

### 6.1.1

## ANNUAL FINANCIAL STATEMENTS 2025

**FILE NO:** 16.00055

### RECOMMENDATION:

That the information be noted.

### REPORT:






Council's Auditors, the Audit Office of NSW, have completed their audit of Bathurst Regional Council's Financial Statements for the year ended 30 June 2025.

In accordance with Section 418 (3) the audited Financial Statements and the Auditor's Reports for the year ending 30 June 2025 are presented to Council, at **attachment 1**.

In accordance with Section 420 of the Local Government Act, the public are invited to make submissions on the Audited Financial Statements until 4 pm on Friday, 5 December 2025.

### Financial Statements Summary

#### INCOME STATEMENT Financial performance

	2025	2024	Variance
	\$m	\$m	%
Rates and annual charges revenue	60.2	55.3	8.9 
Grants and contributions provided for operating purposes revenue	14.9	18.8	20.7 
Grants and contributions provided for capital purposes revenue	13.8	33.2	58.4 
Operating result from continuing operations	15.6	23.9	34.7 
Net Operating result for the year before grants and contributions provided for capital purposes	1.8	(9.2)	120 

#### Operating result from continuing operations

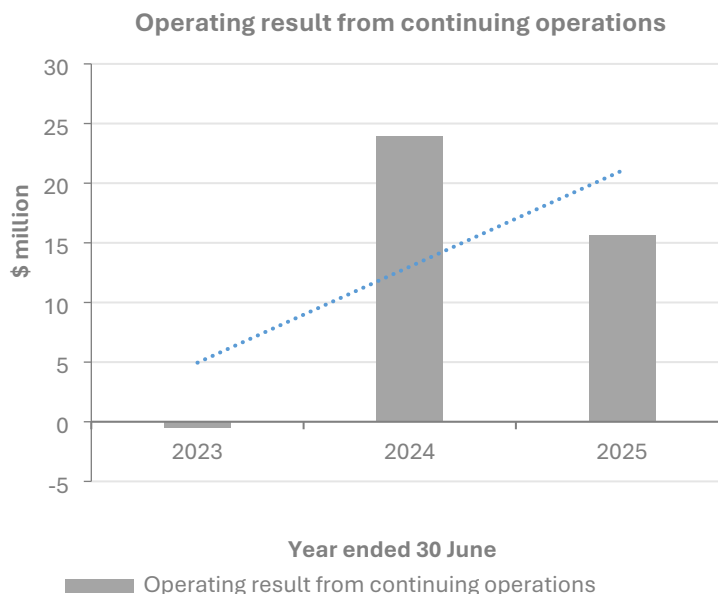
This graph shows the operating result from continuing operations for the current and prior two financial years.

Council's operating result from continuing operations for the year was \$8.3 million lower than the 2023–24 result.

In 2024-25:

- depreciation, amortisation and impairment of non-financial assets expense (\$30.0 million) increased by \$2.9 million (10.7 per cent) due to asset additions and increases to the fair values of Council's assets
- materials and services expenditure (\$50.2 million) decreased by \$7.4 million (12.8 per cent), mainly due to lower raw materials and consumables expenses for roads maintenance.

The net operating result for the year before grants and contributions provided for capital purposes was \$1.8 million. Refer to 'Grants and contributions revenue' below for details.



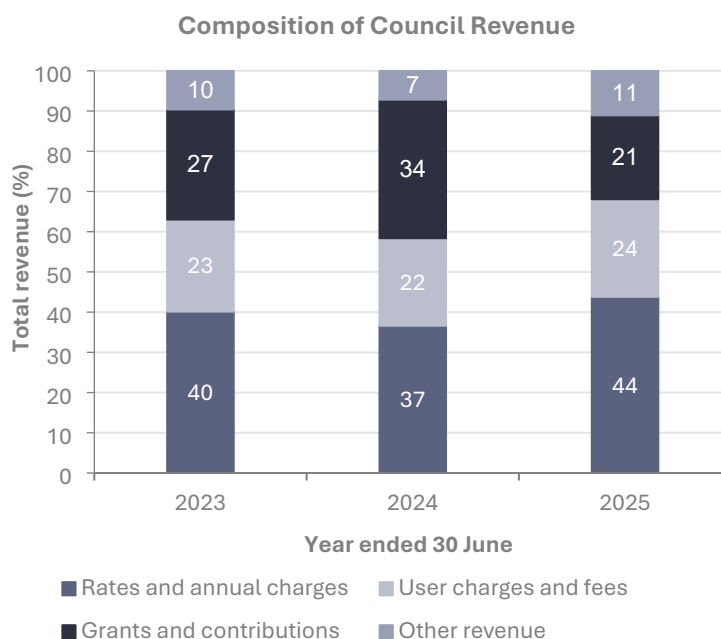
## Income

### Council revenue

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

Council revenue (\$137.5 million) decreased by \$13.7 million (9.0 per cent) in 2024–25 due to:

- grants and contributions revenue (\$28.7 million) which decreased by \$23.3 million (44.8 per cent) – see additional details below
- rates and annual charges revenue (\$60.2 million) which increased by \$4.9 million (8.9 per cent) mainly due to:
  - rate peg increase of 4.8 per cent
  - increases in annual charges levied for domestic waste management and sewer services.
- other revenue (\$15.2 million) which increased by \$4.4 million (40.7 per cent) due to gains made from the sale of land parcels within Windy 1100.



### Grants and contributions revenue

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

Grants and contributions revenue (\$28.7 million) decreased by \$23.3 million (44.8 per cent) in 2024–25 due to:

- decrease of \$2.6 million of developer contributions recognised during the year
- decrease of \$9.1 million of Transport related grants due to reduced activity on major road projects
- decrease of \$7.5 million of non-cash contributions due to less subdivision dedications recognised during the year
- receiving 50 per cent of the financial assistance grants for 2025-26 in advance (85 per cent for 2024-25)

## CASH FLOWS

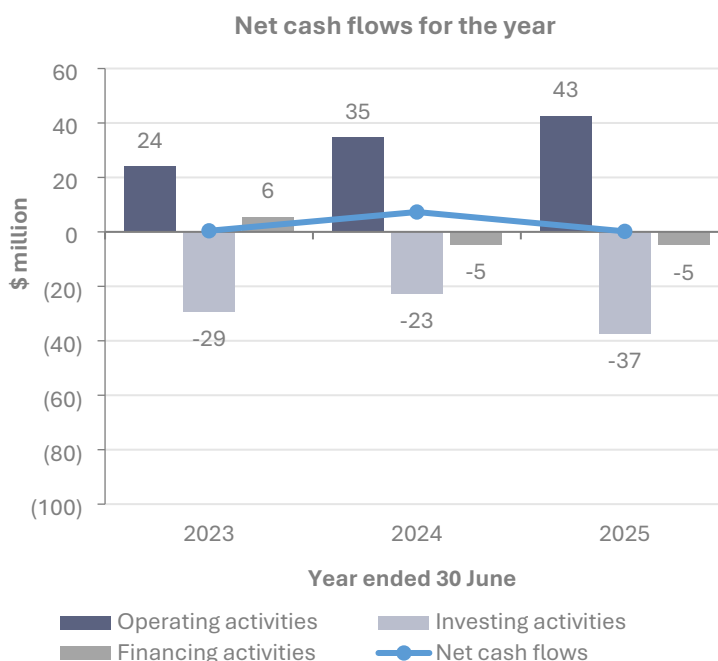
### Statement of cash flows

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

The net cash flows for the year were positive \$0.2 million (positive \$7.3 million in 2023-24).

In 2024-25 the net cashflows:

- from operating activities increased by \$7.9 million, mainly due to increase in rates and annual charges receipts and decrease in payments for materials and services
- used in investing activities increased by \$14.9 million, mainly due to higher levels of investment purchases and reduced payments for IPPE
- used in financing activities remained consistent.



## FINANCIAL POSITION

### Cash, cash equivalents and investments

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

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

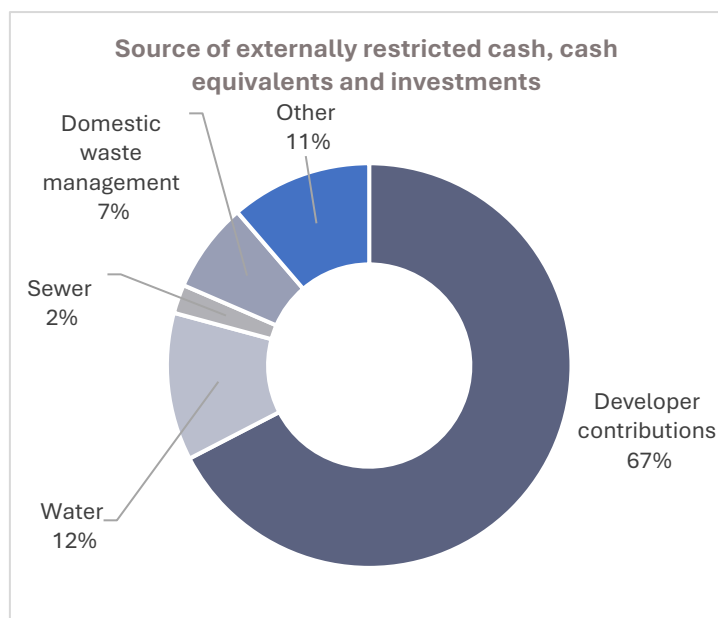
Cash, cash equivalents, and investments without external restrictions can be allocated internally by the elected Council's resolution or policy. These allocations are matters of Council policy and can be changed or removed by a Council resolution.

Cash, cash equivalents and investments	2025	2024	Percentage of total cash and investments 2025	Commentary
	\$m	\$m	%	
<b>Total cash, cash equivalents and investments</b>	<b>80.9</b>	<b>73.8</b>		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party contract. A breakdown of the sources of externally restricted balances is included in the graph below.  Internal allocations are determined by council policies or decisions, which are subject to change. In 2024-25, the Council spent restricted funds on purposes other than their intended purposes, without the appropriate approvals required under the LG Act. This breached the requirements of the LG Act.
Restricted and allocated cash, cash equivalents and investments:				
External restrictions	76.7	70.9	94.8	
Internal allocations	4.1	2.9	5.2	

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

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

- developer contributions of \$51.7 million (2023-24: \$50.9 million)
- water fund of \$9.1 million (2023-24: \$9.4 million)
- sewer fund of \$1.8 million (2023-24: \$1.2 million)
- domestic waste management charges of \$5.6 million (2023-24: \$3.4 million) which increased mainly due to higher levels of waste management services during the year.



Other externally restricted cash, cash equivalents comprise of the following:

- stormwater management charges (\$1.5 million)
- specific purpose unexpended grants (\$7.1 million) .

## Council liquidity

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

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

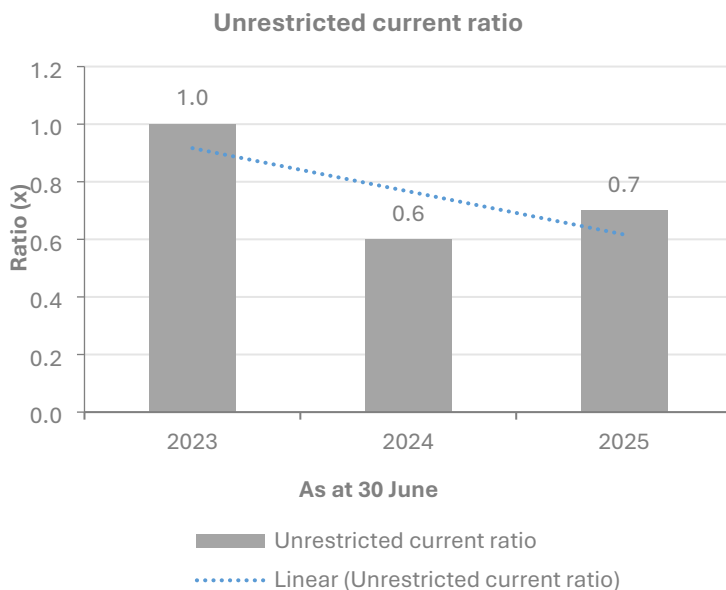
In 2023-24, the average unrestricted current ratio was an average of 3.1x for regional councils.

In 2024-25, the Council spent restricted funds on purposes other than their intended purposes, without the appropriate approvals required under the LG Act. This breached the requirements of the LG Act.

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

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

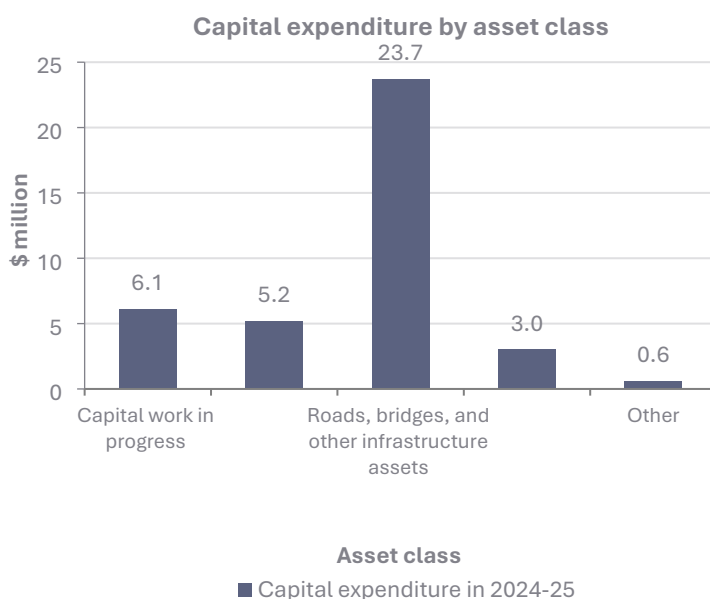
In 2023–24, the available cash to cover expenses was an average of 7 months for regional councils.



## Infrastructure, property, plant and equipment

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

Council renewed \$17.3 million of infrastructure, property, plant and equipment during the 2024-25 financial year. This was mainly spent on buildings, roads and water supply network. A further \$21.3 million was spent on new assets including plant and equipment, water supply network and sewerage network assets.



The Council also recognised a non-cash capital contribution totalling \$2.6 million for no consideration.

## Debt

The table below provides an overview of the Council's loans and committed borrowing facilities. Committed borrowing facilities are an element of liquidity management and include bank overdrafts, and credit cards.

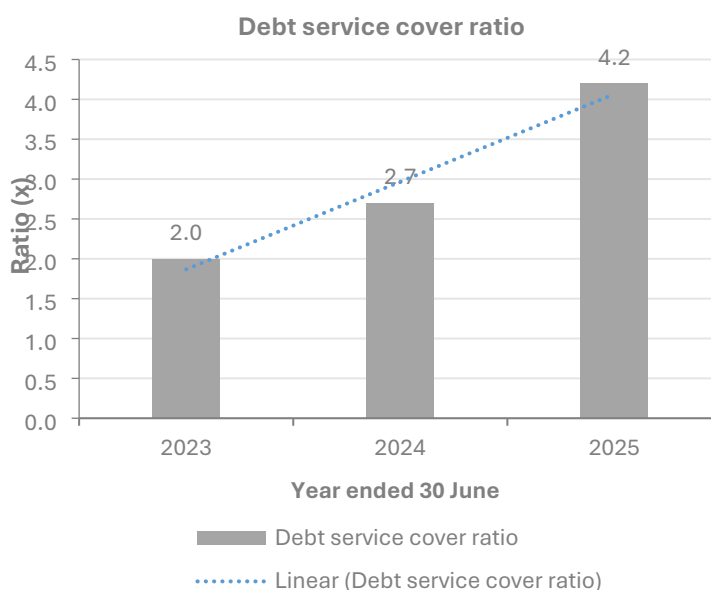
Debt	2025	2024	Commentary
	\$m	\$m	
Loans	30.6	35.3	The decrease represents principal repayments made throughout the year in line with the loan repayment schedule.
Approved overdraft facility	0.7	0.7	
Amount drawn down	--	--	
Credit card facility	0.1	0.1	
Amount used	--	--	

### Debt service cover

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

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

The 2024-25 ratio was impacted by the increased net operating result for the year before grants and contributions provided for capital purposes.



### FINANCIAL IMPLICATIONS:

Nil

### BATHURST COMMUNITY STRATEGIC PLAN – OBJECTIVES AND STRATEGIES:

#### Strategic Direction 2: Council Leadership and Collaboration

- |             |  |
|-------------|--|
| Outcome 2.2 | Council makes responsible decisions to manage limited resources in the best interest of current and future communities.                        |
| Outcome 2.3 | Council leads through engaged civic governance and has ethical decision making, efficient management, innovation and quality customer service. |

### COMMUNITY ENGAGEMENT:

02 **Consult** - to obtain public feedback on alternatives and/or decisions

### ATTACHMENTS:

- Attachment 1 - Audited Annual Financial Statements 2025 [6.1.1.1 - 94 pages]

# Bathurst Regional Council

## ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2025

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*A thriving region where history, culture and nature are  
valued, diversity is celebrated, and economic growth is  
balanced with sustainability*



# Bathurst Regional Council

## GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2025

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*A thriving region where history, culture and nature are  
valued, diversity is celebrated, and economic growth is  
balanced with sustainability*



**Bathurst Regional Council**

**General Purpose Financial Statements**

for the year ended 30 June 2025

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## Bathurst Regional Council

### General Purpose Financial Statements for the year ended 30 June 2025

#### Statement by Councillors and Management

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

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

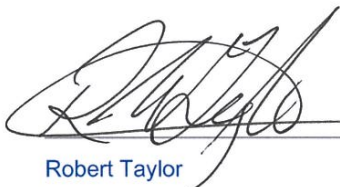
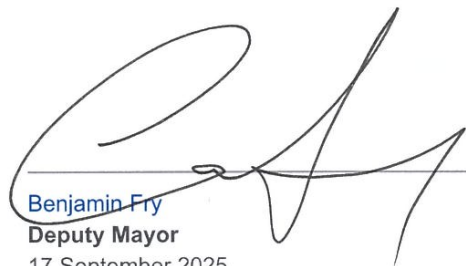


- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards issued by the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

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

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

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

Signed in accordance with a resolution of Council made on 17 September 2025.

  
Robert Taylor  
Mayor  
17 September 2025  
Benjamin Fry  
Deputy Mayor  
17 September 2025  
David Sherley  
General Manager  
17 September 2025  
Peter Smith  
Responsible Accounting Officer  
17 September 2025

## Bathurst Regional Council

## Income Statement

for the year ended 30 June 2025

Original unaudited budget 2025	\$ '000	Notes	Actual 2025	Actual 2024
	<b>Income from continuing operations</b>			
57,356	Rates and annual charges	B2-1	<b>60,216</b>	55,346
31,724	User charges and fees	B2-2	<b>33,354</b>	32,885
2,969	Other revenues		<b>2,903</b>	2,743
13,546	Grants and contributions provided for operating purposes	B2-3	<b>14,898</b>	18,843
23,151	Grants and contributions provided for capital purposes	B2-3	<b>13,773</b>	33,196
4,077	Interest and investment income		<b>3,884</b>	4,374
2,774	Other income		<b>3,109</b>	2,910
14,708	Net gain from the disposal of assets	B4-1	<b>4,857</b>	–
1,067	Fair value increment on investment properties	C1-7	<b>468</b>	815
<b>151,372</b>	<b>Total income from continuing operations</b>		<b>137,462</b>	151,112
	<b>Expenses from continuing operations</b>			
37,825	Employee benefits and on-costs	B3-1	<b>37,477</b>	38,170
44,147	Materials and services	B3-2	<b>50,224</b>	57,570
1,404	Borrowing costs		<b>1,576</b>	1,610
2,623	Other expenses		<b>2,572</b>	2,582
–	Net loss from the disposal of assets	B4-1	<b>–</b>	103
<b>85,999</b>	<b>Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b>		<b>91,849</b>	100,035
<b>65,373</b>	<b>Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b>		<b>45,613</b>	51,077
36,177	Depreciation, amortisation and impairment of non-financial assets	B3-3	<b>30,030</b>	27,129
<b>29,196</b>	<b>Operating result from continuing operations</b>		<b>15,583</b>	23,948
<b>29,196</b>	<b>Net operating result for the year attributable to Council</b>		<b>15,583</b>	23,948
<b>6,045</b>	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>1,810</b>	(9,248)

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

# Attachment 6.1.1.1

Bathurst Regional Council | Statement of Comprehensive Income | for the year ended 30 June 2025

## Bathurst Regional Council

### Statement of Comprehensive Income

for the year ended 30 June 2025

\$ '000	Notes	2025	2024
<b>Net operating result for the year – from Income Statement</b>		<b>15,583</b>	23,948
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequent to operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<b>139,970</b>	84,699
<b>Total items which will not be reclassified subsequent to operating result</b>		<b>139,970</b>	84,699
<b>Total other comprehensive income for the year</b>		<b>139,970</b>	84,699
<b>Total comprehensive income for the year attributable to Council</b>		<b>155,553</b>	108,647

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

# Attachment 6.1.1.1

Bathurst Regional Council | Statement of Financial Position | as at 30 June 2025

## Bathurst Regional Council

### Statement of Financial Position

as at 30 June 2025

\$ '000	Notes	2025	2024
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	15,158	14,983
Investments	C1-2	46,550	41,000
Receivables	C1-4	15,410	12,935
Inventories	C1-5	7,501	5,379
Contract assets and contract cost assets		1,427	3,151
Other		415	1,635
<b>Total current assets</b>		<b>86,461</b>	<b>79,083</b>
<b>Non-current assets</b>			
Investments	C1-2	19,150	17,800
Receivables	C1-4	510	505
Inventories	C1-5	11,546	11,403
Infrastructure, property, plant and equipment (IPPE)	C1-6	1,991,431	1,845,521
Investment property	C1-7	22,733	22,265
Right of use assets		200	192
<b>Total non-current assets</b>		<b>2,045,570</b>	<b>1,897,686</b>
<b>Total assets</b>		<b>2,132,031</b>	<b>1,976,769</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	14,335	13,317
Contract liabilities	C3-2	7,391	2,860
Lease liabilities		54	68
Borrowings	C3-3	10,610	13,925
Employee benefit provisions	C3-4	11,758	11,623
Provisions	C3-5	67	82
<b>Total current liabilities</b>		<b>44,215</b>	<b>41,875</b>
<b>Non-current liabilities</b>			
Payables	C3-1	757	895
Lease liabilities		161	135
Borrowings	C3-3	19,968	21,424
Employee benefit provisions	C3-4	581	426
Provisions	C3-5	2,031	3,249
<b>Total non-current liabilities</b>		<b>23,498</b>	<b>26,129</b>
<b>Total liabilities</b>		<b>67,713</b>	<b>68,004</b>
<b>Net assets</b>		<b>2,064,318</b>	<b>1,908,765</b>
<b>EQUITY</b>			
Accumulated surplus		741,348	725,765
IPPE revaluation surplus		1,322,970	1,183,000
<b>Council equity interest</b>		<b>2,064,318</b>	<b>1,908,765</b>
<b>Total equity</b>		<b>2,064,318</b>	<b>1,908,765</b>

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

## Bathurst Regional Council

## Statement of Changes in Equity

for the year ended 30 June 2025

\$ '000	Notes	2025			2024		
		Accumulated surplus	IPPE revaluation surplus	Total equity	Accumulated surplus	IPPE revaluation surplus	Total equity
Opening balance at 1 July		725,765	1,183,000	1,908,765	701,817	1,098,301	1,800,118
Net operating result for the year		15,583	–	15,583	23,948	–	23,948
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	139,970	139,970	–	84,699	84,699
<b>Other comprehensive income</b>		–	139,970	139,970	–	84,699	84,699
<b>Total comprehensive income</b>		15,583	139,970	155,553	23,948	84,699	108,647
<b>Closing balance at 30 June</b>		741,348	1,322,970	2,064,318	725,765	1,183,000	1,908,765

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

## Bathurst Regional Council

## Statement of Cash Flows

for the year ended 30 June 2025

Original unaudited budget 2025	\$ '000	Notes	Actual 2025	Actual 2024
<b>Cash flows from operating activities</b>				
<b>Receipts:</b>				
56,945	Rates and annual charges		59,759	54,983
31,594	User charges and fees		34,292	34,513
4,077	Interest received		3,900	4,618
36,973	Grants and contributions		32,433	30,940
–	Bonds, deposits and retentions received		450	511
4,677	Other		11,427	22,142
<b>Payments:</b>				
(37,514)	Payments to employees		(36,719)	(38,864)
(59,815)	Payments for materials and services		(58,815)	(69,677)
(1,404)	Borrowing costs		(1,585)	(1,619)
(2,220)	Other		(2,685)	(2,997)
33,313	<b>Net cash flows from operating activities</b>	G1-1	<b>42,457</b>	<b>34,550</b>
<b>Cash flows from investing activities</b>				
<b>Receipts:</b>				
155,645	Sale of investments		90,000	73,550
24,000	Sale of real estate assets		5,515	322
805	Proceeds from sale of IPPE		1,077	984
–	Deferred debtors receipts		61	52
<b>Payments:</b>				
(152,520)	Purchase of investments		(97,900)	(74,050)
(5,000)	Acquisition of term deposits		1,000	32,550
(44,292)	Payments for IPPE		(34,636)	(55,003)
(134)	Purchase of real estate assets		(2,551)	(960)
(21,496)	<b>Net cash flows from investing activities</b>		<b>(37,434)</b>	<b>(22,555)</b>
<b>Cash flows from financing activities</b>				
<b>Receipts:</b>				
350	Proceeds from borrowings		350	700
<b>Payments:</b>				
(5,101)	Repayment of borrowings		(5,121)	(5,290)
(50)	Principal component of lease payments		(77)	(69)
(4,801)	<b>Net cash flows from financing activities</b>		<b>(4,848)</b>	<b>(4,659)</b>
7,016	<b>Net change in cash and cash equivalents</b>		<b>175</b>	<b>7,336</b>
7,016	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>15,158</b>	<b>14,983</b>

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

## Bathurst Regional Council

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## Bathurst Regional Council

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## **A About Council and these financial statements**

### **A1-1 Basis of preparation**

These financial statements were authorised for issue by Council on 17 September 2025. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information related to these consolidated financial statements is set out below.

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

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

#### **Historical cost convention**

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

#### **Significant accounting estimates and judgements**

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

#### **Critical accounting estimates and assumptions**

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties – refer Note C1-7
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (iii) estimated tip remediation provisions – refer Note C3-5
- (iv) employee benefit provisions – refer Note C3-4.

#### **Significant judgements in applying the Council's accounting policies**

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

### **Monies and other assets received by Council**

#### **The Consolidated Fund**

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

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

- General purpose operations
- Water service
- Sewerage service

#### **The Trust Fund**

In accordance with the provisions of Section 411 of the *Local Government Act 1993* (NSW) (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

## A1-1 Basis of preparation (continued)

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Trust monies and property subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

### Volunteer services

Council relies on some volunteer services in the operation of various Museums. The volunteer services, whilst helping the facilities, would not be purchased if not voluntarily provided and the value of those services cannot be reliably measured.

### New accounting standards and interpretations issued but not yet effective

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

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

### New accounting standards adopted during the year

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

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

There is not expected to be significant impact on the Councils' reported financial position.

### Going Concern

In preparing these financial statements, management and those charged with governance have made an assessment of the ability of the Council to continue as a going concern, which contemplates the continuity of business operations, realisation of assets and settlement of liabilities in the ordinary course of business.

Management and those charged with governance are of the opinion the Council will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements after consideration of the following factors:

- at 30 June 2025, the Council reported:
  - a surplus of \$15.583 million
  - total current assets (\$86.461 million) excess of its total liabilities (\$67.713 million)
  - total cash, cash equivalents and investments of \$80.858 million
- the Council's operating and cash flow estimates for the next 12 months forecast the achievement of a surplus, inclusive of expected land sales (see Note C1-5)
- the Council has access to an overdraft facility of \$0.7 million (nil drawn down at 30 June 2025 and at the date of the auditor's report on these financial statements).

Considering the above factors, management and those charged with governance are of the opinion the Council will have sufficient cash available to enable it to pay its debts as and when they fall due for the next 12 months from the date of the auditor's report on these financial statements.

As such, the financial statements for the year ended 30 June 2025 have been prepared under the assumption of a going concern basis.

## B Financial Performance

### B1 Functions or activities

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

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

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Functions or activities</b>										
Governance	–	–	4,333	3,855	(4,333)	(3,855)	–	–	38	56
Administration	1,484	1,333	17,770	16,296	(16,286)	(14,963)	567	15	157,712	52,898
Public order and safety	663	567	3,573	3,109	(2,910)	(2,542)	482	464	15,984	15,704
Environment	15,330	14,834	14,614	13,219	716	1,615	537	913	220,141	231,465
Community services and education	3,356	2,831	3,004	2,578	352	253	2,670	2,237	14,719	14,294
Housing and community amenities	328	272	2,934	3,318	(2,606)	(3,046)	189	37	8,044	8,001
Water supplies	25,922	26,505	13,126	12,509	12,796	13,996	5,056	7,349	359,816	370,980
Sewerage services	19,515	20,403	12,364	10,340	7,151	10,063	921	1,843	171,009	215,869
Recreation and culture	11,185	14,115	25,364	25,715	(14,179)	(11,600)	5,126	4,272	334,850	325,457
Mining, manufacturing and construction	1,216	1,032	1,573	1,659	(357)	(627)	–	25	290	287
Transport and communication	8,340	23,189	18,200	29,363	(9,860)	(6,174)	5,116	24,431	816,225	715,274
Economic affairs	12,062	5,175	5,024	5,203	7,038	(28)	3,038	3,268	33,203	26,843
General Purpose Revenues	38,061	40,856	–	–	38,061	40,856	4,969	7,185	–	–
Other	–	–	–	–	–	–	–	–	–	(359)
<b>Total functions and activities</b>	<b>137,462</b>	<b>151,112</b>	<b>121,879</b>	<b>127,164</b>	<b>15,583</b>	<b>23,948</b>	<b>28,671</b>	<b>52,039</b>	<b>2,132,031</b>	<b>1,976,769</b>

## B1-2 Components of functions or activities

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

### Governance

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

### Administration

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

### Public order and safety

Includes Council's fire and emergency services levy, fire protection, emergency services, enforcement of regulations and animal control.

### Environment

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

### Community services and education

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

### Housing and community amenities

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

### Water supplies

Includes maintenance and operation of dams, water filtration plant, reservoirs and the reticulation of the water supply.

### Sewerage services

Includes maintenance and operation of the sewerage network of pipes, pump stations and treatment works.

### Recreation and culture

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

### Mining, manufacturing and construction

Includes building control, quarries and pits.

### Transport and communication

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

### Economic affairs

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

**B2 Sources of income****B2-1 Rates and annual charges**

<b>\$ '000</b>	<b>2025</b>	<b>2024</b>
<b>Ordinary rates</b>		
Residential	23,257	22,000
Farmland	2,455	2,340
Mining	12	12
Business	6,932	6,596
Less: pensioner rebates (mandatory)	(686)	(671)
<b>Rates levied to ratepayers</b>	<b>31,970</b>	<b>30,277</b>
Pensioner rate subsidies received	377	369
<b>Total ordinary rates</b>	<b>32,347</b>	<b>30,646</b>
<b>Annual charges (pursuant to s496, 496A, 496B, 501 &amp; 611)</b>		
Domestic waste management services	8,649	7,568
Stormwater management services	406	405
Water supply services	4,011	3,427
Sewerage services	13,995	12,586
Waste management services (non-domestic)	1,183	1,076
Section 611 charges	31	32
Less: pensioner rebates (mandatory)	(451)	(439)
Less: pensioner rebates (Council policy)	(204)	(195)
<b>Annual charges levied</b>	<b>27,620</b>	<b>24,460</b>
Pensioner annual charges subsidies received:		
– Water	114	115
– Sewerage	119	113
– Domestic waste management	16	12
<b>Total annual charges</b>	<b>27,869</b>	<b>24,700</b>
<b>Total rates and annual charges</b>	<b>60,216</b>	<b>55,346</b>

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

**Material accounting policy information**

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

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

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

**B2-2 User charges and fees**

<b>\$ '000</b>	<b>2025</b>	<b>2024</b>
<b>Specific user charges (per s502 - specific 'actual use' charges)</b>		
Water supply services	15,977	13,984
Sewerage services	2,187	2,004
Waste management services (non-domestic)	3,823	3,473
<b>Total specific user charges</b>	<b>21,987</b>	<b>19,461</b>
<b>Other user charges and fees</b>		
<b>(i) Fees and charges – statutory and regulatory functions (per s608)</b>		
Planning and building regulation	1,616	1,274
Private works – section 67	45	36
Section 603 certificates	107	95
Other	53	–
<b>Total fees and charges – statutory/regulatory</b>	<b>1,821</b>	<b>1,405</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s608))</b>		
Advertising	4	17
Aerodrome	108	112
Cemeteries	5	2
Child care	684	624
Bathurst rail museum	200	220
Chifley home	21	19
Entertainment centre	504	707
Library and art gallery	21	19
Mount Panorama	2,863	2,896
National motor racing museum	457	461
Tourism	1,150	1,185
Transport for NSW works (state roads not controlled by Council)	2,055	4,712
Sewerage	892	694
Water	310	210
Other	272	141
<b>Total fees and charges – other</b>	<b>9,546</b>	<b>12,019</b>
<b>Total other user charges and fees</b>	<b>11,367</b>	<b>13,424</b>
<b>Total user charges and fees</b>	<b>33,354</b>	<b>32,885</b>

**Material accounting policy information**

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as the aquatic centre, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as annual fees for the museum membership the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

## B2-3 Grants and contributions

\$ '000	Operating 2025	Operating 2024	Capital 2025	Capital 2024
<b>General purpose grants and non-developer contributions (untied)</b>				
<b>General purpose (untied)</b>				
Financial assistance	1,255	333	–	–
<b>Payment in advance - future year allocation</b>				
Financial assistance	4,244	6,852	–	–
<b>Amount recognised as income during current year</b>	<b>5,499</b>	<b>7,185</b>	<b>–</b>	<b>–</b>
<b>Special purpose grants and non-developer contributions (tied)</b>				
<b>Cash contributions</b>				
Animal Control	–	–	182	–
Bushfire and emergency services	298	291	–	31
Community care	2,687	2,237	92	–
Community centres	16	22	–	–
Drainage	–	–	117	–
Economic development	1,059	117	1,980	3,082
Environmental programs	28	187	21	71
Floodplain management	74	41	–	–
Heritage and cultural	506	1,006	5	(17)
LIRS subsidy	–	4	–	–
NSW Treasury – FESL implementation	64	–	–	–
Other councils – joint works/services	2	518	–	–
Recreation and culture	738	292	821	2,236
Sewerage services	–	–	–	205
Storm/flood damage	–	–	(14)	–
Strategic planning	78	15	–	–
Street lighting	111	109	–	–
Transport (aerodrome)	–	–	–	1,546
Transport (cycleways)	–	–	23	951
Transport (roads and bridges)	–	–	34	720
Transport (roads to recovery)	2,198	2,608	–	–
Transport for NSW contributions (regional roads, block grant)	847	853	–	–
Transport (other roads and bridges funding)	219	3,173	838	3,392
Waste management	3	96	–	–
Water supplies	–	–	4,253	5,638
Other specific grants	416	40	400	211
Other contributions	4	–	–	–
<b>Total special purpose grants and non-developer contributions – cash</b>	<b>9,348</b>	<b>11,609</b>	<b>8,752</b>	<b>18,066</b>
<b>Non-cash contributions</b>				
Dedications	–	–	67	536
Dedications – subdivisions (other than by s7.4 and s7.11 – EP&A Act, s64 of the LGA)	–	–	1,041	9,329
Heritage/cultural	–	–	28	170
Recreation and culture	–	–	1,420	–
<b>Total other contributions – non-cash</b>	<b>–</b>	<b>–</b>	<b>2,556</b>	<b>10,035</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>	<b>9,348</b>	<b>11,609</b>	<b>11,308</b>	<b>28,101</b>
<b>Total grants and non-developer contributions</b>	<b>14,847</b>	<b>18,794</b>	<b>11,308</b>	<b>28,101</b>
<b>Comprising:</b>				
– Commonwealth funding	9,357	11,903	1,045	2,138
– State funding	3,178	6,267	7,464	15,634
– Other funding	2,312	624	2,799	10,329
	<b>14,847</b>	<b>18,794</b>	<b>11,308</b>	<b>28,101</b>

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## B2-3 Grants and contributions (continued)

## Developer contributions

\$ '000	Notes	Operating 2025	Operating 2024	Capital 2025	Capital 2024
<b>Developer contributions:</b>					
<b>(s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>					
	G3				
<b>Cash contributions</b>					
S 7.11 – contributions towards amenities/services		–	–	1,118	1,746
S 64 – water supply contributions		–	–	645	1,711
S 64 – sewerage service contributions		–	–	702	1,638
Other developer contributions		51	49	–	–
<b>Total developer contributions – cash</b>		<b>51</b>	<b>49</b>	<b>2,465</b>	<b>5,095</b>
<b>Total developer contributions</b>		<b>51</b>	<b>49</b>	<b>2,465</b>	<b>5,095</b>
<b>Total contributions</b>		<b>51</b>	<b>49</b>	<b>2,465</b>	<b>5,095</b>
<b>Total grants and contributions</b>		<b>14,898</b>	<b>18,843</b>	<b>13,773</b>	<b>33,196</b>
<b>Total grants and contributions</b>		<b>14,898</b>	<b>18,843</b>	<b>13,773</b>	<b>33,196</b>

## Unspent grants and contributions

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

\$ '000	Operating 2025	Operating 2024	Capital 2025	Capital 2024
<b>Unspent grants</b>				
Unspent funds at 1 July	3,955	2,590	436	8,476
<b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	5,720	3,375	17,592	–
<b>Less:</b> Funds recognised as revenue in previous years that have been spent during the reporting year	(3,541)	(2,010)	(17,109)	(8,040)
<b>Unspent funds at 30 June</b>	<b>6,134</b>	<b>3,955</b>	<b>919</b>	<b>436</b>
<b>Unspent contributions</b>				
Unspent funds at 1 July	80	32	50,862	45,858
<b>Add:</b> contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	57	53	4,402	9,267
<b>Less:</b> contributions recognised as revenue in previous years that have been spent during the reporting year	–	(5)	(3,714)	(4,263)
<b>Unspent contributions at 30 June</b>	<b>137</b>	<b>80</b>	<b>51,550</b>	<b>50,862</b>

## Material accounting policy information

## Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

The performance obligations vary according to the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

## B2-3 Grants and contributions (continued)

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

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

### Capital grants

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

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

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

### Developer contributions

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

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

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

### Other grants and contributions

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

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

## B3 Costs of providing services

### B3-1 Employee benefits and on-costs

\$ '000	2025	2024
Salaries and wages	26,433	27,190
Travel expenses	417	654
Employee leave entitlements (ELE)	5,259	4,691
Superannuation	3,750	3,573
Workers' compensation insurance	1,667	1,334
Fringe benefit tax (FBT)	148	155
Payroll tax	370	353
Training costs (other than salaries and wages)	293	342
Protective clothing	1	6
Other	95	102
<b>Total employee costs</b>	<b>38,433</b>	<b>38,400</b>
Less: capitalised costs	(956)	(230)
<b>Total employee costs expensed</b>	<b>37,477</b>	<b>38,170</b>

#### Material accounting policy information

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

#### Retirement benefit obligations

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

#### Superannuation plans

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

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

### B3-2 Materials and services

\$ '000	Notes	2025	2024
Consultancy costs		309	47
Raw materials and consumables		33,325	42,054
Contractor costs		1,896	2,386
Audit Fees	F2-1	150	211
Councillor and Mayoral fees and associated expenses	F1-2	372	334
Advertising		543	567
Bank charges		170	174
Cleaning		871	644
Election expenses		410	–
Electricity and heating		3,447	3,204
Fire control expenses		24	7
Insurance		2,282	1,826
Office expenses (including computer expenses)		80	104
Postage		138	136
Printing and stationery		148	173
Street lighting		711	816
Subscriptions and licences		2,216	1,938
Telephone and communications		499	499
Valuation fees		185	185
Travel expenses		1	–

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**B3-2 Materials and services (continued)**

\$ '000	2025	2024
Other expenses	5	7
<b>Legal expenses:</b>		
– Legal expenses: planning and development	–	16
– Legal expenses: debt recovery	190	174
– Legal expenses: other	163	176
Expenses from short-term leases	35	93
Expenses from leases of low value assets	8	–
Variable lease expense relating to usage	66	104
Recycling services	1,980	1,695
<b>Total materials and services</b>	<b>50,224</b>	<b>57,570</b>

**Material accounting policy information**

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

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

\$ '000	Notes	2025	2024
<b>Depreciation and amortisation</b>			
Plant and equipment		2,728	2,729
Office equipment		161	231
Furniture and fittings		86	84
Land improvements (depreciable)		964	831
<b>Infrastructure:</b>	C1-6		
– Buildings		3,433	3,316
– Buildings – Leasehold Improvements		286	270
– Other structures		1,398	1,172
– Roads		9,745	11,674
– Bridges		1,009	866
– Footpaths		271	261
– Stormwater drainage		1,997	533
– Water supply network		3,892	2,326
– Sewerage network		3,104	1,929
– Swimming pools		352	360
Right of use assets		81	74
<b>Other assets:</b>			
– Other		496	443
<b>Reinstatement, rehabilitation and restoration assets:</b>			
– Tip assets	C3-5, C1-6	27	30
<b>Total depreciation and amortisation costs</b>		<b>30,030</b>	<b>27,129</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>30,030</b>	<b>27,129</b>

**Material accounting policy information****Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets.

**Impairment of non-financial assets**

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**B3-3 Depreciation, amortisation and impairment of non-financial assets (continued)**

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

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

\$ '000	Notes	2025	2024
<b>Infrastructure, property, plant &amp; equipment</b>			
Proceeds from disposal – property		227	219
Less: carrying amount of property assets sold/written off		(859)	(1,297)
<b>Gain (or loss) on disposal</b>		<b>(632)</b>	<b>(1,078)</b>
<b>Gain (or loss) on disposal of plant and equipment</b>			
	C1-6		
Proceeds from disposal – plant and equipment		850	765
Less: carrying amount of plant and equipment assets sold/written off		(444)	(104)
<b>Gain (or loss) on disposal</b>		<b>406</b>	<b>661</b>
<b>Gain (or loss) on disposal of real estate assets held for sale</b>			
	C1-5		
Proceeds from disposal – real estate assets		5,515	322
Less: carrying amount of real estate assets sold/written off		(432)	(8)
<b>Gain (or loss) on disposal</b>		<b>5,083</b>	<b>314</b>
<b>Gain (or loss) on disposal of investments</b>			
	C1-2		
Proceeds from disposal/redemptions/maturities – investments		–	73,550
Less: carrying amount of investments sold/redeemed/matured		–	(73,550)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>–</b>
<b>Net gain (or loss) from disposal of assets</b>		<b>4,857</b>	<b>(103)</b>

**Material accounting policy information**

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

**B5 Performance against budget****B5-1 Material budget variations**

Council's original budget was adopted by the Council on 19 June 2024 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----
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# Attachment 6.1.1.1

Bathurst Regional Council | Notes to the Financial Statements 30 June 2025

## B5-1 Material budget variations (continued)

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
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### Revenues

**Operating grants and contributions** 13,546 14,898 1,352 10% **F**

Council received various grants during the year that were unknown during Budget preparation.

**Capital grants and contributions** 23,151 13,773 (9,378) (41)% **U**

Budget included \$10m for Mt Panorama track resurfacing, tyre walls and tunnel works and \$5m for Recreation asset renewals which we did not receive. Partially offset by grant funded projects carried over from the previous year.

**Interest and investment revenue** 4,077 3,884 (193) (5)% **U**

Interest rates deteriorated over the year, with Council's investments earning 4.75% on average, similar to budgeted assumptions. However total investments were lower than anticipated, resulting in lower interest earned.

**Net gains from disposal of assets** 14,708 4,857 (9,851) (67)% **U**

Budget included \$14.6m gain on land sales (91 lots), with actual gain being \$5.1m (19 lots settled, with additional 12 exchanged & deposits received). Land sales continued steadily throughout 2025 but not to budgeted expectations.

**Fair value increment on investment property** 1,067 468 (599) (56)% **U**

Budget was prepared using rate peg of 4.8% as assumption for 2025 CPI. Actual CPI to June 2025 was only 2.1%, reducing FV increment.

**Other income** 2,774 3,109 335 12% **F**

Rental income from Council's properties was higher than anticipated following Council's push to optimise returns on it's properties and also due to the high CPI increasing rents higher than expected.

Additional leases at Council's aerodrome and extra rental from new fibre optic cables at Mt Panorama for races.

### Expenses

**Employee benefits and on-costs** 37,825 37,477 348 1% **F**

Savings in Superannuation and Leave on-costs due to lower staffing numbers throughout the year.

Offset by Employees re-assigned during the year from capital work (which then had to be completed with contractors) to complete operating and maintenance activities (some of which were grant funded).

**Materials and services** 44,147 50,224 (6,077) (14)% **U**

Council completed additional \$2m in road repair/maintenance and \$1.8m additional Sewer treatment costs. Electricity usage higher than anticipated by \$606k, mainly Water \$214k and Sewer \$255k.

**Depreciation, amortisation and impairment of non-financial assets** 36,177 30,030 6,147 17% **F**

Review of asset useful lives in June 2024 resulted in lower depreciation for some asset classes.

**Net losses from disposal of assets** - - - ∞ **F**

### Statement of cash flows

**Cash flows from operating activities** 33,313 42,457 9,144 27% **F**

Income from operating activities is up \$8m, with Rates up \$2.8m, User charges up \$2.6m, Other up \$6.8m but Grants down \$4.5m.

Expenses down \$2.6m with Council commitment to reducing spending.

**Cash flows from investing activities** (21,496) (37,434) (15,938) 74% **U**

Income from land sales down \$19m on Budget due to high cost of living and higher mortgage rates. Payments for new IPPE down \$10m with no grant received and therefore no work performed for Mt Panorama track resurfacing and other associated works.

**C Financial position****C1 Assets we manage****C1-1 Cash and cash equivalents**

\$ '000	2025	2024
<b>Cash assets</b>		
Cash on hand and at bank	15,158	14,983
<b>Total cash and cash equivalents</b>	<b>15,158</b>	<b>14,983</b>

**Reconciliation of cash and cash equivalents**

Total cash and cash equivalents per Statement of Financial Position	15,158	14,983
<b>Balance as per the Statement of Cash Flows</b>	<b>15,158</b>	<b>14,983</b>

**Material accounting policy information**

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

**C1-2 Financial investments**

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
<b>Debt securities at amortised cost</b>				
Long term deposits	40,000	3,000	37,500	6,500
NCD's, FRN's (with maturities > 3 months)	6,550	16,150	3,500	11,300
<b>Total</b>	<b>46,550</b>	<b>19,150</b>	<b>41,000</b>	<b>17,800</b>
<b>Total financial investments</b>	<b>46,550</b>	<b>19,150</b>	<b>41,000</b>	<b>17,800</b>

**Material accounting policy information**

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

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

**Financial assets**

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

**Classification**

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

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

Financial assets are not reclassified subsequent to their initial recognition.

**Amortised cost**

Assets measured at amortised cost are financial assets where:

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

## C1-2 Financial investments (continued)

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

### *Fair value through other comprehensive income – equity instruments*

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss. Other net gains and losses excluding dividends are recognised in Other Comprehensive Income Statement.

### *Financial assets through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. Net gains or losses, including any interest or dividend income, are recognised in profit or loss. Council's financial assets measured at fair value through profit or loss comprise investments in FRNs and NCDs in the Statement of Financial Position.

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

\$ '000	2025	2024
(a) Externally restricted cash, cash equivalents and investments		
<b>Total cash, cash equivalents and investments</b>	<b>80,858</b>	<b>73,783</b>
Less: Externally restricted cash, cash equivalents and investments	<b>(76,711)</b>	<b>(70,873)</b>
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>4,147</b>	<b>2,910</b>
<b>External restrictions</b>		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	<b>7,053</b>	4,384
Specific purpose unexpended grants – water fund	–	7
Specific purpose unexpended loans – general	<b>93</b>	503
Developer contributions – general	<b>13,143</b>	14,722
Developer contributions – water fund	<b>12,365</b>	11,615
Developer contributions – sewer fund	<b>26,178</b>	24,604
Water fund	<b>9,070</b>	9,401
Sewer fund	<b>1,766</b>	1,190
Stormwater management	<b>1,492</b>	1,085
Domestic waste management	<b>5,551</b>	3,362
<b>Total external restrictions</b>	<b>76,711</b>	<b>70,873</b>

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

\$ '000	2025	2024
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## (b) Internal allocations

### Internal allocations

continued on next page ...

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## Attachment 6.1.1.1

Bathurst Regional Council | Notes to the Financial Statements 30 June 2025

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

\$ '000	2025	2024
At 30 June, Council has internally allocated funds to the following:		
Plant and vehicle replacement	101	460
Infrastructure replacement	426	355
Employees leave entitlement	65	65
Administration	272	300
Building maintenance and improvements	244	240
Cultural and community services	304	194
Depot maintenance	343	435
Environmental	194	93
Waste employee leave entitlements	289	229
Waste management	1,823	500
<b>Total internal allocations</b>	<b>4,061</b>	<b>2,871</b>

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

## C1-4 Receivables

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Rates and annual charges	3,040	269	2,551	218
Interest and extra charges	1,358	–	1,190	–
User charges and fees	5,334	–	4,366	–
Accrued revenues				
– Interest on investments	758	–	942	–
– Other income accruals	845	–	344	–
Deferred debtors	31	241	46	287
Government grants and subsidies	16	–	20	–
Net GST receivable	1,421	–	1,645	–
Sundry debtors	2,664	–	1,852	–
Other debtors	(6)	–	–	–
<b>Total</b>	<b>15,461</b>	<b>510</b>	<b>12,956</b>	<b>505</b>
<b>Less: provision for impairment</b>				
User charges and fees	(34)	–	(9)	–
Other debtors	(17)	–	(12)	–
<b>Total provision for impairment – receivables</b>	<b>(51)</b>	<b>–</b>	<b>(21)</b>	<b>–</b>
<b>Total net receivables</b>	<b>15,410</b>	<b>510</b>	<b>12,935</b>	<b>505</b>

\$ '000	2025	2024
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year	21	21
+ new provisions recognised during the year	1	6
– amounts written off this year	–	(6)
<b>Balance at the end of the year</b>	<b>22</b>	<b>21</b>

## Material accounting policy information

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

## Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed into liquidation or has entered into bankruptcy proceedings, or when the receivables are over 1 years past due, whichever occurs first.

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

## C1-5 Inventories

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
<b>(i) Inventories at cost</b>				
Real estate for resale	6,317	11,546	4,341	11,403
Stores and materials	917	–	765	–
Trading stock	267	–	273	–
<b>Total inventories at cost</b>	<b>7,501</b>	<b>11,546</b>	<b>5,379</b>	<b>11,403</b>
<b>Total inventories</b>	<b>7,501</b>	<b>11,546</b>	<b>5,379</b>	<b>11,403</b>

## Material accounting policy information

**Raw materials and stores, work in progress and finished goods**

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

**Land held for resale**

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

## C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2024			Asset movements during the reporting period						At 30 June 2025		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	Write Back to Provision	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>												
Capital work in progress	–	–	–	1,042	5,041	–	–	–	–	6,083	–	6,083
Plant and equipment	33,587	(23,200)	10,387	–	2,856	(444)	(2,728)	–	–	33,907	(23,836)	10,071
Office equipment	3,747	(3,190)	557	–	84	–	(161)	–	–	3,831	(3,351)	480
Furniture and fittings	2,110	(1,865)	245	–	57	–	(86)	–	–	2,167	(1,951)	216
<b>Land:</b>												
– Operational land	131,179	–	131,179	–	850	(440)	–	–	–	131,589	–	131,589
– Community land	37,186	–	37,186	–	34	–	–	–	–	37,220	–	37,220
– Land under roads (post 30/6/08)	2,533	–	2,533	–	–	–	–	–	–	2,533	–	2,533
Land improvements – depreciable	43,796	(11,285)	32,511	437	159	(21)	(964)	–	839	45,375	(12,414)	32,961
<b>Infrastructure:</b>												
– Buildings	393,679	(155,676)	238,003	1,798	1,914	(375)	(3,433)	–	10,552	414,007	(165,548)	248,459
– Buildings – leasehold improvements	5,780	(1,205)	4,575	–	–	–	(286)	–	190	6,036	(1,557)	4,479
– Other structures	54,693	(21,947)	32,746	55	1,051	(22)	(1,398)	–	1,410	58,211	(24,369)	33,842
– Roads	641,141	(258,187)	382,954	9,792	316	–	(9,745)	–	3,470	616,652	(229,865)	386,787
– Bridges	129,077	(57,768)	71,309	1,011	–	–	(1,009)	–	3,351	129,374	(54,712)	74,662
– Footpaths	29,492	(9,209)	20,283	–	548	–	(271)	–	573	29,616	(8,483)	21,133
– Bulk earthworks (non-depreciable)	187,873	–	187,873	15	84	–	–	–	93,737	281,709	–	281,709
– Stormwater drainage	242,445	(65,924)	176,521	372	877	–	(1,997)	–	13,884	258,029	(68,372)	189,657
– Water supply network	461,442	(160,524)	300,918	1,566	4,043	–	(3,892)	–	7,429	478,590	(168,526)	310,064
– Sewerage network	297,487	(145,113)	152,374	820	3,106	–	(3,104)	–	3,731	308,849	(151,922)	156,927
– Swimming pools	35,999	(17,516)	18,483	60	–	–	(352)	–	804	38,033	(19,038)	18,995
<b>Other assets:</b>												
– Other	59,363	(17,562)	41,801	336	259	–	(496)	–	–	59,958	(18,058)	41,900
<b>Reinstatement, rehabilitation and restoration assets (refer Note C3-5):</b>												
– Tip assets	3,169	(86)	3,083	–	–	–	(27)	(1,392)	–	1,777	(113)	1,664
<b>Total infrastructure, property, plant and equipment</b>	<b>2,795,778</b>	<b>(950,257)</b>	<b>1,845,521</b>	<b>17,304</b>	<b>21,279</b>	<b>(1,302)</b>	<b>(29,949)</b>	<b>(1,392)</b>	<b>139,970</b>	<b>2,943,546</b>	<b>(952,115)</b>	<b>1,991,431</b>

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

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

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period						At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>												
Plant and equipment	33,000	(22,027)	10,973	2,207	–	(65)	(2,729)	–	–	33,587	(23,200)	10,387
Office equipment	3,504	(2,986)	518	242	27	–	(231)	–	–	3,747	(3,190)	557
Furniture and fittings	2,109	(1,795)	314	–	16	–	(84)	–	–	2,110	(1,865)	245
<b>Land:</b>												
– Operational land	131,213	–	131,213	–	–	(34)	–	–	–	131,179	–	131,179
– Community land	37,186	–	37,186	–	–	–	–	–	–	37,186	–	37,186
– Land under roads (post 30/6/08)	2,533	–	2,533	–	–	–	–	–	–	2,533	–	2,533
Land improvements – depreciable	37,722	(9,910)	27,812	–	2,007	–	(831)	2,064	1,460	43,796	(11,285)	32,511
<b>Infrastructure:</b>												
– Buildings	374,127	(145,012)	229,115	–	1,497	(1,263)	(3,316)	–	12,330	393,679	(155,676)	238,003
– Buildings – leasehold improvements	5,404	(857)	4,547	–	–	–	(270)	–	298	5,780	(1,205)	4,575
– Other structures	49,040	(18,254)	30,786	70	3,478	(38)	(1,172)	(4,110)	3,730	54,693	(21,947)	32,746
– Roads	584,841	(236,600)	348,241	4,374	23,977	–	(11,674)	–	18,036	641,141	(258,187)	382,954
– Bridges	118,863	(54,316)	64,547	790	3,231	–	(866)	(27)	3,634	129,077	(57,768)	71,309
– Footpaths	25,037	(8,414)	16,623	–	886	–	(261)	2,046	989	29,492	(9,209)	20,283
– Bulk earthworks (non-depreciable)	174,406	–	174,406	497	2,488	–	–	–	10,482	187,873	–	187,873
– Stormwater drainage	224,753	(62,114)	162,639	2,538	3,240	–	(533)	–	8,637	242,445	(65,924)	176,521
– Water supply network	430,761	(150,482)	280,279	1,126	7,724	–	(2,326)	–	14,115	461,442	(160,524)	300,918
– Sewerage network	279,273	(136,191)	143,082	1,699	2,422	–	(1,929)	–	7,100	297,487	(145,113)	152,374
– Swimming pools	33,660	(16,378)	17,282	–	–	–	(360)	–	1,201	35,999	(17,516)	18,483
<b>Other assets:</b>												
– Other	54,823	(15,792)	39,031	–	499	–	(443)	27	2,687	59,363	(17,562)	41,801
<b>Reinstatement, rehabilitation and restoration assets (refer Note C3-5):</b>												
– Tip assets	3,169	(56)	3,113	–	–	–	(30)	–	–	3,169	(86)	3,083
<b>Total infrastructure, property, plant and equipment</b>	<b>2,605,424</b>	<b>(881,184)</b>	<b>1,724,240</b>	<b>13,543</b>	<b>51,492</b>	<b>(1,400)</b>	<b>(27,055)</b>	<b>–</b>	<b>84,699</b>	<b>2,795,778</b>	<b>(950,257)</b>	<b>1,845,521</b>

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

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

### Material accounting policy information

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Crown Lands and Water (CLAW).

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

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

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

<b>Plant and equipment</b>	<b>Years</b>	<b>Other equipment</b>	<b>Years</b>
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	<b>Buildings</b>	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
<b>Water and sewer assets</b>		<b>Stormwater assets</b>	
Dams and reservoirs	70 to 300	Drains	120
Bores	20 to 40	Culverts	120
Reticulation pipes: PVC	50 to 190	Flood control structures	120
Reticulation pipes: other	50 to 190		
Pumps and telemetry	40 to 70		
<b>Transportation assets</b>		<b>Other infrastructure assets</b>	
Sealed roads: surface	20 to 120	Bulk earthworks	Non-depreciable
Sealed roads: structure	20 to 120	Swimming pools	50
Unsealed roads	30	Other open space/recreational assets	20
Bridge: concrete	80 to 210	Other infrastructure	20
Bridge: other	80 to 210		
Road pavements	90 to 100		
Kerb, gutter and footpaths	100		

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

### Land under roads

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

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

### Crown reserves

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

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

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

## C1-7 Investment properties

\$ '000	2025	2024
<b>Owned investment property</b>		
Investment property on hand at fair value	22,733	22,265
<b>Total owned investment property</b>	<b>22,733</b>	<b>22,265</b>

### Owned investment property

#### At fair value

Opening balance at 1 July	22,265	21,450
Net gain/(loss) from fair value adjustments	468	815
<b>Closing balance at 30 June</b>	<b>22,733</b>	<b>22,265</b>

#### Material accounting policy information

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council.

## C2 Leasing activities

### C2-1 Council as a lessor

#### Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note C1-7) and/or IPP&E (refer note C1-6) in the Statement of Financial Position.

#### (i) Assets held as investment property

Investment property operating leases relate to Council's leasing of the Post Office building. The leases for each tenant range in term from 1 to 9 years, with some having options for further periods up to 15 years.

#### Amount of IPPE leased out by Council under operating leases

\$ '000	2025	2024
Plant & Equipment	1,031	1,031
Land	6,086	5,236
Buildings	63,995	61,832
Land Improvements	5,593	5,703
Structures	4,174	4,227
<b>Total amount of IPPE leased out by Council under operating leases</b>	<b>80,879</b>	<b>78,029</b>

#### Material accounting policy information

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

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

## C3 Liabilities of Council

### C3-1 Payables

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Goods and services	7,443	–	7,428	–
Accrued expenses:				
– Borrowings	103	–	112	–
– Salaries and wages	706	–	238	–
– Other expenditure accruals	75	–	202	–
Security bonds, deposits and retentions	3,807	757	3,219	895
Prepaid rates	2,201	–	2,118	–
<b>Total payables</b>	<b>14,335</b>	<b>757</b>	<b>13,317</b>	<b>895</b>

#### Material accounting policy information

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

#### Payables

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

### C3-2 Contract Liabilities

\$ '000	Notes	2025 Current	2025 Non-current	2024 Current	2024 Non-current
<b>Grants and contributions received in advance:</b>					
Funds to construct Council controlled assets	(i)	5,331	–	1,079	–
Grant Funds received prior to performance obligation being satisfied	(ii)	1,845	–	1,565	–
Contributions received prior to performance obligation being satisfied	(ii)	142	–	84	–
<b>Total grants received in advance</b>		<b>7,318</b>	<b>–</b>	<b>2,728</b>	<b>–</b>
<b>User fees and charges received in advance:</b>					
Other		73	–	132	–
<b>Total user fees and charges received in advance</b>		<b>73</b>	<b>–</b>	<b>132</b>	<b>–</b>
<b>Total contract liabilities</b>		<b>7,391</b>	<b>–</b>	<b>2,860</b>	<b>–</b>

#### Notes

(i) Council has received funding to construct assets including sporting facilities, bridges and other infrastructure. The funds received are under enforceable contracts which require Council to construct identified assets which will be under Council's control on completion. Revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants and contributions received but the revenue recognition criteria in AASB 15 have not been satisfied as the performance obligations are ongoing.

#### Significant changes in contract liabilities

Contract liabilities have increased significantly from 2024 due to receipt of Government grant of \$5m for Laffing Waters land development project in advance of project commencement and with only minimal spend in this year.

#### Material accounting policy information

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring

continued on next page ...

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## C3-2 Contract Liabilities (continued)

a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

## C3-3 Borrowings

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Loans – secured <sup>1</sup>	10,610	19,968	13,925	21,424
<b>Total borrowings</b>	<b>10,610</b>	<b>19,968</b>	<b>13,925</b>	<b>21,424</b>

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

## (a) Changes in liabilities arising from financing activities

\$ '000	2024	Payments	Non-cash movements	2025
	Opening Balance		New Loans / Leases	Closing balance
Loans – secured	35,349	(5,121)	350	30,578
Lease liability	203	(76)	88	215
<b>Total liabilities from financing activities</b>	<b>35,552</b>	<b>(5,197)</b>	<b>438</b>	<b>30,793</b>

\$ '000	2023	Payments	Non-cash movements	2024
	Opening Balance		New Loans / Leases	Closing balance
Loans – secured	39,939	(5,290)	700	35,349
Lease liability (Note C2-1)	171	(70)	102	203
<b>Total liabilities from financing activities</b>	<b>40,110</b>	<b>(5,360)</b>	<b>802</b>	<b>35,552</b>

## (b) Financing arrangements

\$ '000	2025	2024
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**Total facilities**

Total financing facilities available to Council at the reporting date are:

Bank overdraft facilities <sup>1</sup>	650	650
Credit cards/purchase cards	115	115
<b>Total financing arrangements</b>	<b>765</b>	<b>765</b>

**Drawn facilities**

Financing facilities drawn down at the reporting date are:

**Undrawn facilities**

Undrawn financing facilities available to Council at the reporting date are:

– Bank overdraft facilities	650	650
– Credit cards/purchase cards	115	115
<b>Total undrawn financing arrangements</b>	<b>765</b>	<b>765</b>

**Additional financing arrangements information****Breaches and defaults**

Council's borrowings from TCorp are subject to covenant clauses, where Council is required to meet certain key financial ratios.

### C3-3 Borrowings (continued)

Council has not met the Unrestricted Cash Expense Ratio as at 30 June 2024 and 30 June 2025. Due to this breach of the covenant clause, the lender is contractually entitled to request for immediate repayment of the outstanding loan amount of \$7,241,595 (2024: \$8,818,276)

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

### C3-4 Employee benefit provisions

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Annual leave	3,521	–	3,586	–
Long service leave	8,084	581	7,897	426
Rostered Day Off	153	–	140	–
<b>Total employee benefit provisions</b>	<b>11,758</b>	<b>581</b>	<b>11,623</b>	<b>426</b>

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

\$ '000	2025	2024
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	8,084	7,897
	<b>8,084</b>	<b>7,897</b>

### Material accounting policy information

#### Short-term obligations

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

#### Other long-term employee benefit obligations

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

## C3-5 Provisions

\$ '000	2025 Current	2025 Non-Current	2024 Current	2024 Non-Current
<b>Asset remediation/restoration:</b>				
Asset remediation/restoration (future works)	67	2,031	82	3,249
<b>Sub-total – asset remediation/restoration</b>	<b>67</b>	<b>2,031</b>	<b>82</b>	<b>3,249</b>
<b>Total provisions</b>	<b>67</b>	<b>2,031</b>	<b>82</b>	<b>3,249</b>

## Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
<b>2025</b>		
At beginning of year	3,331	3,331
Other	(1,233)	(1,233)
Total other provisions at end of year	2,098	2,098
<b>2024</b>		
At beginning of year	3,247	3,247
Other	84	84
Total other provisions at end of year	3,331	3,331

## Nature and purpose of provisions

**Asset remediation**

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the council tip.

**Material accounting policy information**

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

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

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

**Asset remediation – tip****Restoration**

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental rehabilitation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations.

The expected timing of expenditure can also change. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

## D Council structure

### D1 Results by fund

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

#### D1-1 Income Statement by fund

\$ '000	General 2025	Water 2025	Sewer 2025
<b>Income from continuing operations</b>			
Rates and annual charges	42,382	3,931	13,903
User charges and fees	12,954	17,190	3,210
Interest and investment revenue	241	969	2,674
Other revenues	2,828	39	36
Grants and contributions provided for operating purposes	14,665	114	119
Grants and contributions provided for capital purposes	7,142	5,417	1,214
Net gains from disposal of assets	5,082	(240)	15
Fair value increment on investment property	468	–	–
Other income	3,109	–	–
<b>Total income from continuing operations</b>	<b>88,871</b>	<b>27,420</b>	<b>21,171</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	29,056	4,072	4,349
Materials and services	33,905	8,956	7,363
Borrowing costs	1,054	522	–
Other expenses	12	1,416	1,144
<b>Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b>	<b>64,027</b>	<b>14,966</b>	<b>12,856</b>
<b>Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets</b>	<b>24,844</b>	<b>12,454</b>	<b>8,315</b>
Depreciation, amortisation and impairment of non-financial assets	22,252	4,502	3,276
<b>Operating result from continuing operations</b>	<b>2,592</b>	<b>7,952</b>	<b>5,039</b>
<b>Net operating result for the year</b>	<b>2,592</b>	<b>7,952</b>	<b>5,039</b>
<b>Net operating result attributable to each council fund</b>	<b>2,592</b>	<b>7,952</b>	<b>5,039</b>
<b>Net operating result for the year before grants and contributions provided for capital purposes</b>	<b>(4,550)</b>	<b>2,535</b>	<b>3,825</b>

# Attachment 6.1.1.1

Bathurst Regional Council | Notes to the Financial Statements 30 June 2025

## D1-2 Statement of Financial Position by fund

\$ '000	General 2025	Water 2025	Sewer 2025
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4,322	9,070	1,766
Investments	8,007	12,365	26,178
Receivables	8,670	5,118	6,425
Inventories	7,501	—	—
Contract assets and contract cost assets	1,427	—	—
Other	351	61	3
<b>Total current assets</b>	<b>30,278</b>	<b>26,614</b>	<b>34,372</b>
<b>Non-current assets</b>			
Investments	19,150	—	—
Receivables	383	72	20,175
Inventories	11,546	—	—
Infrastructure, property, plant and equipment	1,460,606	359,816	171,009
Investment property	22,733	—	—
Right of use assets	199	—	1
<b>Total non-current assets</b>	<b>1,514,617</b>	<b>359,888</b>	<b>191,185</b>
<b>Total assets</b>	<b>1,544,895</b>	<b>386,502</b>	<b>225,557</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	13,512	468	355
Contract liabilities	7,380	11	—
Lease liabilities	54	—	—
Borrowings	14,921	492	—
Employee benefit provision	10,365	917	476
Provisions	67	—	—
<b>Total current liabilities</b>	<b>46,299</b>	<b>1,888</b>	<b>831</b>
<b>Non-current liabilities</b>			
Payables	757	—	—
Lease liabilities	160	—	1
Borrowings	30,265	9,823	—
Employee benefit provision	502	—	79
Provisions	2,031	—	—
<b>Total non-current liabilities</b>	<b>33,715</b>	<b>9,823</b>	<b>80</b>
<b>Total liabilities</b>	<b>80,014</b>	<b>11,711</b>	<b>911</b>
<b>Net assets</b>	<b>1,464,881</b>	<b>374,791</b>	<b>224,646</b>
<b>EQUITY</b>			
Accumulated surplus	472,807	161,984	106,557
IPPE revaluation surplus	992,074	212,807	118,089
<b>Total equity</b>	<b>1,464,881</b>	<b>374,791</b>	<b>224,646</b>

## D1-3 Details of internal loans

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

<b>Details of individual internal loans</b>	<b>Council ID / Ref</b>	<b>Council ID / Ref</b>
Borrower (by purpose)	General Fund	General Fund
Lender (by purpose)	Sewerage Fund	Sewerage Fund
Date of Minister's approval	11 June 2024	27 June 2025
Date raised	30 June 2024	30 June 2025
Term years	5	5
Dates of maturity	30 June 2029	30 June 2030
Rate of interest (%)	4.35%	4.10%
Amount originally raised (\$'000)	\$25,000	\$4,500
Total repaid during year (principal and interest) (\$'000)		While the interfund loan facility approved by OLG was \$5.0 million, Council has only drawn down \$4.5 million at 30 June 2025
<b>Principal outstanding at end of year (\$'000)</b>	<b>\$20,423</b>	<b>\$4,500</b>

## D2 Interests in other entities

### D2-1 Subsidiaries

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 and the accounting policy described below.

Council's consolidated financial statements also include controlled entities with ownership interest of 50% or less.

Name of Operation/Entity	Principal activity
<b>The Somerville Collection Ltd</b>	Australian Fossil and Mineral Museum 224 Howick Street, Bathurst

Interests in Subsidiary	Ownership 2025	Ownership 2024	Voting rights 2025	Voting rights 2024
Council's interest in Subsidiary	0%	0%	20%	20%
Non-controlling interest in Subsidiary	100%	100%	80%	80%

#### The nature and extent of significant restrictions relating to the Subsidiary

The specimen collection is owned by the Australian Museum Trust.

The fixtures and fittings are owned by The Somerville Collection Limited, a company limited by guarantee.

#### The nature of risks associated with Council's interests in the Subsidiary

Council controls the day to day financial and operating activities of the museum including the receipt of its income, payment of its expenses and employment of staff, including the liability for the leave entitlements of those staff.

Council has resolved to support the operations of the museum to a maximum subsidy of \$250,000 each year into the future.

#### Other disclosures

Although Council's voting rights are only 20% and it owns none of the assets, because of the support of the day to day operations, Council considers that it has control over the operations.

#### Reporting dates of Subsidiary

The Somerville Collection balance date is 30 June.

### Summarised financial information for the Subsidiary

\$ '000	2025	2024
<b>Summarised statement of comprehensive income</b>		
Revenue	483	554
Expenses	(500)	(484)
<b>Profit for the period</b>	<b>(17)</b>	<b>70</b>
<b>Total comprehensive income</b>	<b>(17)</b>	<b>70</b>
<b>Summarised statement of financial position</b>		
Current assets	155	148
Non-current assets	211	235
<b>Total assets</b>	<b>366</b>	<b>383</b>
Current liabilities	7	7
<b>Total liabilities</b>	<b>7</b>	<b>7</b>
<b>Net assets</b>	<b>359</b>	<b>376</b>

## D2-1 Subsidiaries (continued)

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### **Material accounting policy information**

Subsidiaries are all entities (including structured entities) over which the Council has control. Control is established when the Council 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 relevant activities of the entity.

These consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements. Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

## E Risks and accounting uncertainties

### E1-1 Risks relating to financial instruments held

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

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council. Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council. The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

#### (a) Market risk – interest rate and price risk

\$ '000	2025	2024
The impact on the result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movement in the price of investments held does not affect Council as it does not openly trade investments and all are held to maturity at face value.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	808	738
Impact of a 10% movement in price of investments		
– Equity / Income Statement	–	–

#### (b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees. Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

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

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors. There are no material receivables that have been subjected to a renegotiation of repayment terms.

#### Credit risk profile

##### Receivables – rates and annual charges

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

Council has a policy in the case of an aged pensioner who elects to do so, Council shall allow unpaid rates to accumulate and be paid from the estate of such aged pensioner or from the sale of the house.

\$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
<b>2025</b>				
Gross carrying amount	–	3,309	–	3,309
<b>2024</b>				
Gross carrying amount	–	2,769	–	2,769

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

**Receivables - non-rates and annual charges and contract assets**

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

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

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2025						
Gross carrying amount	12,345	889	774	5	76	14,089
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	67.00%	0.36%
ECL provision	—	—	—	—	51	51
2024						
Gross carrying amount	13,297	22	180	2	342	13,843
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	6.00%	0.15%
ECL provision	—	—	—	—	21	21

**(c) Liquidity risk**

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

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

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

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

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

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

	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
\$ '000							
2025							
Payables	0.00%	14,335	757	–	–	15,092	15,092
Borrowings	2.07%	–	5,905	17,574	13,064	36,543	30,578
Total financial liabilities		14,335	6,662	17,574	13,064	51,635	45,670
2024							
Payables	0.00%	4,114	895	–	–	5,009	14,212
Borrowings	2.19%	–	6,130	20,217	15,889	42,236	35,349
Total financial liabilities		4,114	7,025	20,217	15,889	47,245	49,561

## E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Investment property

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

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

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

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

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

Fair value measurement hierarchy							
\$ '000	Notes	Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2025	2024	2025	2024	2025	2024
Recurring fair value measurements							
Investment property	C1-7						
230 Howick Street, Bathurst		22,733	22,265	–	–	22,733	22,265
Total investment property		22,733	22,265	–	–	22,733	22,265
Infrastructure, property, plant and equipment							
	C1-6						
Plant and equipment		–	–	10,071	10,387	10,071	10,387
Office equipment		–	–	480	557	480	557
Furniture and fittings		–	–	216	245	216	245
Operational land		–	–	131,589	131,179	131,589	131,179
Community land		–	–	37,220	37,186	37,220	37,186
Land under roads (post 30/6/08)		–	–	2,533	2,533	2,533	2,533
Land improvements – depreciable		–	–	32,961	32,511	32,961	32,511
Buildings		–	–	248,459	238,363	248,459	238,363
Leasehold Improvements		–	–	4,479	4,575	4,479	4,575
Other structures		–	–	33,842	32,746	33,842	32,746
Roads		–	–	386,787	382,954	386,787	382,954
Bridges		–	–	74,662	71,309	74,662	71,309
Footpaths		–	–	21,133	20,283	21,133	20,283
Bulk earthworks (non-depreciable)		–	–	281,709	187,873	281,709	187,873
Stormwater drainage		–	–	189,657	176,521	189,657	176,521
Water supply network		–	–	310,064	300,918	310,064	300,918
Sewerage network		–	–	156,927	152,374	156,927	152,374
Swimming pools		–	–	18,995	18,123	18,995	18,123
Other assets		–	–	41,900	41,801	41,900	41,801
Tip		–	–	1,664	3,083	1,664	3,083
Total infrastructure, property, plant and equipment		–	–	1,985,348	1,845,521	1,985,348	1,845,521

### Transfers between level 1 and level 2 fair value hierarchies

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

## E2-1 Fair value measurement (continued)

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### Valuation techniques

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

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

#### Investment property

The investment property at 230 Howick Street, Bathurst was valued by Marsh Pty Ltd (AssetVal), registered valuers, in June 2023. The 2025 fair value includes an indexation using the Consumer Price Index, as shown in Note C1-7.

#### Infrastructure, property, plant and equipment (IPPE)

##### Land and Buildings

The buildings asset class includes any 'enclosable' roofed structure (4 walls), otherwise assets are classified as Other Structures. Land is classified as either operational or community by Council when acquired. Operational land includes those parcels that are used or earmarked for future use in Council's operations. Community land typically includes road and drainage reserves and open space areas.

Community land is valued at the current valuation provided by the Valuer General of NSW and does not have an active market. As such, these assets were classified as having been valued using level 3 valuation inputs. In June 2025, Council has undertaken a fair value assessment to index this asset class to ensure the carrying value approximates the fair value.

Operational land and buildings were valued by Marsh Pty Ltd (AssetVal), Registered Valuers, in June 2023 using the market approach for land and replacement cost approach for buildings. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While buildings were physically inspected and the unit rates based on square metres could be supported from market evidence (Level 2) other inputs (such as estimates of residual value and pattern of consumption) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets were classified as having been valued using Level 3 valuation inputs.

In June 2025, Council has undertaken a fair value assessment of this asset class to ensure the carrying value approximates the fair value.

##### Other Structures

This asset class includes any non-enclosable roofed or non-roofed structure (fewer than 4 walls).

Other Structures were revalued in 2021 using the cost approach. This was derived via a number of methods, depending on the information available (historical cost, actual quotes/tenders, published component rates). Due to the highly varied nature of this asset class, only very small subsets of assets can be valued using the same basis. Consequently a high degree of professional judgement is required in establishing replacement cost and this asset class is classified as Level 3. In June 2025, Council has undertaken a fair value assessment to index this asset class to ensure the carrying value approximates the fair value.

##### Roads

This asset class comprises the Road Carriageway, Guardrails, Kerb and Gutter, Signs and Traffic facilities.

The road carriageway is defined as the trafficable portion of a road, between but not including the kerb and gutter or other roadside drainage. The 'Cost Approach' using Level 3 inputs was used to value the road carriageway and other road infrastructure.

Roads were revalued by Council staff on 30 June 2025. Valuations for the road carriageway, comprising surface, pavement and formation earthworks were based on internal cost rates and the detailed asset information residing in Council's Asset Management System. Other Road Infrastructure was valued the same way.

The cost approach was utilised and while the unit rates based on square metres, linear metres or similar could be supported from market evidence (Level 2) other inputs (such as estimated pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is some uncertainty regarding the actual design, specifications and dimensions of some assets. Consequently a high degree of professional judgement is required in establishing replacement cost and this asset class is classified as Level 3.

##### Bridges

## **E2-1 Fair value measurement (continued)**

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Bridges were valued in 2025 by Bridge Knowledge using the cost approach and also included a condition assessment. The approach estimated the replacement for each bridge in its entirety; deck, approaches, railings and abutments.

All bridges were physically inspected and an assessment made of the component condition. Unit rates based on deck areas could be supported from market evidence (level 2) however other inputs (pattern of consumption, site-specific technical design issues) require extensive professional judgement and impact on the final determination of fair value. Consequently a high degree of professional judgement is required in establishing replacement cost and this asset class is classified as Level 3.

### **Footpaths**

Footpaths were revalued by Council Staff on 30 June 2025 using the cost approach using internal unit cost inputs (Level 3). Footpaths are inspected on either an annual or semi-annual basis for defects and condition and the results are included in the asset register (Confirm) system.

### **Parking areas**

Parking areas are valued and assessed on the same basis as roads.

### **Bus Shelters**

Bus Shelters are valued and assessed on the same basis as Other Structures.

### **Aerodrome**

This comprises the infrastructure assets that form the aerodrome. Equivalent asset classes have been valued using the same conditions and parameters as described above (runway surface, pavement and earthworks as for roads; parking areas, other structures and drainage like for like). Revalued by Council staff on 30 June 2025. Substantial professional judgement has been required to undertake this work and this class is therefore classified as Level 3.

### **Water Supply network**

Assets within this class comprise the infrastructure to supply a reticulated potable drinking water service to Bathurst and adjoining suburbs/villages. There is also a small non-potable service at Hillview Estate Napoleon Reef and a raw-water supply from Winburndale Dam used for irrigation of parks and playing fields in town.

In Bathurst, there is the Filtration Plant, Pump Stations, Reservoirs and reticulation pipe network. A revaluation was made as at 30 June 2022; the reticulation network valued on the basis outlined in the DPI NSW Reference Rates Manual and all other assets were revalued as part of a CNSWJO-wide contract with Australis Valuers. While this provides some degree of observability, a substantial amount of professional judgement is required due to limitations in the historical records of very long lived assets as there is some uncertainty regarding the actual design, specifications and dimensions of some assets. Consequently a high degree of professional judgement is required in establishing replacement cost and this asset class is classified as Level 3. In June 2025, Council has undertaken a fair value assessment to index this asset class to ensure the carrying value approximates the fair value.

### **Sewerage network**

Assets within this class comprise the infrastructure to supply a reticulated waste water (sewerage) service to Bathurst and adjoining suburbs/villages. This is the Reticulation Pipe Network, Pump Stations and Treatment Plant. A revaluation was made as at 30 June 2022; the reticulation network valued on the basis outlined in the DPI NSW Reference Rates Manual and all other assets were revalued as part of a CNSWJO-wide contract with Australis Valuers. While this provides some degree of observability, a substantial amount of professional judgement is required due to limitations in the historical records of very long lived assets as there is some uncertainty regarding the actual design, specifications and dimensions of some assets. Consequently a high degree of professional judgement is required in establishing replacement cost and this asset class is classified as Level 3. In June 2025, Council has undertaken a fair value assessment to index this asset class to ensure the carrying value approximates the fair value.

### **Stormwater Drainage**

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices.

Drainage assets were revalued by Council staff on 30 June 2025. The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

## E2-1 Fair value measurement (continued)

Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. Consequently a high degree of professional judgement is required in establishing replacement cost and this asset class is classified as Level 3.

### Fair value measurements using significant unobservable inputs (level 3)

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

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

\$ '000	Fair value (30/6/25) 2025	Valuation technique/s	Unobservable inputs
<b>Infrastructure, property, plant and equipment</b>			
Land & Buildings	424,280	Market approach; land values obtained from the Valuer General	Land value, land area, restricted use
Infrastructure	1,506,737	Cost approach	Based on actual costs and indexed where required. Estimation of remaining asset lives where infrastructure is below ground. Condition.
Other Assets	54,331	Cost approach	Based on actual costs and indexed where required.

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

\$ '000	Total 2025	2024
<b>Opening balance</b>	<b>1,845,521</b>	1,724,240
<b>Total gains or losses for the period</b>		
Recognised in other comprehensive income – revaluation surplus	<b>139,970</b>	84,699
<b>Other movements</b>		
Transfers from/(to) another asset class	–	–
Purchases (GBV)	<b>32,500</b>	65,037
Disposals (WDV)	<b>(2,691)</b>	(1,400)
Depreciation and impairment	<b>(29,952)</b>	(27,055)
<b>Closing balance</b>	<b>1,985,348</b>	1,845,521

### Highest and best use

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

## E3-1 Contingencies

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

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

##### (i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under Active Super – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB 119 *Employee Benefits* for the following reasons:

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

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

##### *Description of the funding arrangements.*

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

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

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

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

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June. Given the funding position of the Fund as at 30 June 2024, it was recommended to cease these past service contributions effective 1 January 2025.

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

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

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

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

##### *Description of any agreed allocation of a deficit or surplus on:*

###### *(i) wind up of the plan*

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

## E3-1 Contingencies (continued)

### (ii) Councils withdrawal from the plan

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

#### *The expected contributions to the plan for the next annual reporting period*

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2025 was \$ 372,970.92. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2024.

Council's expected contribution to the plan for the next annual reporting period is \$136,706.95.

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

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

\* excluding other accumulation accounts and reserves in both assets and liabilities.

The share of this deficit that is broadly attributed to the Council is estimated to be 0.95% as at 30 June 2025.

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

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

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

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

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2025.

### (ii) Statewide Limited

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

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

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

### (iii) StateCover Limited

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

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

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

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

## E3-1 Contingencies (continued)

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### **(iv) Other guarantees**

Council had one bank guarantee at 30 June 2025 held by the Commonwealth Bank.

1. Rental bond for the premises used as the Bathurst Rail Museum for \$50,000

### **2. Other liabilities**

#### **(i) Third party claims**

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

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

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

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

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

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

#### **(iii) Somerville collection**

The Council is a member of a company Limited by Guarantee called the Somerville Collection.

The company was established to manage & maintain the Somerville Collection (made up of fossils, minerals and other features) which are exhibited in Bathurst at the Australian Fossil and Mineral Museum. The Company is a non profit entity. In the event that the Company is wound up, Council's liability is limited to a maximum of \$100.

## **ASSETS NOT RECOGNISED**

### **(i) Land under roads**

As permitted under AASB 1051 *Land Under Roads*, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/2008.

### **(ii) Infringement notices/fines**

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

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

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

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

**F People and relationships****F1 Related party disclosures****F1-1 Key management personnel (KMP)**

The aggregate amount of KMP compensation included in the Income Statement is:

<b>\$ '000</b>	<b>2025</b>	<b>2024</b>
<b>Compensation:</b>		
Short-term benefits	1,577	1,787
Post-employment benefits	168	170
<b>Total</b>	<b>1,745</b>	<b>1,957</b>

**F1-2 Councillor and Mayoral fees and associated expenses**

<b>\$ '000</b>	<b>2025</b>	<b>2024</b>
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The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:

Mayoral fee	62	64
Councillors' fees	229	235
Other Councillors' expenses (including Mayor)	81	35
<b>Total</b>	<b>372</b>	<b>334</b>

**F2 Other relationships****F2-1 Audit fees**

<b>\$ '000</b>	<b>2025</b>	<b>2024</b>
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**Auditors of the Council - NSW Auditor-General:****(i) Audit and other assurance services**

Audit of financial statements	108	105
<b>Remuneration for audit services</b>	<b>108</b>	<b>105</b>
<b>Total Auditor-General remuneration</b>	<b>108</b>	<b>105</b>

## G Other matters

### G1-1 Statement of Cash Flows information

#### (a) Reconciliation of net Operating Result to cash provided from operating activities

\$ '000	2025	2024
<b>Net operating result from Income Statement</b>	<b>15,583</b>	23,948
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	30,030	27,129
(Gain) / loss on disposal of assets	(4,857)	103
Non-cash capital grants and contributions	(2,556)	(10,035)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investment property	(468)	(815)
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	(2,571)	7,583
Increase / (decrease) in provision for impairment of receivables	30	–
(Increase) / decrease of inventories	(146)	(195)
(Increase) / decrease of other current assets	1,220	(510)
(Increase) / decrease of contract asset	1,724	(2,076)
Increase / (decrease) in payables	15	(1,410)
Increase / (decrease) in accrued interest payable	(9)	(9)
Increase / (decrease) in other accrued expenses payable	341	(484)
Increase / (decrease) in other liabilities	533	404
Increase / (decrease) in contract liabilities	4,531	(8,965)
Increase / (decrease) in employee benefit provision	290	(202)
Increase / (decrease) in other provisions	(1,233)	84
<b>Net cash flows from operating activities</b>	<b>42,457</b>	<b>34,550</b>

#### (b) Non-cash investing and financing activities

Other dedications	2,556	10,035
<b>Total non-cash investing and financing activities</b>	<b>2,556</b>	<b>10,035</b>

### G2-1 Commitments

#### Capital commitments (exclusive of GST)

\$ '000	2025	2024
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Roads	6	866
Sewer	29	1,173
Stormwater Drainage	39	92
Structures	596	708
Water	2,890	9,072
<b>Total commitments</b>	<b>3,560</b>	<b>11,911</b>

## G3 Statement of developer contributions

## G3-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2024	Contributions received during the year - Cash	Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2025
Drainage	3,817	351	154	(58)	4,264
Roads	6,029	243	138	(2,849)	3,561
Traffic facilities	14	3	1	–	18
Parking	275	–	7	–	282
Open space	1,184	114	41	(62)	1,277
Community facilities	2,933	391	106	(211)	3,219
<b>S7.11 contributions – under a plan</b>	<b>14,252</b>	<b>1,102</b>	<b>447</b>	<b>(3,180)</b>	<b>12,621</b>
<b>Total S7.11 and S7.12 revenue under plans</b>	<b>14,252</b>	<b>1,102</b>	<b>447</b>	<b>(3,180)</b>	<b>12,621</b>
S7.11 not under plans	390	19	14	(38)	385
S7.4 planning agreements	80	51	6	–	137
S64 contributions	36,219	1,365	1,453	(495)	38,542
<b>Total contributions</b>	<b>50,941</b>	<b>2,537</b>	<b>1,920</b>	<b>(3,713)</b>	<b>51,685</b>

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

## G3-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2024	Contributions received during the year - Cash	Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2025
<b>S7.11 contributions – under a plan</b>					
<b>CONTRIBUTION PLAN – Jordan Creek Stormwater Drainage Management</b>					
Drainage	696	21	33	–	750
<b>Total</b>	<b>696</b>	<b>21</b>	<b>33</b>	<b>–</b>	<b>750</b>

## G3-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2024	Contributions received during the year - Cash	Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2025
<b>CONTRIBUTION PLAN – Raglan Creek Stormwater Drainage</b>					
Drainage	1,155	234	54	(58)	1,385
<b>Total</b>	<b>1,155</b>	<b>234</b>	<b>54</b>	<b>(58)</b>	<b>1,385</b>
<b>CONTRIBUTION PLAN – Sawpit Creek Drainage</b>					
Drainage	897	87	16	–	1,000
<b>Total</b>	<b>897</b>	<b>87</b>	<b>16</b>	<b>–</b>	<b>1,000</b>
<b>CONTRIBUTION PLAN – Central Carparking Strategies</b>					
Parking	275	–	7	–	282
<b>Total</b>	<b>275</b>	<b>–</b>	<b>7</b>	<b>–</b>	<b>282</b>
<b>CONTRIBUTION PLAN – Community Facilities and Services Bathurst</b>					
Community facilities	2,933	391	106	(211)	3,219
<b>Total</b>	<b>2,933</b>	<b>391</b>	<b>106</b>	<b>(211)</b>	<b>3,219</b>
<b>CONTRIBUTION PLAN – Robin Hill Drainage</b>					
Drainage	513	–	24	–	537
<b>Total</b>	<b>513</b>	<b>–</b>	<b>24</b>	<b>–</b>	<b>537</b>
<b>CONTRIBUTION PLAN – Eglinton Open Space &amp; Drainage</b>					
Drainage	556	9	27	–	592
Open space	628	10	29	–	667
<b>Total</b>	<b>1,184</b>	<b>19</b>	<b>56</b>	<b>–</b>	<b>1,259</b>
<b>CONTRIBUTION PLAN – Bathurst Regional Open Space</b>					
Open space	556	104	12	(62)	610
<b>Total</b>	<b>556</b>	<b>104</b>	<b>12</b>	<b>(62)</b>	<b>610</b>
<b>CONTRIBUTION PLAN – Roadworks – New Residential Subdivisions</b>					
Roads	6,029	243	138	(2,849)	3,561
<b>Total</b>	<b>6,029</b>	<b>243</b>	<b>138</b>	<b>(2,849)</b>	<b>3,561</b>
<b>CONTRIBUTION PLAN - Bathurst Regional Traffic Generating Development</b>					
Traffic facilities	14	3	1	–	18
<b>Total</b>	<b>14</b>	<b>3</b>	<b>1</b>	<b>–</b>	<b>18</b>

## Attachment 6.1.1.1

Bathurst Regional Council | Notes to the Financial Statements 30 June 2025

\$ '000	Opening balance at 1 July 2024	Contributions received during the year - Cash	Interest and investment income earned	Amounts expended	Held as restricted asset at 30 June 2025
<b>G3-3 Contributions not under plans</b>					
<b>CONTRIBUTIONS NOT UNDER A PLAN</b>					
Roads	85	2	3	–	90
Other	305	17	11	(38)	295
<b>Total</b>	<b>390</b>	<b>19</b>	<b>14</b>	<b>(38)</b>	<b>385</b>

**End of the audited financial statements**



## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Bathurst Regional Council

To the Councillors of Bathurst Regional Council

### Opinion

I have audited the accompanying financial statements of Bathurst Regional Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2025, the Statement of Financial Position as at 30 June 2025, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information. The financial statements include the consolidated financial statements of the Council and the entities it controlled at the year's end or from time to time during the year.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of the Division
  - are, in all material respects, consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

### Basis for Opinion

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

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

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

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

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

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

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

### Other Information

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

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

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

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

I have nothing to report in this regard.

### The Councillors' Responsibilities for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/media/apzlw0y/ar3\\_2024.pdf](http://www.auasb.gov.au/media/apzlw0y/ar3_2024.pdf). The description forms part of my auditor's report.

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

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



Cassie Malone  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

14 November 2025  
SYDNEY



Cr Robert Taylor  
Mayor  
Bathurst Regional Council  
Private Mail Bag 17  
BATHURST NSW 2795

Contact: Cassie Malone  
Phone no: 02 9275 7388  
Our ref: R008-1981756498-7968

14 November 2025

Dear Mayor

**Report on the Conduct of the Audit  
for the year ended 30 June 2025  
Bathurst Regional Council**

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

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

My audit procedures did not identify any instances of material non-compliance with the financial reporting requirements in Chapter 13, Part 3, Division 2 of the LG Act and the associated regulation or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

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

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

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

## INCOME STATEMENT

### Financial performance

	2025	2024	Variance
	\$m	\$m	%
Rates and annual charges revenue	60.2	55.3	8.9
Grants and contributions provided for operating purposes revenue	14.9	18.8	20.7
Grants and contributions provided for capital purposes revenue	13.8	33.2	58.4
Operating result from continuing operations	15.6	23.9	34.7
Net Operating result for the year before grants and contributions provided for capital purposes	1.8	(9.2)	120

### Operating result from continuing operations

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

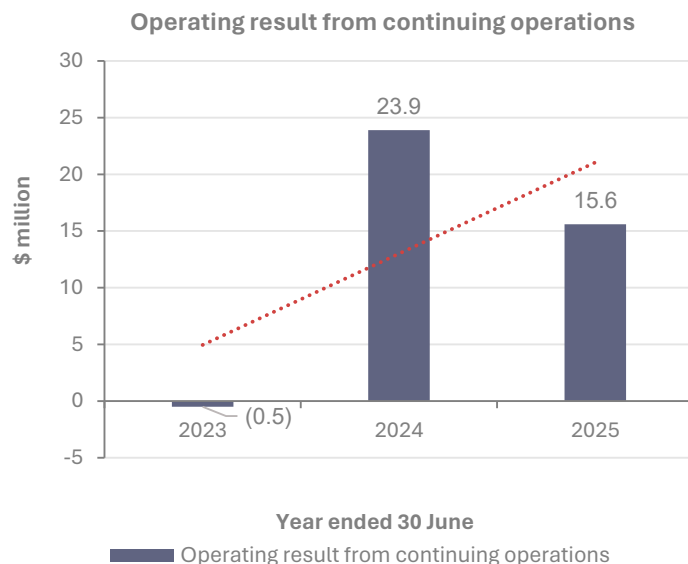
Council's operating result from continuing operations for the year was \$8.3 million lower than the 2023–24 result.

In 2024-25:

- depreciation, amortisation and impairment of non-financial assets expense (\$30.0 million) increased by \$2.9 million (10.7 per cent) due to asset additions and increases to the fair values of Council's assets
- materials and services expenditure (\$50.2 million) decreased by \$7.4 million (12.8 per cent), mainly due to lower raw materials and consumables expenses incurred for roads maintenance.

The net operating result for the year before grants and contributions provided for capital purposes was \$1.8 million.

Refer to 'Grants and contributions revenue' below for details.



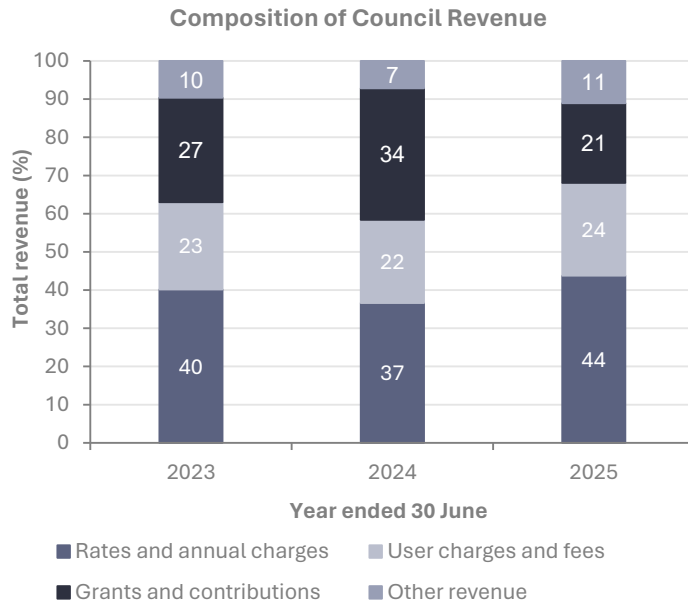
## Income

### Council revenue

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

Council's revenue (\$137.5 million) decreased by \$13.7 million (9.0 per cent) in 2024–25 due to:

- rates and annual charges revenue (\$60.2 million) which increased by \$4.9 million (8.9 per cent) mainly due to:
  - rate peg increase of 4.8 per cent
  - increases in annual charges levied for domestic waste management and sewer services.
- other revenues (\$15.2 million) which increased by \$4.4 million (40.7 per cent) mainly due to gains made the sales of land parcels within the Windy 1100 subdivision development
- grants and contributions revenue (\$28.7 million) which decreased by \$23.3 million (44.8 per cent) – see additional details below.

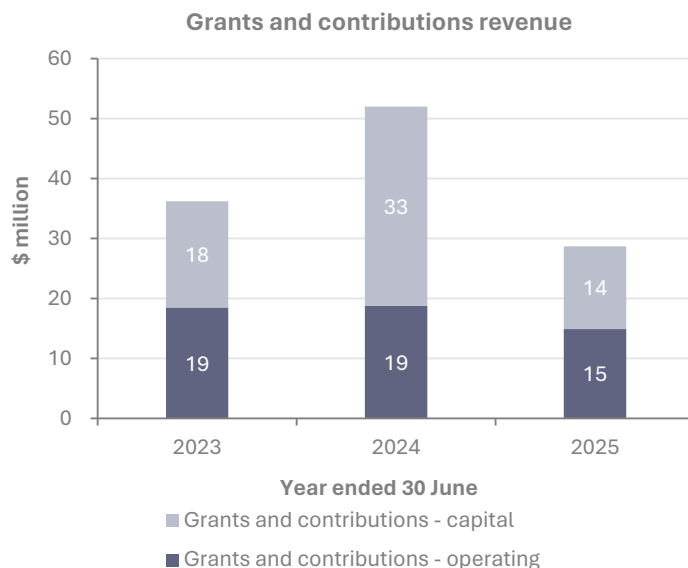


### Grants and contributions revenue

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

Grants and contributions revenue (\$28.7 million) decreased by \$23.3 million (44.8 per cent) in 2024–25 due to:

- decrease of \$9.1 million of Transport-related grants recognised, mainly due to reduced activity on major road projects
- decrease of \$7.5 million of non-cash contributions, mainly due to lower levels of subdivision dedications recognised during the year
- receiving 50 per cent of the financial assistance grants for 2025-26 in advance (85 per cent for 2024-25).



## CASH FLOWS

### Statement of cash flows

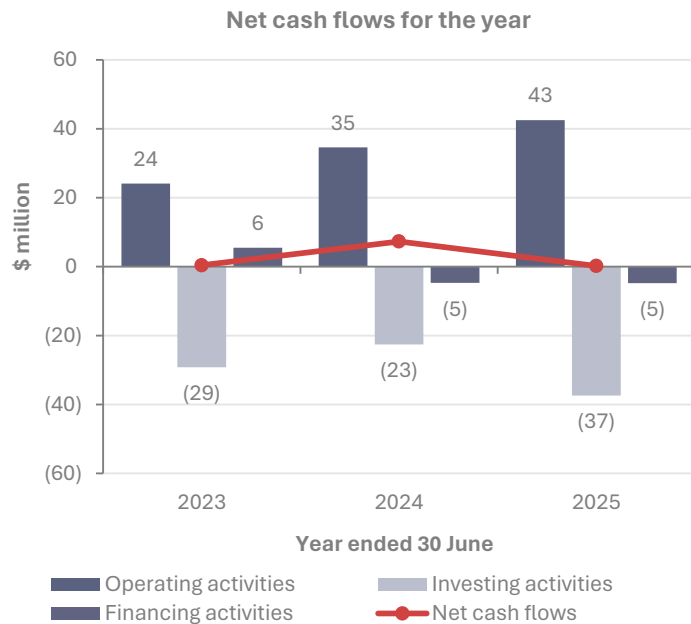
The Statement of Cash Flows details the Council's inflows and outflows of cash over a specific period. It helps in assessing the Council's ability to generate cash to fund its operations, pay off debts, and support future projects. It also aids in identifying any pressures or issues in the Council operating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

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

The net cash flows for the year were positive \$0.2 million (positive \$7.3 million in 2023-24).

In 2024-25 the net cashflows:

- from operating activities increased by \$7.9 million, mainly due to increases in rates and annual charges receipts, and decreased levels of materials and services expenditure
- used in investing activities increased by \$14.9 million, mainly due to higher levels of investment purchases
- used in financing activities remained consistent.



## FINANCIAL POSITION

### Cash, cash equivalents and investments

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

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

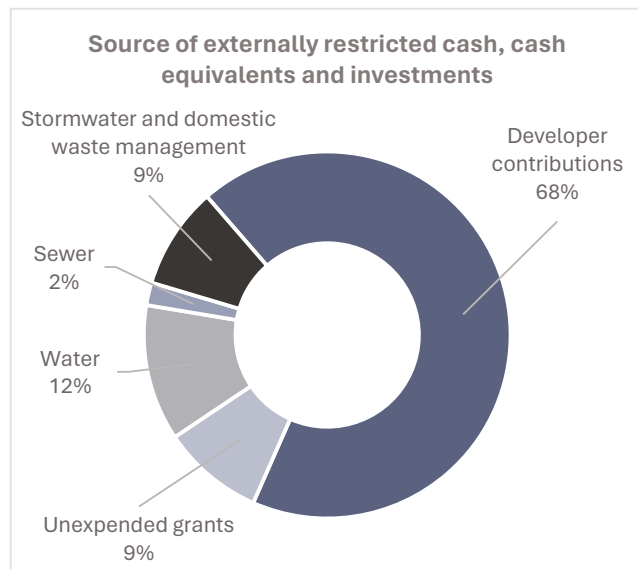
Cash, cash equivalents, and investments without external restrictions can be allocated internally by the elected Council's resolution or policy. These allocations are matters of Council policy and can be changed or removed by a Council resolution.

Cash, cash equivalents and investments	2025	2024	Percentage of total cash and investments 2025	Commentary
	\$m	\$m	%	
<b>Total cash, cash equivalents and investments</b>	<b>80.9</b>	<b>73.8</b>		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party contract. A breakdown of the sources of externally restricted balances is included in the graph below.
Restricted and allocated cash, cash equivalents and investments:				<b>Spending of restricted cash and investments</b>
• External restrictions	76.7	70.9	94.8	Similar to 2023-24, the Council spent restricted funds on purposes other than their intended purposes in 2024-25 without the appropriate approvals required under the LG Act. This breached the requirements of the LG Act.
• Internal allocations	4.1	2.9	5.2	
				<b>Internal loans from the sewer fund to the general fund</b>
				In 2023-24, the Council obtained Ministerial approval to borrow \$25.0 million from the sewer fund to the general fund, with a loan term of five years.
				In 2024-25, the Council was approved to borrow a further \$5.0 million and drew down \$4.5 million of this facility.
				At 30 June 2025, the outstanding balance of internal loans owing to the sewer fund from the general fund totalled \$24.9 million.

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

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

- developer contributions of \$51.7 million (2023-24: \$50.9 million)
- unexpended grants of \$7.1 million (2023-24: \$4.9 million)
- water charges of \$9.1 million (2023-24: \$9.4 million)
- sewer charges of \$1.8 million (2023-24: \$1.2 million) - see additional details above regarding the internal loans from the sewer fund to the general fund
- stormwater charges of \$1.5 million (2023-24: \$1.1 million)
- domestic waste management charges of \$5.6 million (2023-24: \$3.4 million).



## Council liquidity

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

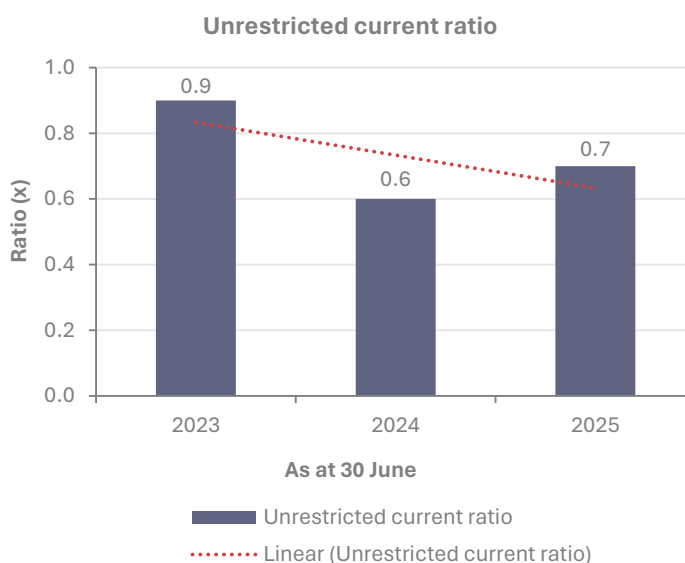
The unrestricted current ratio is specific to local government and represents council's ability to meet its short-term obligations as they fall due. It measures the ratio of unrestricted current assets to current liabilities less specific purpose liabilities.

In 2023-24, the average unrestricted current ratio was an average of 3.1x for regional councils.

The 2024-25 ratio was impacted by:

- higher levels unexpended grants subject to external restrictions
- the internal loans from the sewer fund to the general fund (refer to 'Cash, cash equivalents and investments' above for details), which reduced the Council's externally restricted balances and increased its unrestricted cash assets.

In 2024-25, the Council spent restricted funds on purposes other than their intended purposes, without the appropriate approvals required under the LG Act. Refer to 'Cash, cash equivalents and investments' above for details.



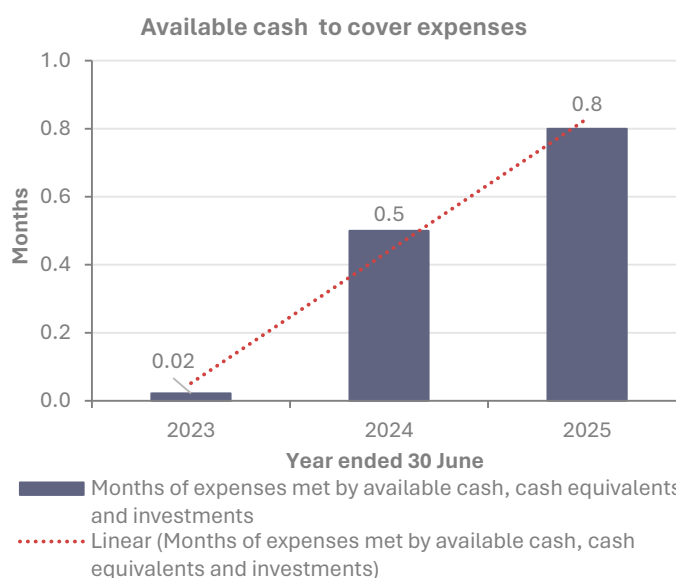
This graph shows the number of months of general fund expenses (excluding depreciation and borrowing costs), Council can fund from its available cash, cash equivalents and investments (not subject to external restrictions).

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

In 2023-24, the available cash to cover expenses was an average of 7 months for regional councils.

The 2024-25 ratio was impacted by:

- decreased total expenses, mainly due to lower levels of materials and services expenditure
- the internal loans from the sewer fund to the general fund (refer to 'Cash, cash equivalents and



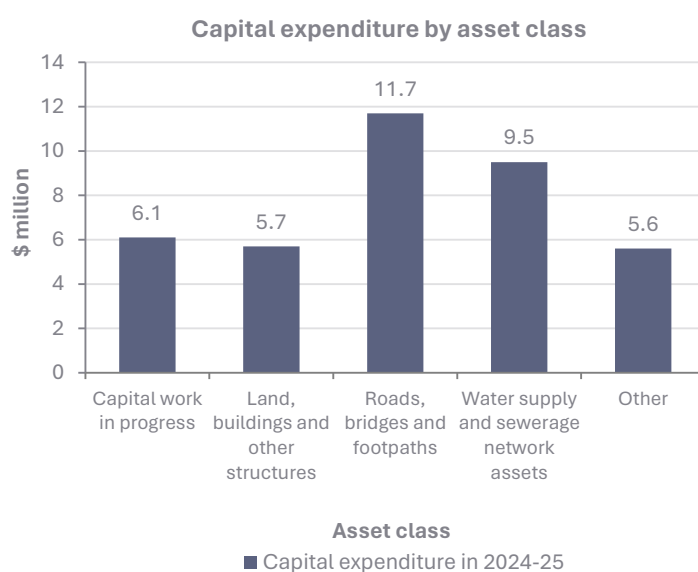
investments' above for details), which reduced the Council's externally restricted balances and increased its unrestricted cash assets.

In 2024-25, the Council spent restricted funds on purposes other than their intended purposes, without the appropriate approvals required under the LG Act. Refer to 'Cash, cash equivalents and investments' above for details.

## Infrastructure, property, plant and equipment

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

Council renewed \$17.3 million of infrastructure, property, plant and equipment during the 2024-25 financial year, and a further \$21.3 million was spent on new assets. These were mainly for roads, buildings, water supply network and sewerage network assets.



## Debt

The table below provides an overview of the Council's loans and committed borrowing facilities. Committed borrowing facilities are an element of liquidity management and include bank overdrafts, and credit cards.

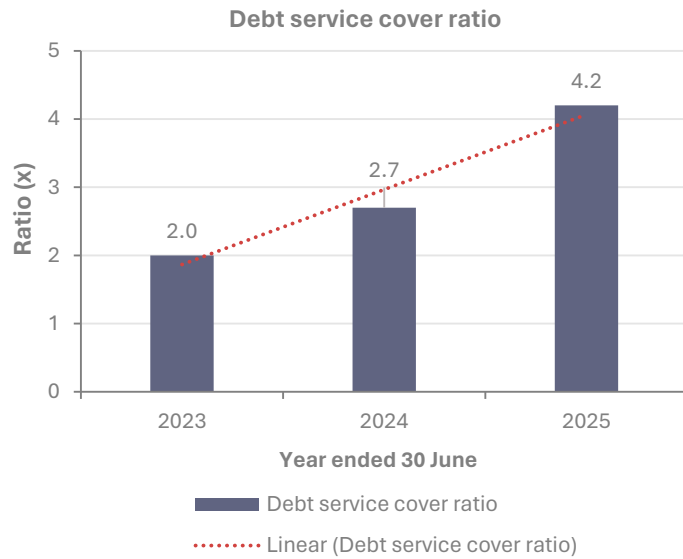
Debt	2025	2024	Commentary
	\$'000	\$'000	
Loans	30,578	35,349	In 2023-24 and 2024-25, the Council did not comply with certain financial covenant requirements for some loan facilities.  Internal loans from the sewer fund to the general fund are not included in this table – refer to 'Cash, cash equivalents and investments' above for details.
Approved overdraft facility	650	650	--
Amount drawn down	--	--	
Credit card facility	115	115	--
Amount used	--	--	

**Debt service cover**

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

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

The 2024-25 ratio was impacted by an increased net operating result before grants and contributions provided for capital purposes.



Cassie Malone  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

# Bathurst Regional Council

## SPECIAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2025

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*A thriving region where history, culture and nature are  
valued, diversity is celebrated, and economic growth is  
balanced with sustainability*



**Bathurst Regional Council****Special Purpose Financial Statements**

for the year ended 30 June 2025

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**Background**

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

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

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

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

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

**Bathurst Regional Council****Special Purpose Financial Statements**  
for the year ended 30 June 2025**Statement by Councillors and Management****Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting**

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



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

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

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

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

Signed in accordance with a resolution of Council made on 17 September 2025.

  
Robert Taylor  
Mayor  
17 September 2025  
Benjamin Fry  
Deputy Mayor  
17 September 2025  
David Sherley  
General Manager  
17 September 2025  
Peter Smith  
Responsible Accounting Officer  
17 September 2025

## Bathurst Regional Council

## Income Statement of water supply business activity

for the year ended 30 June 2025

\$ '000	2025	2024
<b>Income from continuing operations</b>		
Access charges	3,931	3,356
User charges	16,909	14,945
Fees	281	176
Interest and investment income	969	503
Grants and contributions provided for operating purposes	114	115
Net gain from the disposal of assets	(240)	28
Other income	39	45
<b>Total income from continuing operations</b>	<b>22,003</b>	<b>19,168</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	4,072	4,297
Borrowing costs	522	546
Materials and services	8,956	8,862
Depreciation, amortisation and impairment	4,502	2,913
Calculated taxation equivalents	326	325
Debt guarantee fee (if applicable)	71	151
Other expenses	1,416	1,311
<b>Total expenses from continuing operations</b>	<b>19,865</b>	<b>18,405</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>2,138</b>	<b>763</b>
Grants and contributions provided for capital purposes	5,417	8,974
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>7,555</b>	<b>9,737</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>7,555</b>	<b>9,737</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(535)	(191)
<b>Surplus (deficit) after tax</b>	<b>7,020</b>	<b>9,546</b>
<b>Plus accumulated surplus</b>	<b>154,032</b>	<b>143,819</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	326	325
– Debt guarantee fees	71	151
– Corporate taxation equivalent	535	191
<b>Closing accumulated surplus</b>	<b>161,984</b>	<b>154,032</b>
<b>Return on capital %</b>	<b>0.7%</b>	<b>0.4%</b>
<b>Subsidy from Council</b>	<b>12,308</b>	<b>13,542</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	7,021	9,546
Less: capital grants and contributions (excluding developer contributions)	(5,417)	(8,974)
<b>Surplus for dividend calculation purposes</b>	<b>1,604</b>	<b>572</b>
<b>Potential dividend calculated from surplus</b>	<b>802</b>	<b>286</b>

## Bathurst Regional Council

## Income Statement of sewerage business activity

for the year ended 30 June 2025

\$ '000	2025	2024
<b>Income from continuing operations</b>		
Access charges	13,903	12,499
User charges	2,270	2,089
Liquid trade waste charges	825	636
Fees	115	104
Interest and investment income	2,674	1,120
Grants and contributions provided for operating purposes	119	113
Net gain from the disposal of assets	15	27
Other income	36	33
<b>Total income from continuing operations</b>	<b>19,957</b>	<b>16,621</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	4,349	4,367
Materials and services	7,363	6,567
Depreciation, amortisation and impairment	3,276	2,072
Calculated taxation equivalents	97	8
Other expenses	1,144	1,046
<b>Total expenses from continuing operations</b>	<b>16,229</b>	<b>14,060</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>3,728</b>	<b>2,561</b>
Grants and contributions provided for capital purposes	1,214	4,438
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>4,942</b>	<b>6,999</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>4,942</b>	<b>6,999</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(932)	(640)
<b>Surplus (deficit) after tax</b>	<b>4,010</b>	<b>6,359</b>
<b>Plus accumulated surplus</b>	<b>101,518</b>	<b>94,511</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	97	8
– Corporate taxation equivalent	932	640
<b>Closing accumulated surplus</b>	<b>106,557</b>	<b>101,518</b>
<b>Return on capital %</b>	<b>2.2%</b>	<b>1.6%</b>
<b>Subsidy from Council</b>	<b>3,386</b>	<b>4,476</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	4,010	6,359
Less: capital grants and contributions (excluding developer contributions)	(1,214)	(4,438)
<b>Surplus for dividend calculation purposes</b>	<b>2,796</b>	<b>1,921</b>
<b>Potential dividend calculated from surplus</b>	<b>1,398</b>	<b>961</b>

## Bathurst Regional Council

## Income Statement of Waste Management business activity

for the year ended 30 June 2025

\$ '000	2025 Category 1	2024 Category 1
<b>Income from continuing operations</b>		
Annual charges	9,849	8,648
Fees	8,088	7,716
Interest and investment income	125	241
Grants and contributions provided for operating purposes	18	108
Net gain from the disposal of assets	—	4
Other income	(3)	(4)
<b>Total income from continuing operations</b>	<b>18,077</b>	<b>16,713</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	4,203	3,926
Borrowing costs	158	85
Materials and services	8,604	9,673
Depreciation, amortisation and impairment	652	616
Net loss from the disposal of assets	13	(28)
Calculated taxation equivalents	136	40
Other expenses	61	26
<b>Total expenses from continuing operations</b>	<b>13,827</b>	<b>14,338</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>4,250</b>	<b>2,375</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>4,250</b>	<b>2,375</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>4,250</b>	<b>2,375</b>
Less: corporate taxation equivalent (25%) [based on result before capital]	(1,063)	(594)
<b>Surplus (deficit) after tax</b>	<b>3,187</b>	<b>1,781</b>
<b>Plus accumulated surplus</b>	<b>51,497</b>	<b>49,082</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	136	40
– Corporate taxation equivalent	1,063	594
<b>Closing accumulated surplus</b>	<b>55,883</b>	<b>51,497</b>
<b>Return on capital %</b>	<b>36.3%</b>	<b>19.9%</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	3,188	1,781
<b>Surplus for dividend calculation purposes</b>	<b>3,188</b>	<b>1,781</b>
<b>Potential dividend calculated from surplus</b>	<b>1,594</b>	<b>891</b>

# Attachment 6.1.1.1

Bathurst Regional Council | Statement of Financial Position of water supply business activity | as at 30 June 2025

## Bathurst Regional Council

### Statement of Financial Position of water supply business activity

as at 30 June 2025

\$ '000	2025	2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	9,070	9,408
Investments	12,365	11,615
Receivables	5,118	4,152
Other	61	29
<b>Total current assets</b>	<b>26,614</b>	<b>25,204</b>
<b>Non-current assets</b>		
Receivables	72	57
Infrastructure, property, plant and equipment	359,816	345,361
<b>Total non-current assets</b>	<b>359,888</b>	<b>345,418</b>
<b>Total assets</b>	<b>386,502</b>	<b>370,622</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Contract liabilities	11	—
Payables	468	678
Borrowings	492	469
Employee benefit provisions	917	820
<b>Total current liabilities</b>	<b>1,888</b>	<b>1,967</b>
<b>Non-current liabilities</b>		
Income received in advance	—	227
Borrowings	9,823	10,315
<b>Total non-current liabilities</b>	<b>9,823</b>	<b>10,542</b>
<b>Total liabilities</b>	<b>11,711</b>	<b>12,509</b>
<b>Net assets</b>	<b>374,791</b>	<b>358,113</b>
<b>EQUITY</b>		
Accumulated surplus	161,984	154,033
IPPE revaluation surplus	212,807	204,080
<b>Total equity</b>	<b>374,791</b>	<b>358,113</b>

# Attachment 6.1.1.1

Bathurst Regional Council | Statement of Financial Position of sewerage business activity | as at 30 June 2025

## Bathurst Regional Council

### Statement of Financial Position of sewerage business activity

as at 30 June 2025

\$ '000	2025	2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,766	1,190
Investments	26,178	24,604
Receivables	6,425	5,920
Other	3	38
<b>Total current assets</b>	<b>34,372</b>	<b>31,752</b>
<b>Non-current assets</b>		
Right of use assets	1	1
Receivables	20,175	20,468
Infrastructure, property, plant and equipment	171,009	163,647
<b>Total non-current assets</b>	<b>191,185</b>	<b>184,116</b>
<b>Total assets</b>	<b>225,557</b>	<b>215,868</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	355	426
Employee benefit provisions	476	489
<b>Total current liabilities</b>	<b>831</b>	<b>915</b>
<b>Non-current liabilities</b>		
Lease liabilities	1	1
Employee benefit provisions	79	—
<b>Total non-current liabilities</b>	<b>80</b>	<b>1</b>
<b>Total liabilities</b>	<b>911</b>	<b>916</b>
<b>Net assets</b>	<b>224,646</b>	<b>214,952</b>
<b>EQUITY</b>		
Accumulated surplus	106,557	101,519
IPPE revaluation surplus	118,089	113,433
<b>Total equity</b>	<b>224,646</b>	<b>214,952</b>

# Attachment 6.1.1.1

Bathurst Regional Council | Statement of Financial Position of Waste Management business activity | as at 30 June 2025

## Bathurst Regional Council

### Statement of Financial Position of Waste Management business activity

as at 30 June 2025

<b>\$ '000</b>	<b>2025 Category 1</b>	<b>2024 Category 1</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	50,503	48,020
Receivables	1,763	976
Other	41	2
<b>Total current assets</b>	<b>52,307</b>	<b>48,998</b>
<b>Non-current assets</b>		
Receivables	38	30
Infrastructure, property, plant and equipment	12,132	12,363
<b>Total non-current assets</b>	<b>12,170</b>	<b>12,393</b>
<b>Total assets</b>	<b>64,477</b>	<b>61,391</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Contract liabilities	239	243
Payables	9	289
Employee benefit provisions	435	428
<b>Total current liabilities</b>	<b>683</b>	<b>960</b>
<b>Non-current liabilities</b>		
Remediation Provision	2,062	3,276
<b>Total non-current liabilities</b>	<b>2,062</b>	<b>3,276</b>
<b>Total liabilities</b>	<b>2,745</b>	<b>4,236</b>
<b>Net assets</b>	<b>61,732</b>	<b>57,155</b>
<b>EQUITY</b>		
Accumulated surplus	55,883	51,495
Revaluation reserves	5,849	5,660
<b>Total equity</b>	<b>61,732</b>	<b>57,155</b>

## Note – Material accounting policy information

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

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

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

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

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

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

### National Competition Policy

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

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

### Declared business activities

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

#### Category 1

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

##### a. Bathurst Regional Council Water Supplies

Council's water supply activities (established as separate Special Rate Funds) servicing the region of Bathurst.

##### b. Bathurst Regional Council Sewerage Service

Council's sewerage reticulation & treatment activities (established as a Special Rate Fund) servicing the region of Bathurst.

##### c. Bathurst Regional Council Waste Services

Council's domestic waste service & solid waste depot activities servicing the region of Bathurst.

## Note – Material accounting policy information (continued)

### Category 2

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

**Council has no Category 2 businesses.**

### Taxation equivalent charges

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

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

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

#### Notional rate applied (%)

Corporate income tax rate – **25%** (2024 - 25%)

Land tax – the first \$1,075,000 of combined land values attracts **0%**. For the combined land values in excess of \$1,075,001 up to \$6,571,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$6,571,000 a premium marginal rate of **2.0%** applies.

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

### Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25%. (2024 25%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the 'Council' as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

### Local government rates and charges

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

### Loan and debt guarantee fees

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

#### (i) Subsidies

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

#### (ii) Return on investments (rate of return)

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

## Note – Material accounting policy information (continued)

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

The rate of return is calculated as follows:

**Operating result before capital income + interest expense**

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

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

### (iii) Dividends

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

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with DCCEE's regulatory and assurance framework and must not exceed 50% of the relevant surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2025 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).



## INDEPENDENT AUDITOR'S REPORT

### Report on the special purpose financial statements

#### Bathurst Regional Council

To the Councillors of Bathurst Regional Council

### Opinion

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

The Declared Business Activities of the Council are:

- water supply
- sewerage
- waste management.

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

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

### Basis for Opinion

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

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

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

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

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

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

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

### Emphasis of Matter - Basis of Accounting

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

### Other Information

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

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

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

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

I have nothing to report in this regard.

### The Councillors' Responsibilities for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Cassie Malone  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

14 November 2025  
SYDNEY

# Bathurst Regional Council

SPECIAL SCHEDULES  
for the year ended 30 June 2025

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*A thriving region where history, culture and nature are  
valued, diversity is celebrated, and economic growth is  
balanced with sustainability*



## Bathurst Regional Council

### Special Schedules

for the year ended 30 June 2025

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## Bathurst Regional Council

### Permissible income for general rates

\$ '000	Notes	Calculation 2024/25	Calculation 2025/26
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	31,448	<b>33,290</b>
Plus or minus adjustments <sup>2</sup>	b	273	<b>99</b>
<b>Notional general income</b>	c = a + b	<b>31,721</b>	<b>33,389</b>
<b>Permissible income calculation</b>			
Percentage increase	d	4.80%	<b>4.90%</b>
Plus percentage increase amount <sup>3</sup>	f = d x (c + e)	1,524	<b>1,636</b>
<b>Sub-total</b>	g = (c + e + f)	<b>33,245</b>	<b>35,025</b>
Plus (or minus) last year's carry forward total	h	98	<b>52</b>
<b>Sub-total</b>	j = (h + i)	<b>98</b>	<b>52</b>
<b>Total permissible income</b>	k = g + j	<b>33,343</b>	<b>35,077</b>
Less notional general income yield	l	33,290	<b>35,073</b>
<b>Catch-up or (excess) result</b>	m = k - l	<b>52</b>	<b>4</b>
<b>Carry forward to next year <sup>6</sup></b>	p = m + n + o	<b>52</b>	<b>4</b>

#### Notes

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



## INDEPENDENT AUDITOR'S REPORT

### Special Schedule – Permissible income for general rates

#### Bathurst Regional Council

To the Councillors of Bathurst Regional Council

### Opinion

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

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2024–25 (LG Code) and is in accordance with the books and records of the Council.

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

### Basis for Opinion

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

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

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

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

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

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

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

### Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

### Other Information

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

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

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

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

I have nothing to report in this regard.

### The Councillors' Responsibilities for the Schedule

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

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

### Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

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

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

## Attachment 6.1.1.1

Bathurst Regional Council | Permissible income for general rates | for the year ended 30 June 2025

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

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



Cassie Malone  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

14 November 2025  
SYDNEY

## Bathurst Regional Council

## Report on infrastructure assets as at 30 June 2025

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2024/25 Required maintenance <sup>a</sup>	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Buildings	Buildings	6,606	445	1,095	1,313	252,938	420,043	10.0%	38.5%	50.0%	1.5%	0.0%
	<b>Sub-total</b>	<b>6,606</b>	<b>445</b>	<b>1,095</b>	<b>1,313</b>	<b>252,938</b>	<b>420,043</b>	<b>10.0%</b>	<b>38.5%</b>	<b>50.0%</b>	<b>1.5%</b>	<b>0.0%</b>
Other structures	Other structures	2,974	1,638	436	154	33,842	58,211	20.0%	29.0%	28.0%	15.0%	8.0%
	<b>Sub-total</b>	<b>2,974</b>	<b>1,638</b>	<b>436</b>	<b>154</b>	<b>33,842</b>	<b>58,211</b>	<b>20.0%</b>	<b>29.0%</b>	<b>28.0%</b>	<b>15.0%</b>	<b>8.0%</b>
Roads	Sealed roads	87,377	70,284	9,172	3,256	314,295	485,487	14.0%	27.0%	22.0%	26.0%	11.0%
	Unsealed roads	4,629	2,973	499	1,204	72,492	131,165	0.0%	17.0%	23.0%	43.0%	17.0%
	Bridges	10,265	9,154	1,749	36	74,662	129,734	14.0%	32.0%	35.0%	12.0%	7.0%
	Footpaths	1,151	—	294	491	21,133	29,616	45.0%	21.0%	25.0%	8.0%	1.0%
	Other road assets	3,360	234	436	712	281,709	281,709	26.0%	25.0%	31.0%	17.0%	1.0%
	<b>Sub-total</b>	<b>106,782</b>	<b>82,645</b>	<b>12,150</b>	<b>5,699</b>	<b>764,291</b>	<b>1,057,711</b>	<b>16.3%</b>	<b>25.7%</b>	<b>26.2%</b>	<b>23.5%</b>	<b>8.3%</b>
Water supply network	Water supply network	27,264	14,657	6,327	3,680	310,064	478,590	10.0%	36.0%	39.0%	11.0%	4.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>27,264</b>	<b>14,657</b>	<b>6,327</b>	<b>3,680</b>	<b>310,064</b>	<b>478,590</b>	<b>10.0%</b>	<b>36.0%</b>	<b>39.0%</b>	<b>11.0%</b>	<b>4.0%</b>
Sewerage network	Sewerage network	37,592	20,775	6,268	4,375	156,927	308,849	15.0%	16.0%	36.0%	26.0%	7.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>37,592</b>	<b>20,775</b>	<b>6,268</b>	<b>4,375</b>	<b>156,927</b>	<b>308,849</b>	<b>15.0%</b>	<b>16.0%</b>	<b>36.0%</b>	<b>26.0%</b>	<b>7.0%</b>
Stormwater drainage	Stormwater drainage	4,209	383	2,102	1,437	189,657	258,029	34.0%	32.0%	29.0%	4.0%	1.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>4,209</b>	<b>383</b>	<b>2,102</b>	<b>1,437</b>	<b>189,657</b>	<b>258,029</b>	<b>34.0%</b>	<b>32.0%</b>	<b>29.0%</b>	<b>4.0%</b>	<b>1.0%</b>
Open space / recreational assets	Swimming pools	1,926	1,555	296	909	18,995	38,033	0.0%	100.0%	0.0%	0.0%	0.0%
	<b>Sub-total</b>	<b>1,926</b>	<b>1,555</b>	<b>296</b>	<b>909</b>	<b>18,995</b>	<b>38,033</b>	<b>0.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total – all assets</b>		<b>187,353</b>	<b>122,098</b>	<b>28,674</b>	<b>17,567</b>	<b>1,726,714</b>	<b>2,619,466</b>	<b>15.6%</b>	<b>30.3%</b>	<b>33.4%</b>	<b>15.5%</b>	<b>5.2%</b>

(a) Required maintenance is the amount identified in Council's asset management plans.

## Infrastructure asset condition assessment 'key'

**Bathurst Regional Council****Report on infrastructure assets as at 30 June 2025 (continued)**

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#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

## Bathurst Regional Council

## Report on infrastructure assets as at 30 June 2025

## Infrastructure asset performance indicators (consolidated) \*

\$ '000	Amounts 2025	Indicator 2025	Indicators 2024      2023		Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals <sup>1</sup>	17,304	67.89%	48.86%	18.31%	> 100.00%
Depreciation, amortisation and impairment	25,487				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	187,353	10.81%	10.97%	9.22%	< 2.00%
Net carrying amount of infrastructure assets	1,732,797				
Asset maintenance ratio					
Actual asset maintenance	17,567	61.26%	86.82%	115.68%	> 100.00%
Required asset maintenance	28,674				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	122,098	4.66%	1.90%	2.10%	
Gross replacement cost	2,619,466				

(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

## Bathurst Regional Council

## Report on infrastructure assets as at 30 June 2025

## Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2025	2024	2025	2024	2025	2024	
Buildings and infrastructure renewals ratio							
Asset renewals <sup>1</sup>	80.68%	44.81%	40.24%	48.41%	26.42%	88.08%	> 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	9.68%	10.26%	8.79%	8.07%	23.96%	21.94%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	59.16%	80.31%	58.16%	109.69%	69.80%	85.60%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	4.73%	0.79%	3.06%	2.93%	6.73%	6.78%	
Gross replacement cost							

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.