash equivalents at the end of the financial year</b>	5.1	<b>27,542</b>	<b>13,593</b>

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

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**Statement of Capital Works  
For the Year Ended 30 June 2025**

	2025 \$'000	2024 \$'000
<b>Property</b>		
Land improvements	(122)	453
<b>Total land</b>	<b>(122)</b>	<b>453</b>
Buildings	1,345	1,147
Heritage buildings	-	150
<b>Total buildings</b>	<b>1,345</b>	<b>1,297</b>
<b>Total property</b>	<b>1,223</b>	<b>1,750</b>
<b>Plant and equipment</b>		
Plant, machinery and equipment	2,976	964
Fixtures, fittings and furniture	106	254
Computers and telecommunications	218	704
Art Collection	15	9
Library books	202	205
<b>Total plant and equipment</b>	<b>3,517</b>	<b>2,136</b>
<b>Infrastructure</b>		
Roads	5,326	3,985
Bridges	1,057	932
Footpaths and cycleways	368	684
Drainage	2,696	4,411
Recreational, leisure and community facilities	683	8,512
Waste management	-	910
Parks, open space and streetscapes	1,576	519
Aerodromes	-	93
Off street car parks	31	-
Other infrastructure	1,588	2,952
<b>Total infrastructure</b>	<b>13,326</b>	<b>22,998</b>
<b>Total capital works expenditure</b>	<b>18,066</b>	<b>26,884</b>
<b>Represented by:</b>		
New asset expenditure	4,734	9,148
Asset renewal expenditure	11,499	11,169
Asset upgrade expenditure	1,833	6,567
<b>Total capital works expenditure</b>	<b>18,066</b>	<b>26,884</b>

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

Wangaratta Rural City Council  
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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 1 OVERVIEW**

**Introduction**

The Rural City of Wangaratta 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 62-68 Owens Street Wangaratta.

**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.

**Accounting policy information**

**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. Specific 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)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable

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 receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance

Wangaratta Rural City Council  
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**Notes to the Financial Report**  
**For the Year Ended 30 June 2025**

**Note 2 ANALYSIS OF OUR RESULTS**

**Note 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 \$200,000 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 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
<b>Income / Revenue</b>					
Rates and charges	42,161	41,979	(182)	(0%)	
Statutory fees and fines	1,429	1,111	(318)	(22%)	1
User fees	13,330	11,759	(1,571)	(12%)	2
Grants - Operating	24,914	23,698	(1,216)	(5%)	3
Grants - Capital	9,217	8,014	(1,203)	(13%)	4
Contributions - monetary	2,227	72	(2,155)	(97%)	5
Contributions - non-monetary	1,050	4,893	3,843	366%	6
Net gain/(loss) on sale/disposal of property, infrastructure, plant and equipment	612	(2,004)	(2,616)	(427%)	7
Other revenue	1,327	4,741	3,414	257%	8
<b>Total income / revenue</b>	<b>96,267</b>	<b>94,263</b>	<b>(2,003)</b>	<b>(2%)</b>	
<b>Expenses</b>					
Employee costs	34,308	33,590	(718)	(2%)	9
Materials and services	30,249	29,403	(846)	(3%)	10
Depreciation	16,366	21,198	4,832	30%	11
Amortisation - Intangible assets	400	224	(176)	(44%)	
Depreciation - right of use assets	-	123	123	100%	
Allowance for impairment losses	-	332	332	100%	
Borrowing costs	558	554	(4)	(1%)	
Finance costs - Leases	11	11	-	100%	
Other expenses	477	3,927	3,450	723%	12
<b>Total expenses</b>	<b>82,368</b>	<b>89,361</b>	<b>6,992</b>	<b>8%</b>	
<b>Surplus/(deficit) for the year</b>	<b>13,899</b>	<b>4,903</b>	<b>(8,996)</b>	<b>(65%)</b>	



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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 2.1 Performance against budget (cont'd)**

**2.1.1 Income / Revenue and expenditure**

**(i) Explanation of material variations**

Variance Ref	Item	Explanation
1	Statutory fees and fines	Statutory fees and fines are \$318k less than Budget, this unfavourable variance is largely due to lower than anticipated enforcement activity (\$189k) and Animal Management Fines (\$57k); and Planning Permits due to reduced development activity (\$147k). This is partially offset by elections fines received (\$45k).
2	User fees	User fees are \$1.5m less than Budget, this unfavourable variance is largely due to Children Services (\$621k) due to reduced capacity at facilities as a result of staff availability, Parking Fees (\$208k) physical parking meters nearing end-of-life, coupled with a slower than expected uptake of the newly introduced parking app, impacting overall fee collection, Waste charges at landfill sites due to reduced waste volumes (\$396k) and Rental Properties(\$106) due to rental vacancies.
3	Grants - Operating	Grants - Operating are \$1.2m less than Budget, this unfavourable variance is largely due to the early receipt of the Federal Assistance Grant (\$2.4m) (50% receipt relative to budget assumption of 75%). Offset by reduced funding for Emergency Management (\$1.8m) due to a reclassification of funding to Reimbursements, as well as some expected claims being rejected by the funding body, reducing the overall income and Aged Care Funding shortfall reflects changes in funding arrangements (\$1.7m) which is partially offset by an underspend in materials and services.
4	Grants - Capital	Grants - Capital are \$1.2m less than Budget, this unfavourable variance is largely due to the delayed timing of a number of grants expected to be received in 2025/26 - Wangaratta Netball Courts & Wangaratta Sports & Aquatic Centre Change rooms (\$2.8m), WSAC Power efficiency implementation (\$580k), Rowan Street Overpass (\$555k). This is offset by the receipt of additional grants for Newman Street Drainage (\$889k), Wangaratta Flood Mitigation Study (\$1.5m) and Roads to Recovery grant (\$466k).
5	Contributions - monetary	Contributions - monetary are \$2.2m less than Budget, this unfavourable variance is due to a significant portion of expected developer cash contributions which were instead received as non-cash assets, such as gifted infrastructure.
6	Contributions - non monetary	Contributions - non-monetary are \$3.8m greater than Budget, this favourable variance is due to gifted assets as a result of developer works throughout the municipality being capitalised during the year.
7	Net gain/(loss) on sale/disposal of property, infrastructure	Net gains from the sale of property and plant are \$2.6m less than Budget, this unfavourable variance is due to a higher written down value on sold items than originally anticipated.
8	Other revenue	Other Revenue is \$3.4m greater than Budget, this favourable variance is largely due to movements in the Landfill provision as a result of the impacts of discounting and a reduction in the overall provision (\$2.183m), additional interest income from investments (\$480k), and Natural Disaster reimbursements (\$610k) was budgeted under Grants - Operating.
9	Employee Costs	Employee Costs are \$718k less than Budget as a result of vacancies throughout the year in the following business units: Statutory Services \$265k, Family and Child Services \$245k, Depot Services \$195k, Community and Recreation \$ 172k, Horticulture \$154k, and Economic and Development and Compliance \$135k.
10	Materials and services	Materials and Services are \$846k less than Budget, this favourable variance is largely driven by a mix of operational over and underspends across expenditure types. The most significant savings come from several community and care-related programs in other materials (\$1.19M) and packaged materials (\$784k). These favourable variances were partially offset by overspends in utilities (\$209k) and consultants and contractors (\$976k).

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Notes to the Financial Report For the Year Ended 30 June 2025		
11	Depreciation	Depreciation is \$4.8m greater than Budget, this unfavourable variance is due to asset revaluations for both 2023 and 2024 being processed in 2024, which led to a catch-up in depreciation expenses that had been understated in 2024 (\$1.3M). The balance of the unfavourable variance is due to misconfiguration in the asset management system that had previously applied fixed-rate depreciation codes, which understated depreciation in prior years. The capitalisation of completed infrastructure projects and renewals further expanded the depreciable asset base, contributing to the overall increase.
12	Other expenses	Other Expenses are \$3.45m greater than Budget, this unfavourable variance is largely due to movements in the Landfill provision as a result of the impacts of discounting and a reduction in the overall provision (\$1.4m), as well as write offs of non-capital items from Works in Progress as a result of asset capitalisations (\$1.9m).

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 2.1 Performance against budget (cont'd)

2.1.2 Capital works

	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Land	-	-	-	0%	
Land improvements	-	(122)	(122)	100%	1
<b>Total land</b>	<b>-</b>	<b>(122)</b>	<b>(122)</b>	<b>100%</b>	
Buildings	1,952	1,345	(607)	(31%)	2
<b>Total buildings</b>	<b>1,952</b>	<b>1,345</b>	<b>(607)</b>	<b>(31%)</b>	
<b>Total property</b>	<b>1,952</b>	<b>1,223</b>	<b>(729)</b>	<b>(37%)</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	4,966	2,976	(1,990)	(40%)	3
Fixtures, fittings and furniture	656	106	(550)	(84%)	4
Computers and telecommunications	167	218	51	30%	
Art collection	8	15	7	92%	
Library books	205	202	(3)	(1%)	
<b>Total plant and equipment</b>	<b>6,002</b>	<b>3,517</b>	<b>(2,485)</b>	<b>(41%)</b>	
<b>Infrastructure</b>					
Roads	6,419	5,326	(1,093)	(17%)	5
Bridges	1,325	1,057	(268)	(20%)	6
Footpaths and cycleways	1,086	368	(718)	(66%)	7
Drainage	4,656	2,696	(1,960)	(42%)	8
Recreational, leisure and community facilities	6,150	683	(5,467)	(89%)	9
Waste management	141	-	(141)	(100%)	10
Parks, open space and streetscapes	130	1,576	1,446	1112%	11
Aerodromes	80	-	(80)	100%	
Off street car parks	30	31	1	3%	
Other infrastructure	1,961	1,588	(373)	(19%)	11
<b>Total infrastructure</b>	<b>21,977</b>	<b>13,326</b>	<b>(8,652)</b>	<b>(39%)</b>	
<b>Total capital works expenditure</b>	<b>29,931</b>	<b>18,066</b>	<b>(11,865)</b>	<b>(40%)</b>	
<b>Represented by:</b>					
New asset expenditure	8,373	4,734	(3,639)	(43%)	
Asset renewal expenditure	13,458	11,499	(1,959)	(15%)	
Asset upgrade expenditure	8,100	1,833	(6,267)	(77%)	
<b>Total capital works expenditure</b>	<b>29,931</b>	<b>18,066</b>	<b>(11,865)</b>	<b>(40%)</b>	

Wangaratta Rural City Council  
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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 2.1 Performance against budget (cont'd)**

**2.1.2 Capital works (cont'd)**

Variance Ref	Item	Explanation
1	Land Improvements	Variance is less than budget by \$122k due to a correction on prior year spend on the Murray to Mountains Trail Enhancements project.
2	Buildings	Variance is less than budget by \$607k largely due to delays in the delivery of the Workshop Pit Upgrade (\$377k), Level 2 Refurbishment design (\$100k), Workshop Shed (\$208k) and Long Day Care bathroom upgrades (\$60k).
3	Plant, machinery and equipment	Variance is less than budget by \$1.99m mostly because of (\$1.58m) underspend on Plant Replacement, which has been carried forward to 2025/26. An underspend also occurred on the Levee Pump renewal (\$226k) and the Kerbside Glass Bins were an operational cost (\$231k).
4	Fixtures, fittings and furniture	Variance is less than budget by \$550k mostly because of underspend on CBD Parking Meter Renewal (\$314k), Christmas Decorations (\$90k), Energy Efficiency Projects (\$153k) and WPACC Kitchen Upgrade (69k). This has been partially offset by spend on the WSAC Basketball Grandstand upgrade (\$75k) which was not in the original budget.
5	Roads	Variance is less than budget by \$1.1m because underspend on Gravel resheeting program (\$152k), Road reconstruction (\$494k), Boorhaman Springhurst Road (\$143k), Cruse Street Remediation (\$116k), Whorouly intersection construction (\$200k), Greta Road Intersection (\$86k), partially offset by spend on the Federal Black Spot program (\$122k).
6	Bridges	Variance is less than budget by \$268k because of reduced spending on Redcamps bridge (\$47k) and Cryer's bridge replacement (\$638k) which has been carried forward to 2025/26, partially offset by culvert replacement on Wally Lane Bridge which was budgeted under drainage(\$393k).
7	Footpaths and cycleways	Variance is less than budget by \$718k due to Rowan Street Overpass (\$547k) has been carried forward to 2025/26 and underspend on footpath renewal projects (\$171k).
8	Drainage	Variance is \$1.96m under budget due to delays on the Flood Mitigation Strategy and Design (\$1.34m), Precinct 4 drainage basin construction (\$282k), Trunk drainage design (\$100k), South Wangaratta Industrial Estate (\$100k) and Wally Lane bridge reallocated to bridges (\$450k). This is offset by Newman Street Drainage Upgrade (\$326k) which was carried over from 2023/24.
9	Recreational, leisure and community facilities	Variance is \$5.47m under budget due to delays on the Wangaratta Netball Facilities (\$2.76m), WSAC Power Efficiency Implementation (\$1.16m), and Showgrounds Grandstand/Sports Development Centre (\$100K). In addition the works for the Wareena Park Oval Upgrade was reallocated to Parks, open space and streetscapes (\$1.59m).
10	Waste Management	Variance is \$141k less than budget due to Waste projects being delayed in 2024/25.
11	Parks, open space and streetscapes	Variance is more than budget by \$1.45m mostly due to works for the Wareena Park Oval Upgrade was budgeted under Recreational, leisure and community facilities.
12	Other infrastructure	Variance is less than budget by \$373k due to a high number of smaller variances and timing differences, including: carry overs from the prior year on Prosecco Road Masterplan and Township Infrastructure improvements underspends on Project Management Costs allocated to applicable projects, Whorouly Infrastructure Plan and Marketing and Branding Strategy.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 2.2 Analysis of Council results by program**

Council delivers its functions and activities through the following programs.

**2.2.1 Executive Services**

Executive Services provides support to the CEO and Council to ensure appropriate administration of the Council.

**Corporate & Leisure**

Corporate & Leisure provides efficient, effective and proactive support services across council to enable delivery of the Council Plan and council services, in line with policy and governance obligations. The provision of these services includes finance, property and revenue, payroll, human resources, learning and development, occupational health and safety, governance and risk, customer services, information technology, records management, business systems and procurement. The directorate also includes the Wangaratta Sports & Leisure Centre, providing welcoming and accessible sport and recreation facilities to the community from the premier regional facility in Victoria.

**Sustainability & Culture**

Sustainability & Culture enables the responsible growth of the municipality through strategic and statutory planning functions and by providing services such as building and planning, local law compliance, environmental health, school crossings, natural resource management and environmental sustainability services. It facilitates growth of the economy through marketing and communications and economic development activity. Sustainability & Culture further nurtures the wellbeing and cultural engagement of the community through the library, art gallery, events management and performing arts and conference centre.

**Community & Infrastructure**

Community & Infrastructure provides a vast array of high quality community focused programs and services to residents as well as leading the planning and delivery of Council's capital works. Community & Infrastructure includes services such as Children's Services and Maternal Child Health, Immunisations, and Home and Aged Care Community Services, and oversees the operation of our parks and recreation reserves. The Infrastructure and Field Services teams provide manage the municipality's waste services, and manage all civil infrastructure such as roads, footpaths, bridges, open spaces, and parks and gardens. The Directorate is also responsible for delivering new infrastructure, through asset planning, design, contract management and the delivery of capital works projects.

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Notes to the Financial Report  
For the Year Ended 30 June 2025

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
	\$'000	\$'000	\$'000	\$'000	\$'000
2025					
Executive Services	-	964	(964)	-	-
Corporate & Leisure	66,691	39,674	27,017	14,229	33,659
Sustainability & Culture	3,248	12,418	(9,170)	938	35
Community & Infrastructure	24,325	36,305	(11,980)	16,545	839,795
	94,263	89,361	4,903	31,712	873,489

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Executive Services	-	921	(921)	-	-
Corporate & Leisure	46,875	13,468	33,407	402	1,514
Sustainability & Culture	5,450	12,025	(6,575)	1,465	854
Community & Infrastructure	47,747	66,891	(19,144)	22,378	828,427
	100,072	93,305	6,767	24,246	830,795

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 3 Funding for the delivery of our services

3.1 Rates and charges

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 value of land and any buildings or improvements.

The valuation base used to calculate general rates for 2024/25 was \$11.471 billion (2023/24 \$11.261 billion).

	2025 \$'000	2024 \$'000
Cultural and recreational land	32	27
Garbage	4,439	4,306
General rates	32,255	31,213
Organics	2,103	2,026
Recycling	2,727	2,651
Supplementary rates and rate adjustments	124	59
Revenue in lieu of rates	217	70
Interest on rates and charges	82	80
<b>Total rates and charges</b>	<b>41,979</b>	<b>40,432</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2024, and the valuation was first applied in the rating year commencing 1 July 2024.

Annual rates and charges are recognised as income 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

	2025 \$'000	2024 \$'000
Animal registrations	348	316
Health fees	212	193
Infringements and costs	203	234
Land information certificates	39	29
Town planning fees	249	345
Vehicle crossing	60	60
<b>Total statutory fees and fines</b>	<b>1,111</b>	<b>1,177</b>

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

3.3 User fees

	2025 \$'000	2024 \$'000
Aged and health services	1,372	1,265
Building services	172	140
Cemetery	282	386
Child care/children's programs	3,078	2,834
Engineering fee	133	101
External private works	32	34
Library	57	44
Other fees and charges	232	215
Parking	173	317
Performing arts & culture	735	705
Regional certification	6	4
Rental properties	527	592
Waste management services	1,792	2,092
Wangaratta Sports and Aquatic Centre	3,168	2,709
<b>Total user fees</b>	<b>11,759</b>	<b>11,438</b>

User fees by timing of revenue recognition

User fees recognised over time	1,824	1,569
User fees recognised at a point in time	9,935	9,869
	<b>11,759</b>	<b>11,438</b>

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.

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 3 Funding for the delivery of our services (cont'd)

3.4 Funding from other levels of government

Grants were received in respect of the following :

	2025 \$'000	2024 \$'000
<b>Summary of grants</b>		
Commonwealth funded grants	24,580	13,143
State funded grants	7,132	11,103
<b>Total grants received</b>	<b>31,712</b>	<b>24,246</b>

(a) Operating Grants

	2025 \$'000	2024 \$'000
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	14,230	402
Aged & Community Care - Packaged Care	6,315	7,084
<b>Recurrent - State Government</b>		
Environmental health	-	12
Economic development	-	73
Libraries	254	254
Family and early childhood services	434	468
Community Wellbeing	231	232
Culture and recreation	122	111
Maternal and child health	677	600
Youth Services	95	67
Aged and disability	275	468
<b>Total recurrent operating grants</b>	<b>22,634</b>	<b>9,771</b>

	2025 \$'000	2024 \$'000
<b>Non-recurrent - Commonwealth Government</b>		
Culture and recreation	2	-
Events	15	11
<b>Non-recurrent - State Government</b>		
Family and early Childhood services	8	9
Cultural development	229	300
Bushfire Emergency Assistance	60	196
Environmental enhancement	79	93
Community wellbeing	179	838
Economic development	-	50
Events	14	4
Gallery	69	60
Childrens services	88	11
Library	26	2
Aged and disability	-	10
Other	296	1,004
<b>Total non-recurrent operating grants</b>	<b>1,064</b>	<b>2,588</b>
<b>Total operating grants</b>	<b>23,698</b>	<b>12,360</b>



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For the Year Ended 30 June 2025

Note 3 Funding for the delivery of our services (cont'd)

3.4 Funding from other levels of government (cont')

(b) Capital Grants

	2025 \$'000	2024 \$'000
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	2,020	3,276
<b>Total recurrent capital grants</b>	<b>2,020</b>	<b>3,276</b>
<b>Non-recurrent - Commonwealth Government</b>		
Recreational, leisure and community facilities	95	1,328
Pathways	76	-
Other Infrastructure	1,828	1,042
<b>Non-recurrent - State Government</b>		
Buildings	150	4
Bridges	416	-
Drainage	2,380	3,703
Library books	8	16
Roads	412	461
Footpaths and cycleways	46	24
Recreational, leisure and community facilities	565	207
Waste management	19	214
Parks, open space and streetscapes	-	182
Aerodromes	-	91
Other Infrastructure	-	1,338
<b>Total non-recurrent capital grants</b>	<b>5,994</b>	<b>8,610</b>
<b>Total capital grants</b>	<b>8,014</b>	<b>11,886</b>

(c) Recognition of grant income

Before recognising funding from government grants as revenue, 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 point in 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.

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Note 3 Funding for the delivery of our services (cont'd)

3.4 Funding from other levels of government (cont')

	2025 \$'000	2024 \$'000
<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>		
General purpose	14,230	402
Specific purpose grants to acquire non-financial assets	8,014	11,886
Other specific purpose grants	6,023	7,637
<b>Revenue recognised under AASB 15 Revenue from Contracts with Customers</b>		
Specific purpose grants	3,445	4,321
	<b>31,712</b>	<b>24,246</b>

(c) Unspent grants received on condition that they be spent in a specific manner

	2025 \$'000	2024 \$'000
<b>Operating</b>		
Balance at start of year	209	723
Received during the financial year and remained unspent at balance date	271	209
Received in prior years and spent during the financial year	(209)	(723)
<b>Balance at year end</b>	<b>271</b>	<b>209</b>
<b>Capital</b>		
Balance at start of year	2,097	5,713
Received during the financial year and remained unspent at balance date	284	2,097
Received in prior years and spent during the financial year	(1,894)	(5,713)
<b>Balance at year end</b>	<b>486</b>	<b>2,097</b>

3.5 Contributions

	2025 \$'000	Restated 2024 \$'000
Monetary	72	1,962
Non-monetary*	4,893	3,373
<b>Total contributions</b>	<b>4,966</b>	<b>5,335</b>

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

Drainage	1,482	963
Paths	705	643
Roads (including Kerbing)	1,788	1,767
Arts & Library	918	-
<b>Total non-monetary contributions</b>	<b>4,893</b>	<b>3,373</b>

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

\* Refer Note 11.1

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2025 \$'000	2024 \$'000
Proceeds of sale	333	241
Written down value of assets disposed	(2,337)	(1,059)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(2,004)</b>	<b>(818)</b>

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

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 3 Funding for the delivery of our services (cont'd)

3.7 Other income

	2025 \$'000	2024 \$'000
Interest	1,345	1,501
Reimbursements - other	770	259
Remeasurement of provision for landfill	2,183	10,426
Found Assets - Paths & Artwork Assets	-	3,347
Fair Value Movement - Financial Assets	71	47
Other	372	2,682
<b>Total other income</b>	<b>4,741</b>	<b>18,262</b>

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.

Note 4 The cost of delivering services

4.1 (a) Employee costs

	2025 \$'000	2024 \$'000
Wages and salaries	25,455	24,658
Annual leave and long service leave	3,545	3,686
WorkCover	962	740
Superannuation	3,226	3,148
Fringe benefits tax	40	17
Other	362	387
<b>Total employee costs</b>	<b>33,590</b>	<b>32,636</b>

(b) Superannuation

	2025 \$'000	2024 \$'000
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	44	24
	<b>44</b>	<b>24</b>
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,085	1,183
Employer contributions - other funds	2,096	1,879
	<b>3,181</b>	<b>3,062</b>
Employer contributions payable at reporting date.	145	105

Refer to note 9.3 for further information relating to Council's superannuation obligations.

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Notes to the Financial Report  
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Note 4 The cost of delivering services (cont'd)

4.2 Materials and services

	2025 \$'000	2024 \$'000
Advertising and promotion	445	294
Bank charges	111	123
Building maintenance	321	244
Community grants and contributions	763	853
Consultants	1,049	1,401
Contract payments	5,435	5,632
Insurance	901	774
Legal expenses	301	206
Levies and licences	1,284	1,344
Minor equipment	104	149
Other materials and services	9,895	7,258
Packaged care brokerage	2,554	3,441
Packaged care unspent funds transferred	13	9
Plant and equipment maintenance	-	4
Plant operating	1,279	2,248
Postage	79	93
Printing and stationery	59	53
Security	20	265
Software maintenance	1,825	1,730
Staff development	447	547
Subscriptions & publications	7	11
Telephone	281	216
Utilities	2,168	1,713
Valuation contract	62	27
<b>Total materials and services</b>	<b>29,403</b>	<b>28,635</b>

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

4.3 Depreciation

	2025 \$'000	2024 \$'000
Property	2,435	1,998
Plant and equipment	2,041	1,931
Infrastructure	16,722	12,908
<b>Total depreciation</b>	<b>21,198</b>	<b>16,837</b>

Refer to note 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Other expenses

	2025 \$'000	2024 \$'000
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	59	55
Auditors' remuneration - Internal Audit	52	100
Councillors' allowances	310	325
Write off of non-capital items from WIP	1,891	3,199
Recognition of additional landfill provision - closed sites	1,374	10,175
Pension rebate - Recycling	51	50
Others	189	88
<b>Total other expenses</b>	<b>3,927</b>	<b>13,992</b>

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For the Year Ended 30 June 2025

Note 5 Investing in and financing our operations

	2025 \$'000	2024 \$'000
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash on hand	3	3
Cash at bank	4,852	1,899
Money market at call account	22,687	11,691
<b>Total cash and cash equivalents</b>	<b>27,542</b>	<b>13,593</b>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits	-	10,000
Total current other financial assets	-	10,000
<b>Non-current</b>		
Municipal Association Purchasing Scheme (MAPS) shares - non-current	396	324
<b>Total non-current other financial assets</b>	<b>396</b>	<b>324</b>
<b>Total other financial assets</b>	<b>396</b>	<b>10,324</b>
<b>Total cash and cash equivalents and other financial assets</b>	<b>27,938</b>	<b>23,917</b>

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.

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 5 Investing in and financing our operations (cont'd)

5.1 Financial assets (cont'd)

(c) Trade and other receivables

	2025 \$'000	2024 \$'000
<b>Current</b>		
<i>Statutory receivables</i>		
Rates and garbage debtors	2,770	1,991
Fire services property levy	432	305
Cemetery	117	110
Parking and animal infringement debtors	1,108	1,195
Allowance for expected credit loss - infringements	(688)	(492)
Interest on rates and garbage receivable and investments	97	123
Net GST receivable	128	285
<i>Non-statutory receivables</i>		
Other debtors	1,189	1,240
Allowance for expected credit loss - other debtors	(392)	(252)
<b>Total trade and other receivables</b>	<b>4,762</b>	<b>4,505</b>

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. 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:

	2025 \$'000	2024 \$'000
Current (not yet due)	409	575
Past due by up to 30 days	313	54
Past due between 31 and 180 days	61	40
Past due between 181 and 365 days	14	318
Past due by more than 1 year	392	252
<b>Total trade and other receivables</b>	<b>1,189</b>	<b>1,240</b>

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$392k (2024: \$252k) were impaired. The amount of the allowance raised against these debtors was \$392k (2024: \$252k). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

	2025 \$'000	2024 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	392	252
<b>Total trade &amp; other receivables</b>	<b>392</b>	<b>252</b>

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 5 Investing in and financing our operations (cont'd)

5.2 Non-financial assets

<b>(a) Other assets</b>		<b>2025</b>	<b>2024</b>
		<b>\$'000</b>	<b>\$'000</b>
Prepayments		859	742
Accrued income		340	620
<b>Total other assets</b>		<b>1,199</b>	<b>1,362</b>
<b>(b) Intangible assets</b>		<b>2025</b>	<b>2024</b>
		<b>\$'000</b>	<b>\$'000</b>
Landfill air space		1,290	1,514
<b>Total intangible assets</b>		<b>1,290</b>	<b>1,514</b>
<b>Gross carrying amount</b>		<b>Landfill</b>	<b>Total</b>
		<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2024		5,908	6,832
Transfer to waste management		-	(2,294)
Additions from internal developments		-	1,370
<b>Balance at 30 June 2025</b>		<b>5,908</b>	<b>5,908</b>
<b>Accumulated amortisation and impairment</b>			
Balance at 1 July 2024		4,394	4,170
Amortisation expense		224	224
<b>Balance at 30 June 2025</b>		<b>4,618</b>	<b>4,394</b>
<b>Net book value at 30 June 2024</b>		<b>1,514</b>	<b>2,662</b>
<b>Net book value at 30 June 2025</b>		<b>1,290</b>	<b>1,514</b>

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.

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Notes to the Financial Report  
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Note 5 Investing in and financing our operations (cont'd)

5.3 Payables, trust funds and deposits and contract and other liabilities

(a) Trade and other payables

	2025 \$'000	2024 \$'000
<b>Current</b>		
Non-statutory payables		
Materials and contracts	57	152
Employee costs	929	735
Accrued expenses	1,289	1,085
<b>Total current trade and other payables</b>	<b>2,275</b>	<b>1,972</b>

(b) Trust funds and deposits

	2025 \$'000	2024 \$'000
Fire services levy	3,613	1,935
Retention contract deposits	600	1,132
Refundable subdivision securities	832	737
Wangaratta Performing Arts Centre	41	138
Other	330	118
<b>Total current trust funds and deposits</b>	<b>5,416</b>	<b>4,060</b>

(c) Contract and other liabilities

	2025 \$'000	2024 \$'000
<b>Contract liabilities</b>		
<b>Current</b>		
Grants received in advance - operating	271	209
Grants received in advance - capital	486	2,097
Other (Funding held for Aged & Disability customers)	17	41
<b>Total contract liabilities</b>	<b>774</b>	<b>2,347</b>

Trust funds and deposits - 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.

Contract liabilities reflect consideration received in advance from customers in respect of program delivery, including capital project grant funds and operating grants. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer or specific performance obligations have been met.

**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.



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Note 5 Investing in and financing our operations (cont'd)

5.4 Interest-bearing liabilities

	2025 \$'000	2024 \$'000
<b>Current</b>		
Borrowings - secured	9,780	2,678
	<b>9,780</b>	<b>2,678</b>
<b>Non-current</b>		
Treasury Corporation of Victoria borrowings - secured	3,752	4,441
Borrowings - secured	8,856	17,947
	<b>12,608</b>	<b>22,388</b>
<b>Total</b>	<b>22,388</b>	<b>25,066</b>

Borrowings are secured by general rates.

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

Not later than one year	9,780	2,678
Later than one year and not later than five years	11,430	15,388
Later than five years	1,178	7,000
	<b>22,388</b>	<b>25,066</b>

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 based on contractual repayment terms at every balance date.

5.5 Provisions

	Employee \$ '000	Landfill restoration \$ '000	Total \$ '000
<b>2025</b>			
Balance at beginning of the financial year	6,982	15,269	22,251
Additional/(reduction) in provisions	2,626	(2,183)	443
Amounts used	(2,572)	(126)	(2,698)
Change in the discounted amount arising because of time	7	1,374	1,381
Balance at the end of the financial year	<b>7,044</b>	<b>14,334</b>	<b>21,377</b>
Provisions - current	6,402	291	6,693
Provisions - non-current	642	14,043	14,685
<b>2024</b>			
Balance at beginning of the financial year	6,958	15,626	22,584
Additional/(reduction) in provisions	2,854	(10,426)	(7,572)
Amounts used	(2,810)	(106)	(2,916)
Change in the discounted amount arising because of time	(20)	10,175	10,155
Balance at the end of the financial year	<b>6,982</b>	<b>15,269</b>	<b>22,250</b>
Provisions - current	6,432	126	6,558
Provisions - non-current	550	15,143	15,693

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Notes to the Financial Report  
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Note 5 Investing in and financing our operations (cont'd)

5.5 Provisions (cont'd)

(a) Employee provisions

	2025 \$'000	2024 \$'000
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	2,570	2,568
Long service leave	256	608
Accumulated time	470	241
	<b>3,296</b>	<b>3,417</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	-	-
Long service leave	3,106	3,015
	<b>3,106</b>	<b>3,015</b>
Total current employee provisions	<b>6,402</b>	<b>6,432</b>
<b>Non-current</b>		
Long service leave	642	550
Aggregate carrying amount of employee provisions:		
Current	6,402	6,432
Non-current	642	550
Total aggregate carrying amount of employee provisions	<b>7,044</b>	<b>6,982</b>

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

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.

Key assumptions:

	2025 \$'000	2024 \$'000
- discount rate	4.20%	4.35%
- index rate	4.25%	4.45%

Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 5 Investing in and financing our operations (cont'd)

5.5 Provisions (cont'd)

(b) Landfill restoration

	2025 \$'000	2024 \$'000
Current	291	126
Non-current	14,043	15,143
	14,334	15,269

Council is obligated to restore the 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:

	2025 \$'000	2024 \$'000
- discount rate	3.32% - 4.86%	4.05% - 4.81%
- index rate	1.48%	2.61%

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2025.

	2025 \$'000	2024 \$'000
Bank overdraft	400	400
Credit card facilities	270	213
Treasury Corporation of Victoria facilities	3,752	4,441
Loans	18,636	20,625
Total facilities	23,058	25,679
Used facilities	22,446	25,121
Unused facilities	612	558

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Notes to the Financial Report  
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Note 5 Investing in and financing our operations (cont'd)

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.

2025	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
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Pound Services	132	-	-	-	132
Recycling Contract	1,485	-	-	-	1,485
Co Store Car Park	548	557	1,719	2,504	5,327
High Country Library Network	380	-	-	-	380
Security Services	45	-	-	-	45
Security Services	143	-	-	-	143
Bowser Landfill Biennial Groundwater Leachate Reporting	24	24	-	-	48
Theatre Lighting and Stage Communication	67	-	-	-	67
IT Licences	2,126	-	-	-	2,126
IT Leases	51	51	-	-	102
Cleaning	449	-	-	-	449
Wangaratta Long Term Growth Areas	87	-	-	-	87
North East Tourism Board Annual Subscription and Buy In	157	-	-	-	157
Environmental Health Services	538	538	538	-	1,614
HVAC Maintenance	103	106	-	-	209
<b>Total</b>	<b>6,335</b>	<b>1,275</b>	<b>2,257</b>	<b>2,504</b>	<b>12,372</b>
<b>Capital</b>					
Cryer's Bridge Replacement	421	-	-	-	421
Road and Drainage Upgrade Design	55	-	-	-	55
Wangaratta Aerodrome Runway - Pavement Analysis & Design	86	-	-	-	86
Apex Park Changing Places	175	-	-	-	175
Whorouly Carboor Rd/Whorouly South intersection	198	-	-	-	198
Bank Street Pump Station	215	-	-	-	215
Wareena Park Oval Upgrade	59	-	-	-	59
Southern Growth Areas drainage	332	-	-	-	332
Waste Compactor Truck	575	-	-	-	575
Chipper Truck	380	-	-	-	380
Dual Steer Hook LIR Truck	380	-	-	-	380
<b>Total</b>	<b>2,875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,875</b>

Wangaratta Rural City Council  
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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 5 Investing in and financing our operations (cont'd)

5.7 Commitments

(a) Commitments for expenditure

2024

Operating

Pound Services
Recycling Contract
Co Store Car Park
High Country Library Network
Security Services
Security Services
Event Management System
Core Business Platform
IT Licences
IT Leases
Microsoft Enterprise Agreement
Cleaning
Tipper Truck & Trailer
North East Tourism Board Annual Subscription and Buy In
Environmental Health Services
HVAC Maintenance
<b>Total</b>

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
\$'000	\$'000	\$'000	\$'000	\$'000
119	-	-	-	119
350	364	1,182	869	2,765
481	495	1,577	2,960	5,513
339	346	-	-	685
41	41	41	-	123
228	228	-	-	456
44	44	44	-	132
550	-	-	-	550
183	37	-	-	220
46	46	46	-	138
407	-	-	-	407
463	-	-	-	463
229	-	-	-	229
140	-	-	-	140
424	-	-	-	424
279	279	279	-	837
<b>4,323</b>	<b>1,880</b>	<b>3,169</b>	<b>3,829</b>	<b>13,201</b>
<b>Capital</b>				
King Valley Cycling Trail	383	-	-	383
Detour Road Irrigation Pipeline	262	-	-	262
Wangaratta Sports & Aquatic Centre Design	120	-	-	120
Newman Street Drainage Upgrade & Pumping Station	300	-	-	300
Flood Levee Upgrade Wilson Road & Parfitt Road	1,775	-	-	1,775
Tone Road Median Upgrade	126	-	-	126
Fleet Purchase - 4 x Waste Compactor Trucks	1,918	-	-	1,918
<b>Total</b>	<b>4,884</b>	<b>-</b>	<b>-</b>	<b>4,884</b>

(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2025 \$'000	2024 \$'000
Not later than one year	113	215
Later than one year and not later than five years	255	430
Later than five years	324	348
	<b>693</b>	<b>993</b>

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Note 6 Assets we manage

6.1 Non current assets classified as held for sale

	2025	2024
	\$'000	\$'000
Balance at start of year	624	647
Less assets disposed	(347)	-
Less assets no longer held for sale	-	(23)
<b>Total non current assets classified as held for sale</b>	<b>277</b>	<b>624</b>

At 30 June 2025 Non-Current Assets held for sale include the proposed logistics facility \$276,390.

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.

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Notes to the Financial Report  
For the Year Ended 30 June 2025

6.2 Restated Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Restated Carrying amount 30 June 2024	Additions	Contributions	Found Assets	Revaluation	Depreciation	Disposal	Write-off	Transfers	Transfers WIP	Carrying amount 30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	163,157	-	-	-	42,259	(2,435)	(460)	808	(71)	1,083	204,342
Plant and equipment	13,329	-	917	-	35	(2,041)	(304)	-	-	2,937	14,873
Infrastructure*	567,976	-	3,973	-	(1,254)	(16,722)	(1,038)	-	71	22,666	575,673
Work in progress	54,310	18,066	-	-	-	-	-	(2,699)	-	(26,687)	42,991
	<b>798,771</b>	<b>18,066</b>	<b>4,891</b>	<b>-</b>	<b>41,039</b>	<b>(21,198)</b>	<b>(1,801)</b>	<b>(1,891)</b>	<b>-</b>	<b>-</b>	<b>837,878</b>

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Revaluation	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	3,243	1,223	(1,208)	(1,237)	-	2,021
Plant and equipment	1,702	3,517	(15)	(3,052)	-	2,152
Infrastructure	49,365	13,326	(1,475)	(22,397)	-	38,819
Total	<b>54,311</b>	<b>18,066</b>	<b>(2,699)</b>	<b>(26,687)</b>	<b>-</b>	<b>42,991</b>

\* Restatement of opening balances, refer note 11.1

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Notes to the Financial Report  
For the Year Ended 30 June 2025

6.2 Restated Property, infrastructure, plant and equipment (cont'd)

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000	Land improvements \$'000	Total Land & Land Improvements \$'000	Heritage buildings \$'000	Buildings - non specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2024	27,574	35,570	20,730	83,874	4,211	151,462	155,673	3,243	242,791
Accumulated depreciation at 1 July 2024	-	-	(13,077)	(13,077)	(2,591)	(60,724)	(63,315)	-	(76,391)
	27,574	35,570	7,653	70,797	1,620	90,738	92,358	3,243	166,399
<b>Movements in fair value</b>									
Additions	-	-	-	-	-	-	-	1,223	1,223
Contributions	-	-	-	-	-	-	-	-	-
Found Assets	-	-	-	-	-	-	-	-	-
Revaluation	28,174	15,091	-	43,266	-	(809)	(809)	-	42,456
Disposal	-	-	(428)	(428)	-	(16,098)	(16,098)	-	(16,527)
Transfer to Assets Held for Sale	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	808	808	(1,208)	(401)
Transfers	-	-	-	-	-	(76)	(76)	-	(76)
Transfers WIP	-	-	-	-	-	1,083	1,083	(1,237)	(154)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
	28,174	15,091	(428)	42,837	-	(15,093)	(15,093)	(1,223)	26,521
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	(452)	(452)	(32)	(1,953)	(1,985)	-	(2,437)
Revaluation	-	-	(31)	(31)	-	(166)	(166)	-	(197)
Accumulated depreciation of disposals	-	-	72	72	-	14,937	14,937	-	15,009
Impairment losses recognised in operating result	-	-	-	-	-	1,058	1,058	-	1,058
Transfers	-	-	-	-	-	6	6	-	6
	-	-	(411)	(411)	(32)	13,882	13,850	-	13,439
At fair value 30 June 2025	55,749	50,661	20,301	126,711	4,211	136,369	140,580	2,021	269,312
Accumulated depreciation at 30 June 2025	-	-	(13,488)	(13,488)	(2,622)	(46,842)	(49,465)	-	(62,952)
Carrying amount	55,749	50,661	6,814	113,224	1,589	89,526	91,115	2,021	206,360



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For the Year Ended 30 June 2025

6.2 Restated Property, infrastructure, plant and equipment (cont'd)

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Art Collection	Total plant and equipment	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	25,776	1,725	3,285	1,922	2,857	35,565	1,702	37,267
Accumulated depreciation at 1 July 2024	(17,324)	(1,219)	(2,541)	(1,153)	-	(22,237)	-	(22,237)
	8,452	506	744	769	2,857	13,328	1,702	15,030
<b>Movements in fair value</b>								
Additions	-	-	-	-	-	-	3,517	3,517
Contributions	32	-	-	-	886	918	-	918
Found Assets	-	-	-	-	-	-	-	-
Revaluation	-	-	-	92	(13)	79	-	79
Disposal	(1,125)	-	-	(327)	(222)	(1,674)	-	(1,674)
Write-off	-	-	-	-	-	-	(15)	(15)
Transfers	-	-	-	-	-	-	-	-
Transfers WIP	2,728	-	-	194	15	2,937	(3,052)	(115)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-
	1,634	-	-	(41)	666	2,259	450	2,709
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(1,453)	(15)	(227)	(346)	-	(2,041)	-	(2,041)
Revaluation	-	-	-	(43)	-	(43)	-	(43)
Accumulated depreciation of disposals	1,044	-	-	327	-	1,370	-	1,370
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
	(410)	(15)	(227)	(62)	-	(714)	-	(714)
At fair value 30 June 2025	27,410	1,725	3,285	1,881	3,523	37,824	2,152	39,976
Accumulated depreciation at 30 June 2025	(17,734)	(1,235)	(2,768)	(1,215)	-	(22,951)	-	(22,951)
Carrying amount	9,676	490	517	666	3,523	14,873	2,152	17,025

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Notes to the Financial Report  
For the Year Ended 30 June 2025

6.2 Restated Property, infrastructure, plant and equipment (cont'd)

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Restated</b>												
At fair value 1 July 2024	476,249	125,004	36,496	65,376	43,127	28,434	18,961	7,402	4,693	53	49,365	855,160
Accumulated depreciation at 1 July 2024	(127,767)	(28,880)	(15,984)	(19,143)	(12,089)	(21,547)	(9,421)	(1,512)	(1,467)	(10)	-	(237,820)
	348,482	96,124	20,512	46,233	31,038	6,887	9,540	5,890	3,226	43	49,365	617,340
<b>Movements in fair value</b>												
Additions	-	-	-	-	-	-	-	-	-	-	13,326	13,326
Contributions	1,788	-	705	1,482	-	-	-	-	-	-	-	3,976
Found Assets	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	(17)	(61)	(3)	(77)	-	-	(16)	-	-	-	-	(175)
Disposal	(302)	(215)	(262)	(384)	(963)	-	(193)	-	-	-	-	(2,321)
Write-off	-	-	-	-	-	-	-	-	-	-	(1,475)	(1,475)
Transfers	(2,273)	-	44	-	32	-	-	2,273	-	-	-	76
Transfers WIP	5,256	998	486	1,140	12,561	759	1,465	-	-	-	(22,397)	269
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
	4,452	722	971	2,160	11,630	759	1,255	2,273	-	-	(10,547)	13,676
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(9,785)	(1,480)	(1,241)	(1,045)	(1,437)	(459)	(995)	(184)	(92)	(2)	-	(16,720)
Revaluation	(608)	(100)	(86)	(66)	(84)	(46)	(69)	(16)	(4)	(0)	-	(1,079)
Accumulated depreciation of disposals	33	119	70	64	838	-	158	-	-	-	-	1,282
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	581	-	(1)	-	(5)	-	-	(581)	-	-	-	(6)
	(9,778)	(1,461)	(1,258)	(1,047)	(689)	(505)	(906)	(781)	(96)	(2)	-	(16,522)
At fair value 30 June 2025	480,701	125,726	37,467	67,537	54,757	29,194	20,216	9,675	4,694	53	38,819	868,839
Accumulated depreciation at 30 June 2025	(137,545)	(30,340)	(17,242)	(20,191)	(12,778)	(22,052)	(10,327)	(2,293)	(1,562)	(12)	-	(254,343)
Carrying amount	343,156	95,386	20,224	47,347	41,979	7,142	9,889	7,382	3,131	41	38,819	614,496

\* Restatement of opening balances, refer note 11.1

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**Notes to the Financial Report  
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**6.2 Property, infrastructure, plant and equipment (cont'd)**

*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. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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
<b>Asset recognition thresholds and depreciation periods</b>		<b>\$'000</b>
<b>Property</b>		
Land		
land improvements	20-90 years	5
landfill assets	1-11 years	1
<b>Buildings</b>	10-100 years	10
<b>Plant and Equipment</b>		
plant, machinery and equipment	5-20 years	2
fixtures, fittings and furniture	2-33 years	2
computers and telecommunications	2-33 years	2
library books	6-12 years	Nil
<b>Infrastructure</b>		
road pavements and seals	80 years	10
road formation	200 years	10
road kerb, channel and minor culverts	110 years	10
bridges	20-80 years	10
footpaths and cycleways	10-110 years	5
bikepaths	15-20 years	3
drainage	100 years	5
recreational, leisure and	10-100 years	5
parks, open space and	10-100 years	5
waste management	1-11 years	5
off street car parks	80 years	5
aerodromes	80 years	5
other infrastructure	30 years	5
<b>Intangibles</b>	10 years	5

*Land under roads*

Council recognises land under roads it controls at fair value.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**6.2 Property, infrastructure, plant and equipment (cont'd)**

*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.

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, leasehold improvements are amortised over a 5 to 40 year

**Valuation of land and buildings**

Valuation of land and land under roads were undertaken in 2025 by a qualified independent valuer (Principal Marcus Hann, Valuer No. 62901) of LG Valuation Services Pty Ltd. Valuation of Buildings was undertaken in 2023 by a qualified independent valuer LG Valuations (Principal Marcus Hann, Valuer No. 62901). 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 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 2025 are as follows:

Council	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation	Type of Valuation	Date of Next Valuation	Type of Next Valuation
Land	-	50,661	-	Jun-25	Full	Jun-26	Index
Specialised land	-	-	55,749	Jun-25	Full	Jun-26	Index
Land Improvements	-	-	6,814	Jun-24	Index	Jun-26	Full
Heritage Buildings	-	-	1,589	Jun-24	Index	Jun-26	Index
Buildings	-	-	89,526	Jun-24	Index	Jun-26	Index
<b>Total</b>	<b>-</b>	<b>50,661</b>	<b>153,678</b>				

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For the Year Ended 30 June 2025**

**6.2 Property, infrastructure, plant and equipment (cont'd)**

**Valuation of infrastructure**

Valuation of infrastructure assets (excluding aerodromes and waste management) has been determined in accordance with an independent valuation undertaken in 2021 by Jenny Hart, Asset Planning Coordinator, BGeom (University Melbourne); BSc (Melbourne University), MSc (Ohio State University).

The date 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 2025 are as follows:

Council	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation	Date of Next Valuation	Type of Next Valuation
	\$'000	\$'000	\$'000				
Roads	-	-	343,156	Jun-24	Index	Jun-26	Full
Bridges	-	-	95,386	Jun-24	Index	Jun-26	Full
Footpaths and cycleways	-	-	20,224	Jun-24	Index	Jun-26	Full
Drainage	-	-	47,347	Jun-24	Index	Jun-26	Full
Recreational, leisure and community facilities	-	-	41,979	Jun-24	Index	Jun-26	Full
Waste management	-	-	7,142	Jun-24	Index	Jun-26	Index
Parks, open space and streetscapes	-	-	9,889	Jun-24	Index	Jun-26	Full
Aerodromes	-	-	7,382	Jun-24	Full	Jun-26	Index
Off Street Car Parks	-	-	3,131	Jun-24	Index	Jun-26	Full
Other infrastructure	-	-	42	May-21	N/A	N/A	N/A
<b>Total</b>	<b>-</b>	<b>-</b>	<b>575,677</b>				

**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 25% and 90%. 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 and \$41 per square metre.

**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 10 years to 200 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.

The changes to AASB13 did not have a material impact on the valuation of the infrastructure assets as Council's capitalisation policy (for new assets) already includes direct and indirect costs, site preparation, traffic management and other costs types referred to in the AASB13 amendments. All new assets are capitalised at cost.

The current unit rates were based on benchmarks with other councils and also the most recent contracts that Council had entered into.

**Reconciliation of specialised land**

	2025	2024
	\$'000	\$'000
Land under roads	55,749	27,574
<b>Total specialised land</b>	<b>55,749</b>	<b>27,574</b>

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**Notes to the Financial Report**  
**For the Year Ended 30 June 2025**

**6.3 Investments in associates, joint arrangements and subsidiaries**

**Subsidiaries**

Wangaratta Livestock Exchange

**Background**

On 1 August 2018, the operations of the Saleyards was taken over by Wangaratta Livestock Exchange Pty Ltd (WLE). WLE manages the Wangaratta Saleyards on the terms set out in a Management Service Agreement between Council and the WLE. WLE operates the Saleyards as a going concern for the purpose of providing livestock auction facilities and related services.

**Summarised financial information**

**Summarised statement of comprehensive income**

Total income

Total expenses

**Total comprehensive result**

**Summarised balance sheet**

Current assets

Non-current assets

**Total assets**

Current liabilities

Non-current liabilities

**Total liabilities**

**Net Assets**

**Summarised statement of cash flows**

Net cash provided by/(used in) operating activities

Net cash provided by/(used in) investing activities

Net cash provided by/(used in) financing activities

**Net increase/(decrease) in cash and cash equivalents**

	2025 \$'000	2024 \$'000
	902	939
	773	756
	<b>129</b>	<b>183</b>
	427	384
	801	751
	<b>1,228</b>	<b>1,135</b>
	113	107
	76	103
	<b>189</b>	<b>210</b>
	<b>1,039</b>	<b>925</b>
	208	234
	(169)	(44)
	(31)	(29)
	<b>8</b>	<b>161</b>

The result of Wangaratta Livestock Exchange Pty Ltd in the financial statements is not included as the impact of consolidation is not considered to be material.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

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For the Year Ended 30 June 2025**

**Note 7 People and relationships**

**7.1 Council and key management remuneration**

**(a) Related Parties**

*Parent entity*

The Rural City of Wangaratta is the parent entity.

*Subsidiaries*

Interests in subsidiaries 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 The Rural City of Wangaratta. The Councillors, Chief Executive Officer and Executive Directors are deemed KMP.

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

**Councillors**

1. Dean Rees (Councillor and Mayor until 25th October 2024, not re-elected)
2. Irene Grant (Mayor since 19th November 2024, Councillor re-elected)
3. Harvey Benton (Councillor and Deputy Mayor - re-elected on 19th November 2024)
4. Dave Fuller (Councillor, re-elected)
5. Harry Bussell - (Councillor re-elected)
6. Ashlee Fitzpatrick (Councillor re-elected)
7. Jack Herry (Councillor until 25th October 2024, not re-elected)
8. Allison Winters (Councillor since 19th November 2024)
9. Tania Maxwell (Councillor since 19th November 2024)

**Executive Management**

1. Brendan McGrath - Chief Executive Officer
2. Marcus Goonan - Director Community & Infrastructure
3. Sarah Brindley - Director Corporate & Leisure
4. Stephen Swart - Director Sustainability & Culture

**Total Number of Councillors**

**Total of Chief Executive Officer and other Key Management Personnel**

**Total Number of Key Management Personnel**

	2025	2024
	No.	No.
Total Number of Councillors	9	7
Total of Chief Executive Officer and other Key Management Personnel	4	5
Total Number of Key Management Personnel	13	12

**(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:

Short-term employee benefits  
Other long-term employee benefits  
Post-employment benefits  
Termination benefits  
Total

	2025	2024
	\$'000	\$'000
Short-term employee benefits	1,225	1,363
Other long-term employee benefits	32	62
Post-employment benefits	96	102
Termination benefits	-	-
Total	1,353	1,527

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**7.1 Council and key management remuneration (cont'd)**

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

\$0 - \$9,999  
\$20,000 - \$29,999  
\$30,000 - \$39,999  
\$40,000 - \$49,999  
\$50,000 - \$59,999  
\$80,000 - \$89,999  
\$100,000 - \$109,999  
\$170,000 - \$179,999  
\$220,000 - \$229,999  
\$230,000 - \$239,999  
\$340,000 - \$349,999  
\$350,000 - \$359,999

2025 No.	2024 No.
1	-
3	-
3	4
-	2
1	-
1	-
-	1
-	1
1	3
2	-
1	-
-	1
13	12

**(d) Remuneration of other senior staff**

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

Total remuneration of other senior staff was as follows:

Short-term employee benefits  
Other long-term employee benefits  
Post-employment benefits  
Termination benefits  
Total

2025 \$'000	2024 \$'000
-	147
-	22
-	16
-	-
-	185

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

Income Range:  
\$170,000 - \$179,999  
\$180,000 - \$189,999  
\$190,000 - \$199,999

2025 No.	2024 No.
-	-
-	1
-	-
-	1

Total remuneration for the reporting year for other senior staff included above, amounted to:

- 185



Wangaratta Rural City Council  
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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 7 People and relationships (cont'd)**

**7.2 Related party disclosure**

**(a) Transactions with related parties**

During the period Council entered into the following transactions with related parties.

1. Sponsorship paid to LINE Wangaratta \$7,000.
2. Contributions paid to Wangaratta Festival of Jazz & Blues \$27,321 (2023/24 \$23,050).
3. Membership paid to Business Wangaratta \$77 (2023/24 \$77).
4. Fees paid to Fallons Bus Lines \$8,148 (2023/24 \$4,658).
5. Fees paid to Alpine Building Permits & Consultants Pty Ltd \$17,695 (2023/24 \$40,682).
6. Fees paid to Molly Herry-Carscallen \$0 (2023/24 \$270).
7. Contributions paid to Tourism North East \$159,500 (2023/24 \$154,000).
8. Fees paid to Rees & Rees Lifestyle \$85.
9. Fees paid to Goulburn Ovens Institute of TAFE \$323 (2023/24 \$13,322).
10. Fees paid to TAFCO Rural Supplies \$1,826 (2023/24 \$18,260).
11. Fees paid to Indigo Shire Council \$0 (2024/24 \$26,610).
12. Fees paid to Wangaratta Symphony Orchestra \$5,255
13. Fees paid to Merriwa Industries Ltd \$4,709

All purchases were at arms length and were in the normal course of Council's operations.

**(b) Outstanding balances with related parties**

There are no balances outstanding at the end of the reporting period in relation to transactions with related parties.

**(c) Loans to/from related parties**

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

**(d) Commitments to/from related parties**

Council has no outstanding commitments to/from other related parties.

Wangaratta Rural City Council  
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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

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**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.

**Developer Contribution Plans (DCP's)**

On 17 October 2019 the Minister for Planning approved the Wangaratta North-West Growth Area and Wangaratta South Growth Area DCP's. A DCP imposes a binding obligation on Council to provide the infrastructure set out in the DCP and also allows for the collection of levies (charges) on the residential and commercial developable areas. The future inflow of levies for the DCP's is expected to be \$33.46m and \$8.04m for the North-West and South Growth Areas DCP's respectively (indexed).

**(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.

**Future superannuation contributions**

There were no contributions outstanding and no loans to or from the above schemes as at 30 June 2025.

**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). At the end of the liability period, an adjustment payment may be required (or received). The determination of any adjustment payment is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria.

**Legal Matters**

Council is presently involved in several legal matters which are being conducted by council's solicitors. Council does not have any major legal matters that could have a material impact on future operations at the time of preparation of these financial statements.

Wangaratta Rural City Council  
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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 8 Managing uncertainties (cont'd)**

**8.1 Contingent assets and liabilities (cont'd)**

**(c) Development Contribution Plans (DCPs)**

On 17 October 2019 the Minister for Planning approved the Wangaratta North-West Growth Area and Wangaratta South Growth Area DCPs. A DCP imposes a binding obligation on Council to provide the infrastructure set out in the DCP. It also allows for the collection of levies (referred to disclosure in contingent assets). The approved DCPs impose an obligation on Council to construct infrastructure. At 30 June 2025 Council has an obligation to construct infrastructure of \$23.53m and \$7.66m for the North-West and South Growth Area DCPs respectively. There is also an obligation further to the DCP arrangement of \$6.90m for the North Area. Council is required to submit an annual return to the Minister for Planning to demonstrate the DCP funds expended.

**8.2 Change in accounting standards**

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council.

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

**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 TCV borrowings. Details of the material accounting policy information 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.

Wangaratta Rural City Council  
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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 8 Managing uncertainties (cont'd)**

**8.3 Financial instruments (cont'd)**

**(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 allowance 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 +1% and -1% in market interest rates (AUD) from year-end rates of 3.85%.

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.

Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 8 Managing uncertainties (cont'd)  
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.

Council has considered the amendments to AASB 13 Fair Value Measurement that apply for the 2024-25 financial year as a result of AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities. For assets, where the Council adopts a current replacement cost approach to determine fair value, the Council now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation. The AASB 13 amendments apply prospectively, comparative figures have not been restated.

The AASB 13 amendments have not resulted in any material impacts to Council's financial statements.

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 1 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 years
Buildings	3 years
Roads	5 years
Bridges	5 years
Footpaths and cycleways	5 years
Drainage	5 years
Recreational, leisure and community facilities	5 years
Waste management	5 years
Parks, open space and streetscapes	5 years
Aerodromes	5 years
Other infrastructure	5 years

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

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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 8 Managing uncertainties (cont'd)

8.5 Events occurring after balance date

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

Note 9 Other matters

9.1 Reserves

(a) Asset revaluation reserves

2025

Property

Land and land improvements

Buildings

Plant & Equipment

Library books

Art Collection

Infrastructure

Roads

Bridges

Footpaths and cycleways

Drainage

Recreational, Leisure and community facilities

Parks, open space and streetscapes

Aerodromes

Offstreet car parks

Waste Management

Total asset revaluation reserves

2024

Property

Land and land improvements

Buildings

Plant & Equipment

Library books

Art Collection

Infrastructure

Roads

Bridges

Footpaths and cycleways

Drainage

Recreational, leisure and community facilities

Parks, open space and streetscapes

Aerodromes

Offstreet car parks

Waste Management

Total asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increase (decrease) \$'000	Balance at end of reporting period \$'000
<b>2025</b>			
<b>Property</b>			
Land and land improvements	36,992	43,235	80,227
Buildings	44,147	(976)	43,172
	<b>81,139</b>	<b>42,259</b>	<b>123,398</b>
<b>Plant &amp; Equipment</b>			
Library books	307	48	355
Art Collection	726	(13)	713
	<b>1,033</b>	<b>35</b>	<b>1,068</b>
<b>Infrastructure</b>			
Roads	315,717	(626)	315,092
Bridges	87,756	(161)	87,595
Footpaths and cycleways	8,105	(89)	8,016
Drainage	27,990	(143)	27,846
Recreational, Leisure and community facilities	7,317	(84)	7,233
Parks, open space and streetscapes	3,172	(86)	3,086
Aerodromes	4,983	(16)	4,967
Offstreet car parks	2,317	(4)	2,313
Waste Management	984	(46)	938
	<b>458,341</b>	<b>(1,255)</b>	<b>457,086</b>
<b>Total asset revaluation reserves</b>	<b>540,513</b>	<b>41,039</b>	<b>581,552</b>
<b>2024</b>			
<b>Property</b>			
Land and land improvements	38,436	(1,444)	36,992
Buildings	40,440	3,707	44,147
	<b>78,876</b>	<b>2,263</b>	<b>81,139</b>
<b>Plant &amp; Equipment</b>			
Library books	175	132	307
Art Collection	467	259	726
	<b>642</b>	<b>391</b>	<b>1,033</b>
<b>Infrastructure</b>			
Roads	306,336	9,381	315,717
Bridges	85,132	2,624	87,756
Footpaths and cycleways	7,501	604	8,105
Drainage	26,590	1,400	27,990
Recreational, leisure and community facilities	6,342	975	7,317
Parks, open space and streetscapes	2,908	264	3,172
Aerodromes	6,105	(1,122)	4,983
Offstreet car parks	2,229	88	2,317
Waste Management	832	152	984
	<b>443,975</b>	<b>14,366</b>	<b>458,341</b>
<b>Total asset revaluation reserves</b>	<b>523,493</b>	<b>17,020</b>	<b>540,513</b>

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

Wangaratta Rural City Council  
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Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 9 Other matters (cont'd)  
9.1 Reserves (cont'd)  
(b) Other reserves

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>2025</b>				
Cemetery	417	282	(405)	294
Developer contributions	3,178	16	-	3,194
Open space contributions	554	21	-	576
CSNE integration	135	-	-	135
HACC	153	-	-	153
Industrial land	868	-	-	868
Replacement of plant	9,769	2,942	(2,614)	10,097
Replacement of plant - CSNE	4	-	-	4
Waste and Landfill	25,089	10,403	(5,592)	29,900
<b>Total Other reserves</b>	<b>40,166</b>	<b>13,665</b>	<b>(8,611)</b>	<b>45,221</b>
<b>2024</b>				
Cemetery	366	379	(328)	417
Developer contributions	90	3,088	-	3,178
Open space contributions	1,192	(638)	-	554
CSNE integration	135	-	-	135
HACC	153	-	-	153
Industrial land	868	-	-	868
Replacement of plant	7,106	3,271	(608)	9,769
Replacement of plant - CSNE	4	-	-	4
Waste and Landfill	20,647	9,988	(5,546)	25,089
<b>Total Other reserves</b>	<b>30,561</b>	<b>16,088</b>	<b>(6,482)</b>	<b>40,166</b>

Wangaratta Rural City Council  
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Notes to the Financial Report  
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Note 9 Other matters (cont'd)

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

The cemetery reserve exists to support future operating requirements and capital improvements at the Wangaratta Cemetery.

The reserves for developer contributions will be utilised to develop recreation and other facilities for residents in the respective development areas. Developer contributions for recreation may also be used to fund municipal recreation facilities.

The CSNE reserve supported the integration of Community Support North East into Council operations. There is no intended future allocation for this reserve and it is proposed to be reduced to nil in 2025/26. In doing so Council will verify that no statutory obligation exists in relation to this reserve that would prevent its reduction to nil.

The HACC reserve exists to support the delivery of home and community care services.

The Industrial land reserve exists to support the future acquisition and development of industrial land across the municipality.

The Waste and Landfill reserve is for future capital works and rehabilitation of landfill sites.

Plant replacement reserve (including CSNE plant replacement) exists to fund replacement of plant and vehicles at the optimal time.



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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 9 Other matters (cont'd)**

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

	2025 \$'000	2024 \$'000
Surplus/(deficit) for the year	4,903	6,767
<b>Non-cash adjustments:</b>		
Depreciation and amortisation	21,544	17,200
(Profit)/loss on disposal of property, infrastructure, plant and equipment	2,004	818
Finance costs	565	605
Fair value adjustments	(1,374)	(10,175)
Recognition of additional landfill provision - closed sites	2,183	10,426
Assets written-off / impaired	1,891	3,199
Contributions - Non-monetary assets	(4,893)	(3,373)
Found Assets	-	(3,347)
Bad Debts	332	237
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(328)	(39)
(Increase)/decrease in other assets	(169)	301
(Increase)/decrease in inventories	-	-
Increase/(decrease) in trade and other payables	303	(3,500)
Increase/(decrease) in trust funds and deposits	1,356	1,276
(Decrease)/increase in contract and other liabilities	(1,573)	(4,276)
Increase/(decrease) in provisions	(873)	340
Increase/(decrease) in intangibles		
<b>Net cash provided by/(used in) operating activities</b>	<b>25,870</b>	<b>16,459</b>

**9.3 Superannuation**

Council makes the 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 Comprehensive Operating 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 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024: 11.0%)).

**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 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.

Wangaratta Rural City Council  
2024/2025 Financial Report

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 9 Other matters (cont'd)  
9.3 Superannuation (cont'd)**

**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. As at 30 June 2024, 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 as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.6% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.7% pa

As at 30 June 2025, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2025.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. Council was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024). The financial assumptions used to calculate this VBI were

Net investment returns 5.7% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.6% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 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 2024 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 2025, this rate was 11.5% of members' salaries (11.0% in 2023/24). 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 2023 triennial 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 98% from 26 July 2024 (previously 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.

Notes to the Financial Report  
For the Year Ended 30 June 2025

Note 9 Other matters (cont'd)  
9.3 Superannuation (cont'd)

**The 2024 triennial 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 2024 while a full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which

	2024 (Interim)	2023 (Triennial)
	\$m	\$m
- A VBI Surplus	108.4	84.7
- A total service liability surplus	141.4	123.6
- A discounted accrued benefits surplus	156.7	141.9

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 2024.

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 2024.

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 2024

**The 2025 interim actuarial investigation**

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2025 as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. Council was notified of the 30 June VBI during August 2025 (2024:August 2024).The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.7% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.6% pa.

It is anticipated that this actuarial investigation will be completed by 31 October 2025.

**The 2023 triennial investigation**

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.50% pa	2.5% pa for 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 2025 are detailed below:

Scheme	Type of Scheme	Rate	2025	2024
			\$'000	\$'000
Vision Super	Defined benefits	11.5% (2024:11.0%)	44	24
Vision Super	Accumulation	11.5% (2024:11.0%)	3,181	3,062

In addition to the above contributions, Council made no unfunded liability payments to Vision Super.

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2025.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$48k.

Wangaratta Rural City Council  
2024/2025 Financial Report

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 10 Change in accounting policy**

There are no pending accounting standards that are likely to have a material impact on council other than those that are yet to be assessed by Council as listed in Note 8.2

**Note 11 Errors and changes in accounting estimates**

**11.1 Prior Period Adjustment**

Council identified an error in prior periods relating to the omission of contributed infrastructure assets. The total correction of \$6.355 million has been allocated between:

- \$2.982 million – assets that should have been recognised in prior periods (opening balance adjustment at 1 July 2023).
- \$3.373 million – assets that should have been recognised during the 2023–24 year (comparative year adjustment).

These errors have been corrected by restating each affected financial statement line item, as shown in the tables below.

**Impact on Opening Balance at 1 July 2023**

	1-Jul-23	1-Jul-23	1-Jul-23
	Original Balances	Adjustment to recognise contributed assets	Restated Balances
	\$'000	\$'000	\$'000
Drainage	43,464	859	44,323
Parks, open space and streetscapes	8,238	4	8,242
Footpaths and Cycleways	18,123	642	18,765
Roads	334,056	1,477	335,533
<b>Total</b>	<b>403,881</b>	<b>2,982</b>	<b>406,863</b>
equipment	764,166	2,982	767,148
<b>Total Assets</b>	<b>813,635</b>	<b>2,982</b>	<b>816,617</b>
Accumulated Surplus	194,166	2,982	197,148
<b>Total Equity</b>	<b>748,218</b>	<b>2,982</b>	<b>751,200</b>

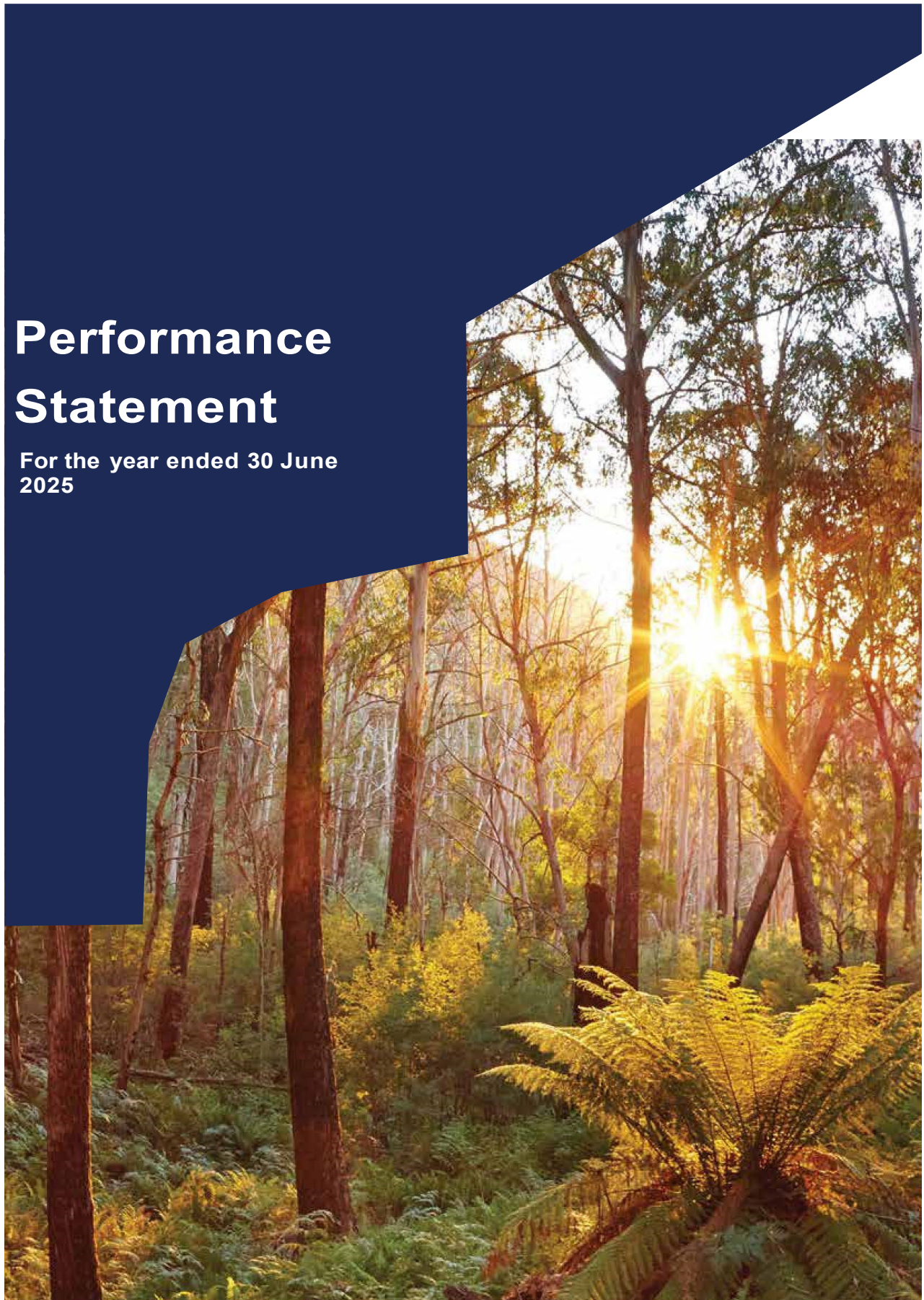
**Impact on Comparative Figures for Year Ended 30 June 2024**

	30-Jun-24	30-Jun-24	30-Jun-24
	Original Balances	Adjustment to recognise contributed assets	Restated Balances
Contributions non-monetary	-	3,373	3,373
Total income	96,699	3,373	100,072
Surplus for the year	3,394	3,373	6,767
Drainage	44,411	1,822	46,233
Parks, open space and streetscapes	9,536	4	9,540
Footpaths and Cycleways	19,227	1,285	20,512
Roads	345,238	3,244	348,482
<b>Total</b>	<b>418,412</b>	<b>6,355</b>	<b>424,767</b>
*Property, infrastructure, plant & equipment	792,416	6,355	798,771
<b>*Total Assets</b>	<b>824,440</b>	<b>6,355</b>	<b>830,795</b>
*Accumulated Surplus	187,954	6,355	194,309
<b>*Total Equity</b>	<b>768,632</b>	<b>6,355</b>	<b>774,987</b>

\* Includes the cumulative impact of both the \$2.982 million opening balance adjustment and the \$3.373 million comparative year adjustment.

# Performance Statement

For the year ended 30 June  
2025



Wangaratta Rural City Council  
Performance Statement - For Year Ended 30 June 2025

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## Certification of the Performance Statement

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In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

Jess Greening – Finance Manager CA  
**Principal Accounting Officer**  
Date: 6 October 2025

In our opinion, the accompanying performance statement of the Wangaratta Rural City Council for the year ended 30 June 2025 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.

**Deputy Mayor**  
Harvey Benton  
Dated: 6 October 2025

**Councillor**  
Harry Bussell  
Dated: 6 October 2025

**Acting Chief Executive Officer**  
Stephen Swart  
Dated: 6 October 2025

## **Victorian Auditor – General’s Office Audit Report**



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**Section 1: Description of municipality**

One of Victoria's most geographically diverse and scenic regions, the municipality offers a blend of city life and welcoming villages, native bushland, pastoral landscapes, and snow-capped peaks. Located in the heart of north east Victoria, Wangaratta is a leading regional city in an area of breathtaking beauty.

There are over 30,000 residents living in the municipality which covers an area of 3,646 square kilometres. The largest urban centre in the municipality is Wangaratta. Prominent townships and villages include Boorhaman, Cheshunt, Eldorado, Everton, Glenrowan, Oxley, Milawa, Moyhu, Peechelba, Springhurst, Tarrawingee, Whitfield and Whorouly.

The regional economy is exceptionally diverse including major agricultural, manufacturing, transport and distribution activities as well as being the regional headquarters for several state government agencies.

## Section 2 - Service Performance Indicators

For the year ended 30 June 2025

	Results					
	2021/22	2022/23	2023/24	2024/25		Comment
Service / Indicator / Measure [Formula]	Actual	Actual	Actual	Target as per budget	Actual	
<b>Aquatic Facilities</b> <b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	11.08	5.74	12.44	12.75	14.09	Council has pleasingly seen a marked increase in WSAC visitation across the 2024/25 financial year. Membership to the Centre increased by nearly 40% and the \$12.9 million expansion of the basketball stadium was completed.
<b>Animal Management</b>						
<b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0%	0%	0%	0%	0%	There were nil animal management prosecutions across the 2024/25 financial year.
<b>Food Safety</b>						

<b>Health and safety</b>  <i>Critical and major non-compliance outcome notifications</i>  [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100	75.00%	108.33%	100%	100%	100%	
<b>Governance</b>						
<b>Consultation and engagement</b>  <i>Satisfaction with community consultation and engagement</i>  [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	57	53	53	55	49	Although this result represents a decline from previous years and a not insignificant variance from target, these declines are consistent with trends seen across the state and in other Regional Centres and reduced engagement is a broader societal trend.
<b>Libraries</b>						
<b>Participation</b>  <i>Library membership</i>  [Number of registered library members / Population] x100	N/A	N/A	24.45%	24.50%	24.75%	24.75% indicates a healthy library membership across the Wangaratta municipality across this financial year. Council did not provide a target for the 2024/25 financial year as the measure was newly introduced in the 2023/24 financial year and this measure was not communicated to the finance team ahead of the 2024/25 budget delivery.
<b>Maternal and Child Health (MCH)</b>						

<b>Participation</b>  <i>Participation in the MCH service</i>  [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	85.03%	82.08%	79.64%	100%	80.64%	This measure slightly increased due to more children attending an MCH service throughout the 2024/25 financial year.
<i>Participation in the MCH service by Aboriginal children</i>  [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	83.33%	93.33%	90.48%	100%	83.33%	There may be a number of reasons why this result is lower than the 2023/24 financial year, including the age of children counted or parental choice not to attend an MCH service.
<b>Roads</b>						
<b>Condition</b>  <i>Sealed local roads maintained to condition standards</i>  [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.43%	99.43%	82.23%	99.50%	93.37%	There were fewer significant weather events impacting the quality of sealed local roads last year, meaning the condition of these roads has typically been maintained to a greater standard than in the prior year.
<b>Statutory Planning</b>						

<b>Service standard</b>  <i>Planning applications decided within required time frames</i>  [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	83.39%	27.92%	67.07%	82%	68.72%	
<b>Waste Management</b>						
<b>Waste diversion</b>  <i>Kerbside collection waste diverted from landfill</i>  [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	63.18%	61.32%	61.72%	65%	54.21%	This measure has decreased as a direct result of the materials diverted through council's kerbside recyclables collections service.

### Section 3 - Financial Performance Indicators

For the year ended 30 June 2025

	Results					Forecasts				
	2021/22	2022/23	2023/24	2024/25		2025/26	2026/27	2027/28	2028/29	Material Variations and Comments
Dimension / Indicator / Measure [Formula]	Actual	Actual	Actual	Target as per budget	Actual	Forecasts	Forecasts	Forecasts	Forecasts	
<b>Efficiency</b>										
<b>Expenditure level</b>										
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$5,238.44	\$4,753.25	\$5,653.48	\$4,991.00	\$5,414.51	\$5,189.87	\$5,304.15	\$5,379.20	\$5,486.22	
<b>Revenue level</b>										
<i>Average rate per property assessment</i> [Sum of all general rates and municipal charges / Number of property assessments]	\$1,826.31	\$1,886.50	\$1,894.87	\$1,823.00	\$1,961.89	\$2,025.40	\$2,112.61	\$2,162.56	\$2,208.59	

<b>Liquidity</b>										
<b>Working capital</b>										
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	174.12%	192.31%	169.72%	80.93%	135.20%	176.27%	168.86%	163.05%	136.51%	Current assets have increased in the current year due to a higher cash balance as 50% of the Financial Assistance Grants were received in the last week of June. Current liabilities have increased significantly due to a large value loan moving from non-current to current liabilities.
<b>Unrestricted cash</b>										
<i>Unrestricted cash compared to current liabilities.</i> [Unrestricted cash / Current liabilities] x100	12.26%	103.11%	40.54%	32.94%	85.52%	129.85%	122.86%	117.87%	97.51%	Unrestricted cash has increased as 50% of the Financial Assistance Grants were received in the last week of June and Council does not have any Term deposits at year end so cash is all on call.
<b>Obligations</b>										
<b>Loans and borrowings</b>										

<p><i>Loans and borrowings compared to rates</i></p> <p><i>[Interest bearing loans and borrowings / Rate revenue] x 100</i></p>	82.47%	72.01%	62.00%	52.90%	53.33%	45.34%	36.36%	27.89%	19.71%	Loans and borrowings are being repaid according to their repayment schedules. No new borrowings were made in the current year therefore the percent decreased in accordance with expectations.
<p><i>Loans and borrowings repayments compared to rates</i></p> <p><i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i></p>	9.11%	8.65%	7.99%	7.87%	7.70%	23.74%	8.62%	8.38%	8.15%	Council have budgeted for a loan to be refinanced in 2025/26.
<p><b>Indebtedness</b></p> <p><i>Non-current liabilities compared to own source revenue</i></p> <p><i>[Non-current liabilities / Own source revenue] x100</i></p>	102.75%	68.35%	54.02%	33.62%	47.55%	52.46%	46.95%	40.08%	29.68%	Loans and borrowings are being repaid according to their repayment schedules. No new borrowings were made in the current year. The variance to budget is due to recalculation of the landfill provision in 23/24, which increased the provision in 24/25 significantly



<b>Asset renewal and upgrade</b>  <i>Asset renewal and upgrade compared to depreciation</i>  [Asset renewal and asset upgrade expense / Asset depreciation] x100	69.79%	132.70%	105.37%	128.58%	62.89%	87.92%	87.51%	87.43%	87.33%	Total capital program delivery was less than previous year, with consistent investment in renewal projects but reduced investment in upgrade projects. Depreciation was greater than expected due to recalculation of depreciation rates for some asset categories.
<b>Operating position</b>  <b>Adjusted underlying result</b>  <i>Adjusted underlying surplus (or deficit)</i>  [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-13.03%	8.62%	-5.92%	3.47%	-7.27%	-2.98%	-4.05%	-3.57%	-4.05%	Council's underlying position can vary greatly year on year as it is dependent on a number of factors. The current year had a favourable surplus but included increased non-monetary contributions and over all lower revenue total.
<b>Stability</b>  <b>Rates concentration</b>  <i>Rates compared to adjusted underlying revenue</i>	49.67%	46.21%	45.90%	44.83%	50.39%	51.75%	52.60%	52.71%	52.89%	

<i>[Rate revenue / Adjusted underlying revenue] x 100</i>										
<b><i>Rates effort</i></b>  <i>Rates compared to property values</i>  <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.54%	0.43%	0.78%	0.29%	0.37%	0.37%	0.37%	0.38%	0.39%	This year's calculation is comparable to 2022- 23 as the data used for property valuations in 2023-24 was understated.

## Section 4 - Sustainable Capacity Indicators

For the year ended 30 June 2025

<b>Results</b>					
	2021/22	2022/23	2023/24	2024/45	Comment
<i>Indicator / Measure</i> [Formula]	Actual	Actual	Actual	Actual	
<b>Population</b>					
<i>Expenses per head of municipal population</i>  [Total expenses / Municipal population]	\$2,852.89	\$2,545.08	\$3,109.96	\$2,962.01	
<i>Infrastructure per head of municipal population</i>  [Value of infrastructure / Municipal population]	\$20,358.35	\$23,416.54	\$24,307.45	\$24,245.68	
<i>Population density per length of road</i>  [Municipal population / Kilometres of local roads]	15.61	15.85	15.10	15.65	
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i>  [Own-source revenue / Municipal population]	\$1,722.39	\$2,024.36	\$2,349.54	\$1,908.78	Current year has reduced own source revenue as prior year included found assets and adjustments for discounting of the landfill remediation provision.

<b>Recurrent grants</b>  <i>Recurrent grants per head of municipal population</i>  [Recurrent grants / Municipal population]	\$688.93	\$691.82	\$434.90	\$817.20	Financial Assistance Grants for 2025-26 (50% allocation) were received in advance in June 2025.
<b>Disadvantage</b>  <i>Relative Socio-Economic Disadvantage</i>  [Index of Relative Socio-Economic Disadvantage by decile]	4.00	4.00	4.00	4.00	
<b>Workforce turnover</b>  <i>Percentage of staff turnover</i>  [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	24.0%	21.4%	15.3%	16.2%	Workforce turnover has reduced and stabilised following the impact of Covid. Council is continuing to focus on initiatives such as workforce development and wellbeing to further improve the employee retention rates.

## Section 5. Notes to the accounts

For the year ended 30 June 2025

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### 5.1 Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district and an explanation of material variations in the results and notes to the accounts. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*, and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2026-27 to 2028-29 by the council's financial plan.

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

## 5.2. Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> <li>• non-recurrent grants used to fund capital expenditure; and</li> <li>• non-monetary asset contributions; and</li> <li>• contributions to fund capital expenditure from sources other than those referred to above</li> </ul>
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

## Governance and Management Checklist 2024/25

In accordance with Regulation 9 of the *Local Government (Planning and Reporting) Regulations 2020*, the following are the results of Council's assessment against the prescribed governance and management checklist.

Governance and Management Checklist		
For the year ended 30 June 2025		
Governance and Management Items		Assessment
1	<b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act.  Date of adoption: 24/06/2025
2	<b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation.  Date of commencement: 24/06/2025
3	<b>Financial Plan</b> (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act.  Date of adoption: 26/10/2021
4	<b>Asset Plan</b> (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act.  Date of adoption: 26/04/2022
5	<b>Revenue and Rating Plan</b> (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act.  Date of adoption: 27/05/2025  Note that the Revenue and Rating Plan was amended and re-adopted at the 22 July 2025 Council Meeting (this will be formally reported in the 2025/26 Governance and Management Checklist).
6	<b>Annual budget</b> (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 94 of the Act.  Date of adoption: 24/06/2025

7	<b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation Date of adoption: 30/04/2024
8	<b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation Date of commencement: 22/06/2023
9	<b>Municipal emergency management planning</b> (Participation in meetings of the Municipal Emergency Management Planning Committee.)	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year.  Dates of MEMPC meetings attended: 19/09/2024, 12/02/2025 and 14/05/2025
10	<b>Procurement policy</b> (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act. Date of commencement: 30/08/2022
11	<b>Business continuity plan</b> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation Date of commencement: 01/07/2025
12	<b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation Date of commencement: 24/04/2023
13	<b>Complaint policy</b> (Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints.)	Policy developed in accordance with section 107 of the Act. Date of commencement: 25/06/2024
14	<b>Workforce plan</b> (Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation.)	Plan developed in accordance with section 46 of the Act. Date of commencement: 16/11/2021
15	<b>Payment of rates and charges hardship policy</b> (Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates.)	Current policy in operation Date of commencement: 31/10/2023



16	<b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation Date of commencement: 1/02/2023
17	<b>Audit and Risk Committee</b> (advisory committee of Council under section 53 and 54 of the Act)	Established in accordance with section 53 of the Act. Date of commencement: 25/08/2020
18	<b>Internal audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged Date of engagement: 26/06/2024
19	<b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Current framework in operation Date of adoption: 03/04/2024
20	<b>Council Plan report</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report Date of report: 25/02/2025
21	<b>Quarterly budget reports</b> (quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Quarterly reports presented to Council in accordance with section 97(1) of the Act. Date of report: 10/12/2024 25/02/2025; 27/05/2025
22	<b>Risk reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented Dates of reports: 11/03/2025 and 12/05/2025

<b>23</b>	<b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Performance reports prepared  Dates of reports: 30/09/2024  Council partially complies with this through its Council Plan Actions and Strategic Indicators report, particularly where there are some double ups with the performing reporting measures, but some of the indicators referenced in section 98 of the Act are not captured.
<b>24</b>	<b>Annual report</b> (annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	Annual report presented at a meeting of Council in accordance with section 100 of the Act.  Date adopted: 22/10/2024
<b>25</b>	<b>Councillor Code of Conduct</b> (Code setting out the standards of conduct to be followed by Councillors and other matters.)	Code of conduct reviewed and adopted in accordance with section 139 of the Act.  Date reviewed and adopted: 26/11/2024
<b>26</b>	<b>Delegations</b> (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11(7) of the Act. and a register kept in accordance with sections 11(8) and 47(7) of the Act.  Date of review: 25/03/2025
<b>27</b>	<b>Meeting procedures</b> (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act.  Date rules adopted: 30/08/2022

I certify that this information presents fairly the status of council's governance and management arrangements.

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**Stephen Swart**

Acting Chief Executive Officer

Dated: 6 October 2025

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**Cr Harvey Benton**

Deputy Mayor

Dated: 6 October 2025