



Castlereagh Macquarie County Council

ANNUAL REPORT 2022/2023

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Table of Contents

A MESSAGE FROM THE CHAIRPERSON.....	5
OUR VISION AND MISSION STATEMENT	6
Vision	6
Mission.....	6
REASON FOR OUR ANNUAL REPORT	7
WHO WE ARE.....	9
Elected Council	9
Administrative Support.....	9
Operations	9
Location	10
Core Business Activities	10
OUR AREA OF OPERATION.....	11
OUR COUNCILLORS.....	12
OUR ORGANISATIONAL STRUCTURE	13
Current Organisational Structure	13
COUNTY COUNCIL’S ROLE IN WEED CONTROL.....	14
INTEGRATED PLANNING AND REPORTING SUMMARY	15
Business Activity Strategic Plan	15
Four Year Delivery Programme	15
Annual Operational Plan and Budget	15
STATUTORY REPORTING INFORMATION	16
WEEDS ACTION PROGRAM 2020 - 2025.....	20
EDUCATION AND COMMUNITY AWARENESS	21
HUDSON PEAR CONTROL PROGRAMME	21
HUDSON PEAR CHEMICAL DISTRIBUTION	22
ST JOHN’S WORT	24
PARKINSONIA.....	25
VARROA MITE RESPONSE	26
ATTACHMENTS	28
Attachment A – Review of Functional Objectives – Outcomes for 2022/2023.....	29
Attachment B – Financial Information	43

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Clr Doug Batten

General Manager:

Mr. Michael Urquhart

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A MESSAGE FROM THE CHAIRPERSON



On behalf of my fellow Councillor's it gives me great pleasure to present my 2022/2023 annual report as Chairman of Castlereagh Macquarie County Council.

Our staff, General Manager, Senior Biosecurity Officer and Biosecurity Officers continue to be a highly professional and effective team ensuring land manager compliance for the control of noxious weeds across the five (5) constituent shire LGA's.

Earlier in the year Council successfully lobbied the NSW Government for additional funds for the Hudson Pear containment program, with \$2.6million made available to NWLLS for control works, aerial inspections, and employment of two (2) full-time staff to undertake spraying and community engagement.

With a horrific St John's wort season in 2022, Council once again made available additional funds for the engagement of spray contractors to assist Biosecurity Officers with the annual roadside control program. The sheer size of the problem can be still seen today with remnant stands of dead wort still visible along vast stretches of road corridors.

Special projects this financial year include;

- A highly successful Hudson Pear Containment project, partnering with Local Land Services for the engagement of contractors, provision of chemical to land managers and an aerial surveillance program totalling \$569,000. The program will run into the new financial year when the North-West LLS assumes responsibility for the remainder of the program commencing in August 23.
- NSW DPI sought CMCC's assistance with an aerial inspection and control works program for Parkinsonia along the Narren River which totaled \$60,000.
- The DPI continue to partner with CMCC for the management of the bio control facility at Lightning Ridge and distribution of the bugs.

The private property inspection program was once again a big success with landowner compliance of a high standard across most parts of the County. Some problem areas still exist and the staff are working closely with landowners on a staged control program.

Council revenue for 2022/23 totaled \$1.832 million with \$1.863 million in operational expenditure. It is pleasing to report Council's Working Capital increased by \$9,000 to \$834,000 while the overall cash and investments decreased by \$51,000 to a year-end balance of \$1,081,000.

In closing, I would like to thank my fellow Councillors and Council staff for their ongoing support and commitment to the control and minimization of noxious weeds in the County area.

Councillor Doug Batten
Chairman

OUR VISION AND MISSION STATEMENT

Vision

The prevention, elimination, minimisation and management of the biosecurity risk posed or likely to be posed by weeds within the County District so that it does not become a significant factor limiting:

- agricultural productivity and
- the quality of the rural environment and
- the economic viability of rural communities within the County District.

Mission

Castlereagh Macquarie County Council's mission is to ensure all private and public landholders manage their holdings in such a way as to reach and maintain a sustainably low level of weed biosecurity risk.

This mission is to be shared by all those agencies striving to reduce biosecurity risks across the country, throughout the regions and locally with the constituent councils, landholders and the whole of the community living and residing within the County District.

To provide effective integrated weed management systems utilizing the latest technology to all constituent council areas fairly and equitably in accordance with the Biosecurity Act, 2015.

REASON FOR OUR ANNUAL REPORT

Our Annual Report is one of the key points of accountability between Council and our community. It is not a report that is submitted to the Office of Local Government or the State Government; rather it is a report to inform and update our community.

This report focuses on Council's implementation of the CMCC Delivery Programme 2021/2022 – 2024/2025 and Operational Programme 2022/23. The CMCC Financial Statements for 2022/2023 and Audit Report are included in this report at **Attachment C – Financial Statements**.

This report also includes some information that is prescribed by the Local Government (General) Regulation 2021. This information has been included in the Regulation because we believe that it is important for the community members to obtain knowledge about it – to help them gain a better understanding of how the Council has been performing both as a business entity and a community leader.

Below is the additional legislative basis for the development of our Annual Report:

LOCAL GOVERNMENT ACT 1993

The following is a summary of the requirements of Section 428 of the Act:

- Council must prepare an annual report within five months after the end of a financial year. The report will outline the Council's achievements in implementing its Delivery Program and the effectiveness of the principle activities undertaken in achieving the objectives at which those principle activities are directed.
- The annual report must contain Council's audited financial statements and notes and any information required by the Regulation or the Guidelines.
- A copy of the report must be posted on Council's website (www.cmcc.nsw.gov.au) and provided to the Minister and such other persons and bodies as the regulations may require.

LOCAL GOVERNMENT (GENERAL) REGULATION 2021

Clause 217 of the Regulation requires the following information to be included in the annual report:

- Details (including the purpose) of overseas visits during the year by Councillors and staff
- Details of Chairman and Councillor fees, expenses and facilities
- Details of contracts awarded by the Council
- Amounts incurred in relation to legal proceedings
- Works carried out on private lands and financial assistance
- Details of external bodies, companies and partnerships

-
- A statement of the activities undertaken by the council during that year to implement its equal employment opportunity management plan
 - Details of the General Manager's total remuneration
 - Details of the total remuneration of all senior staff members employed during the year

WHO WE ARE

The Castlereagh Macquarie County Council is comprised of three distinct elements: the governing body, administration and the operations

Elected Council

As a County Council under the LGA 1993, CMCC is required to have a governing body made up of elected representatives of its Constituent Councils. Part 5 of the Local Government Act 1993 (*see note 1) outlines the formation and operation of County Councils. The application of LGA 1993 to CMCC is outlined in Section 400, LGA 1993.

Ten councillors including a Chairperson and Deputy Chairperson make up the governing body of Castlereagh Macquarie County Council. Each Constituent Council is represented by two councillors who are elected as representatives for a four year term.

Under the *Local Government Act 1993*, Councillors have a responsibility to:

- Participate in the determination of the budget
- Play a key role in the creation and review of Council policies, objectives and criteria relating to the regulatory functions, and
- Review Council's performance and the delivery of services management plans and revenue policies.

A councillor represents residents and ratepayers, provides leadership and guidance to the community, and facilitates communication between the community and Council. Council meets bi-monthly (even months) on the fourth Monday of each month commencing at 10:30am.

Administrative Support

Administrative support to the 30th June 2023 was provided on an annual contract basis by Walgett Shire Council and an Administrative Officer employed by Walgett Shire Council is located within the Walgett Shire Council Offices at Walgett. The Administrative Officer performs a range of clerical and accounting functions as required by the General Manager.

The General Manager leads the administrative arm of Castlereagh Macquarie County Council and is responsible for the efficient and effective operation of the business and ensuring that the decisions of Council are implemented.

The General Manager reports to the fully elected Council.

Operations

Council has a team of six (6) Bio Security Officer which is lead by the Senior Bio Security Officer currently based at Warrumbungle Shire Council. A Bio Security Officer is located in each of the five (5) constituent council LGA's with the Senior Bio Security Officer managing and assisting the team of five (5).

The inspectors are fully accredited Bio Security Officers having completed the Department of Primary Industries Bio Security training course.

The Operations team is responsible for private property and roadside inspections by actively undertaking the education, awareness and engagement with all land managers (public and private) to prevent, eliminate or minimize biosecurity weed risks and/or impacts on behalf of Council, the Local Control Authority (Biosecurity Act 2015). The team undertake site inspections along high-risk pathways and sites and provide advice to private and public landholders to reduce biosecurity weed impacts on both high value environmental and agricultural land and other key assets. They Interpret the regulatory framework and issue biosecurity undertakings or directions if required and identify new and emerging invasive weeds within the county council area.

Location

Castlereagh Macquarie County Council is a single purpose Council which is responsible for the fulfillment of its Constituent Councils obligations under the NSW Biosecurity Act 2015.

The County Councils governance is in accordance with the Local Government Act 1993 (LGA 1993) with the County Council being first proclaimed in 1947.

The present area of operation of CMCC is the local government areas of Coonamble, Gilgandra, Warren, Walgett and Warrumbungle. These Councils are located in the Orana Region of Western New South Wales.

***Note 1:** Part 5, Local Government Act 1993 contained in Appendix A

Core Business Activities

The core role of the County Council is the prevention, elimination, minimisation and management of the biosecurity risk posed or likely to be posed by weeds on both private and council controlled lands.

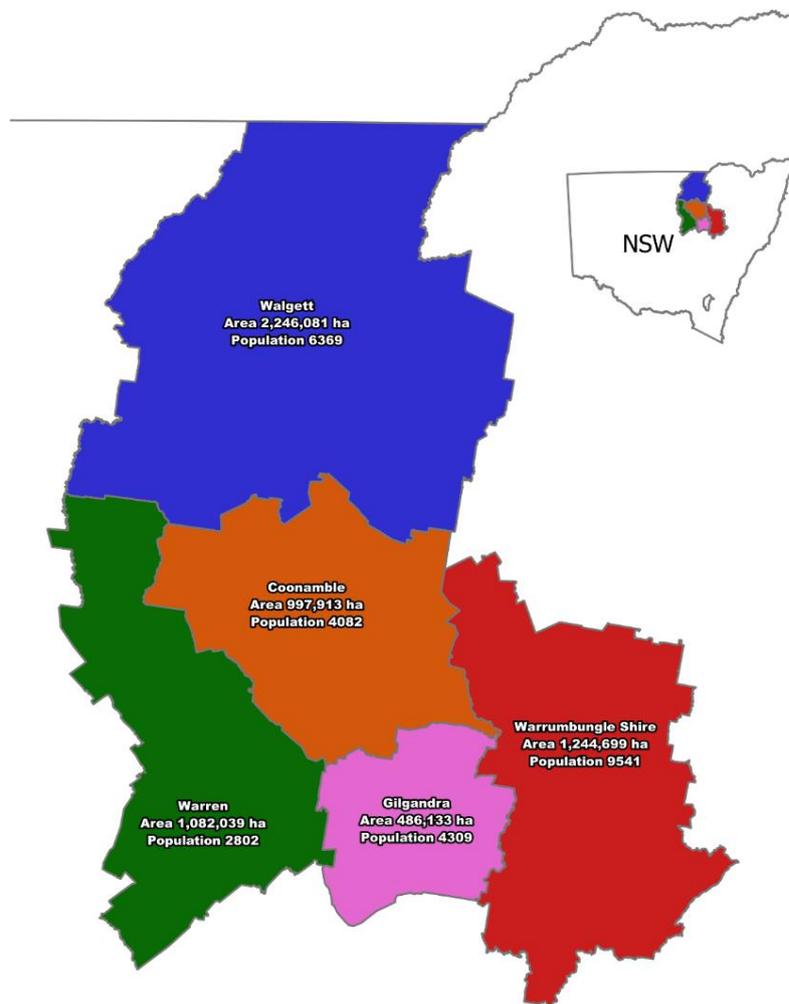
The diverse range of climatic conditions within the region exposes it to a large range of invasive plants which have the potential of establishing themselves within the region.

In NSW all plants are regulated with a general biosecurity duty to prevent, eliminate or minimise any biosecurity risk they may pose. Any person who deals with any plant, who knows (or ought to know) of any biosecurity risk, has a duty to ensure the risk is prevented, eliminated or minimized.

Government Grants

Council receives very limited Federal Government Grant Funding. However approximately one half of Council's income is sourced from State Government Grants which are administered jointly by the North West and Central West Local Land Services. Various other grants are accessed through NSW Department of Primary Industries and other government agencies.

OUR AREA OF OPERATION



Castlereagh Macquarie County Council's area of operation comprises an area of approximately 6,056,865 hectares with a population of around 27,000 people. The region has a diverse topographical range, from the Warrumbungle Range to the semi-arid regions of Lightning Ridge and contains an extensive area of National Parks and Nature Reserves.

OUR COUNCILLORS



Chairperson
Doug Batten
Gilgandra



Deputy Chairperson
Bill Fisher
Coonamble



Councillor
Greg Peart
Gilgandra



Councillor
Pat Cullen
Coonamble



Councillor
Michael Cooke
Walgett



Councillor
Ian Woodcock
Walgett



Councillor
Greg Whiteley
Warren



Councillor
Noel Kinsey
Warren



Councillor
Zoe Holcombe
Warrumbungle



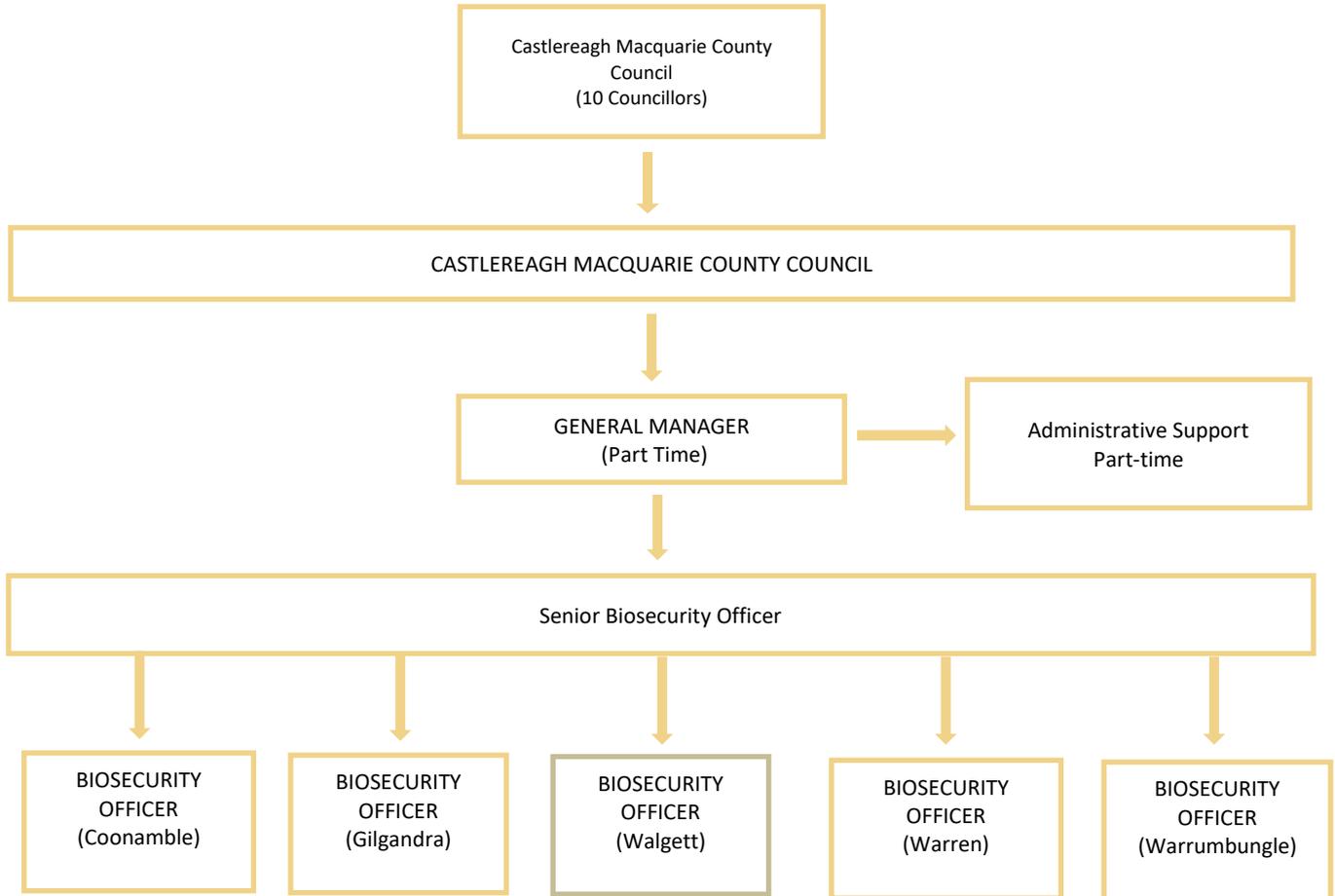
Councillor
Denis Todd
Warrumbungle

OUR ORGANISATIONAL STRUCTURE

The current staff structure of the Council consists of a part time General Manager, a part-time Administration Officer, Senior Biosecurity Officer and Five (5) District Biosecurity Officers.

The Council’s current structure is outlined in the following table.

Current Organisational Structure



General Manager:

This position is part-time and currently held by Michael Urquhart. The General Manager is responsible for the management of CMCC in accordance with the **LGA 1993**.

Administration Officer:

This is a part-time position based at Councils administration office in Walgett. The Administration Officer is responsible for payroll, accounts receivable, accounts payable, records management, customer service, finance and personal assistant to the General Manager.

Senior Biosecurity Officer:

This position is a full-time position with the Senior Biosecurity Officer being responsible for the day to day management of

CMCC and supervision of District Biosecurity Officers. The position is based at our Coonabarabran Depot.

Biosecurity Officers:

These positions are on a full time/casual/contract basis with duties including but not limited to property inspections for the presence of invasive plants on private lands and Council controlled lands, raising community awareness through public awareness programs in their designated Shires.

COUNTY COUNCIL'S ROLE IN WEED CONTROL

The County Council is constituted under the Local Government Act 1993 and is specified as a Local Control Authority under the NSW Biosecurity Act 2015. It is a special (single) purpose authority formed to carry out the following functions, in relation to the land for which it is the local control authority.

- the prevention, elimination, minimisation and management of the biosecurity risk posed or likely to be posed by weeds,
- to develop, implement, co-ordinate and review weed control programs,
- to inspect land in connection with its weed control functions,
- to keep records about the exercise of the local control authority's functions under this Act,
- to report to the Secretary about the exercise of the local control authority's functions under this Act.

INTEGRATED PLANNING AND REPORTING SUMMARY

Business Activity Strategic Plan

Council's Business Activity Strategic Plan (Plan) identifies Council's interpretation of its community's main priorities and aspirations for the future, addressing strategies for achieving the objectives in relation to invasive weeds management and control across our constituent council areas. This enables Council to improve agricultural sustainability, primary industry productivity and to deliver broad environmental outcomes for the County area for over the next ten years.

Council, as a small single purpose organization, has been mindful of its resource capacity and continues to act prudently to deliver the outcomes identified in its Plan.

The Plan is the foundation for the Annual Operational Plan and Budget, Four Year Delivery Programme and Resourcing Strategy comprising the Ten Year Financial Plan, Workforce Strategy and Asset Management Plan.

Four Year Delivery Programme

The Four Year Delivery Programme is a living, breathing document through which Council addresses the dynamic nature of invasive weed species and its constantly evolving approach to weed management and control.

It is Council's aim to continue to improve the services it provides to the Constituent Council communities through the strategic objectives and principle activities identified in the Programme in a range of ways including effective governance, strategic planning, environmental management and economic sustainability.

Annual Operational Plan and Budget

The Annual Operational Plan and Budget provides the framework for Council's day to day operations and the ability to have funding available for them. Key aspects include the undertaking of activities in relation to the Weeds Action Plan, private property inspections and routine administrative functions and staff supervision.

STATUTORY REPORTING INFORMATION

The following information is provided in order to comply with NSW legislation and associated regulatory requirements that a Council's annual report will address certain prescribed matters.

A. Performance of Principal Activities:

For the purposes of section 428 (1) of the Local Government Act (1993), and clause 397J of the Local Government Regulations (2021) Council's annual performance statement setting out achievements in implementing the delivery program and effectiveness of principal activities for the 2022/23 reporting period are outlined. Please refer to **Attachment A**.

B. Audited Financial Reports

For the purposes of section 428 (4) (a) of the Local Government Act (1993), Council's financial position as at 30th June 2023 for the financial year 2022/2023 is attached and includes the Audit Reports prepared by the NSW Auditor General. Please refer to **Attachment B**.

C. State of the Environment

For the purposes of section 428A of the Local Government Act (1993), Council does not have a State of the Environment Report as such a report is produced by the constituent councils in connection with their respective community strategic plans. Please refer to the relevant Local Council Website for such reports.

D. Miscellaneous Item - Members Fees, Expenses & Facilities

For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a) & (a1) of the Local Government Regulations (2021) Council's position in relation to the payment of fees and expenses or provision of facilities for the 2022/23 reporting period are set out below. Please refer to www.cmcc.nsw.gov.au for Council's Policy.

(a) There were no overseas visits undertaken during the year by Councillors, Council staff or any other persons representing the Council (including no visits sponsored by other organisations).(a1) The total cost during the year of the payment of the expenses of, and the provision of facilities to, Councillors in relation to their civic functions (as paid by the council, reimbursed to the Councillor or reconciled with the Councillor) was **\$22,655.04**.

a. The detailed breakdown for prescribed elements of the total cost is as follows:

The payment of meeting fees to Council Members as required under section 248 of the Local Government Act was \$18,999.60.

The payment of meeting fees to the Council Chairman as required under section 249 of the Local Government Act was **\$4,080.00**.

The payment of meeting attendance travel expenses to Council Members and the Council Chairman as per section 252 of the Local Government Act was **\$4,575.44**

i. The provision during the year of dedicated office equipment allocated to Councillors on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in Councillor's homes (including equipment and line rental costs and internet access costs but not including call costs) was **NIL**.

- ii. Telephone calls made by Councillors, including calls made from mobile telephones provided by the council and from landline telephones and facsimile services installed in a Councillors home was **NIL**.
- iii. The attendance of Councillors at conferences and seminars was **NIL**.
- iv. The training of Councillors and the provision of skill development for Councillors was **NIL**.
- v. Interstate visits undertaken during the year by Councillors while representing the council, including the cost of transport, the cost of accommodation and other out of pocket travelling expenses was **NIL**.
- vi. Overseas visits undertaken during the year by Councillors while representing the council, including the cost of transport, the cost of accommodation and other out of pocket travelling expenses was **NIL**.
- vii. The expenses of any spouse, partner (whether of the same or the opposite sex) or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW prepared by the Director-General from time to time was **NIL**.
- viii. Expenses involved in the provision of care for a child of, or an immediate family member of, a Councillor, to allow the Councillor to undertake his or her civic functions was **NIL**.

(a2) Miscellaneous Item – AWARDING OF CONTRACTS

For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a2) of the Local Government Regulations (2021) Council did not award any contracts for work of value greater than \$250,000 for the 2022/23 reporting period.

(a3) Miscellaneous Item – LEGAL PROCEEDINGS For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a3) of the Local Government Regulations (2021) Council was not involved in any legal proceedings being taken by or against the Council.

(a4) Miscellaneous Item – PRIVATE WORKS - For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a4) of the Local Government Regulations (2021) Council's position in relation to undertaking private works for the 2022/23 reporting period is as follows: Council undertook various private works in relation to weed control on both public and private land during the year, on a cost-plus basis paid by the relevant agency/property owner. Council sets out the applicable rates and charges for private works in Council's fees and charges schedules. These rates are generally similar to the rates of contractors, as Council does not wish to unfairly compete with private enterprise. Council has not made any resolutions pursuant to Section 67 2(b), accordingly no public works have been subsidised by Council.

(a5) Miscellaneous Item – CONTRIBUTIONS TO OTHERS For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a5) of the Local Government Regulations (2021) Council did not make any contributions under section 356 of the Local Government Act to financially assist others during the 2022/23 reporting period.

(a6) Miscellaneous Item – CONTRIBUTIONS TO OTHERS For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a6) of the Local Government Regulations (2021) Council did not delegate to any external body the power to exercise functions on behalf of the Council during the 2022/23 reporting period.

(a7) Miscellaneous Item – CONTROL OF OTHER ENTITIES - For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a7) of the Local Government Regulations (2021) Council did not hold a controlling interest in any corporations, partnerships, trusts, joint ventures, syndicates or other bodies during the 2022/23 reporting period.

(a8) Miscellaneous Item – PARTICIPATING IN OTHER ENTITIES For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a8) of the Local Government Regulations (2021) Council participated in other corporations, partnerships, trusts, joint ventures, syndicates or other bodies during the 2022/23 reporting period as follows:

- Macquarie Valley Weeds Committee
- Local Government NSW (LGNSW)
- Hudson pear Taskforce
- North West and Central West Local Land Services Regional Weeds Advisory Committees

(a9) Miscellaneous Item – EQUAL OPPORTUNITY EMPLOYMENT - For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (a9) of the Local Government Regulations (2021) Council undertook limited activities, consistent with its small size, to implement its equal employment opportunity management plan during the 2022/23 reporting period as follows:

- Recruited to vacant positions through an open public process.

(b) Miscellaneous Item – GENERAL MANAGER REMUNERATION - For the purposes of section 428 (4) (b) of the Local Government Act (1993), and clause 217 (1) (b) & (c) & (d) of the Local Government Regulations (2021) Council provided total remuneration package to the Part-time General Manager of **\$57,460.00** during the 2022/23 reporting period. This remuneration included salary, and any non-cash benefits and associated taxes as applicable. Council's organisational structure provides for the employment of the General Manager as the only Senior Staff position. The part-time General Manager was engaged under the Office of Local Government Standard Contract of Employment.

(c) Total of remuneration paid to all senior staff members (other than the General Manager) was Nil as the General Manager is the only senior officer.

(d) The total number of persons who performed paid work for the Council on the relevant day is as follows:

- (i) persons employed by the Council on a permanent full-time, permanent part-time or casual basis or under a fixed term contract totalled 6 (six) full-time and 2 (two) part-time.
- (ii) Senior staff members totalled 1 (one)
- (iii) There were no persons engaged by the Council under a contract or other arrangement with the persons employer, wholly or principally for the labour of the person
- (iv) No persons were supplied to the Council, under a contract or other arrangement with the persons employer, as an apprentice or trainee.

(E) Miscellaneous Item – Rates & Charges For the purposes of clause 132 of the Local Government Regulations (2021) Council did not write-off any rates or charges during the 2022/23 reporting period.

(F). GOVERNMENT INFORMATION - For the purposes of section 125 (1) of the Government Information (Public Access) Act (2009) and Clause 7 Schedule 2 of the Government Information (Public Access) Regulation (2018) the following report is provided about Government Information Public Access activity for the 2022/23 reporting year. *Council did not receive any requests for the release of information under the Government Information (Public Access) Act 2009 (GIPA) during the 2020-2021 reporting period.*

(G). DISCLOSURE OF PUBLIC INTERESTS For the purposes of section 31 of the Public Interests Disclosure Act (1994), the following report is provided about public interests disclosed by Councillors and / or designated persons. *The six monthly and annual reports were provided to the NSW Ombudsman in accordance with the Public Interest Disclosures Act (1994). There were no public interest disclosures either made or received during the reporting period 2022/23.*

(H). COMPLIANCE WITH CODE OF CONDUCT - For the purposes of the reporting requirements under the model Code of Conduct the following report is provided regarding complaints about non-compliance with the Council code of conduct. *Council adopted a Code of Conduct and Procedures in June 2020 based on the Division of Local Government's then new Model Code of Conduct. There were no Code of Conduct complaints made about Councillors or the General Manager during the reporting period 2022/23.*

(I). PRIVACY & PERSONAL INFORMATION For the purposes of the reporting requirements relating to complaints about non-compliance with the privacy laws. *There were no complaints or other requirement for review of the conduct of Council under Part 5 of the Privacy & Personal Protection Act (1998) during the reporting period 2022/23.*

WEEDS ACTION PROGRAM 2020 - 2025

The NSW Weeds Action Program 2020-2025 (WAP2025) follows, and builds on, the successful implementation of the NSW Weeds Action Program 2015-2020.

It is a NSW Government initiative to reduce the impact of weeds and is guided by the NSW Biosecurity Strategy 2013-2021 (the Biosecurity Strategy) and the NSW Invasive Species Plan 2018-2021 (the ISP).

During the 2013-14 review of weed management in NSW, the Natural Resources Commission investigated several issues of community concern resulting in eight key recommendations. The Government response to the review was endorsed by Cabinet in September 2014. Implementation of the recommendations has required changes to the then existing regional delivery models.

The key recommendation relevant to WAP2025 was:

Recommendation 3: Ensure consistent and coordinated regional planning and local delivery:

3B - Replace the existing 14 regional weed advisory committees with 11 statutory regional weed committees comprising LCAs, public and private landholders, and community members as subcommittees to LLS, and aligned with LLS borders

3C - Provide a legislative basis for tasking the regional weed committees with developing regional plans and priorities for weeds and surveillance.

The NSW Government has been committed to implementing this recommendation and identified WAP2025 as a key driver to deliver these changes. The establishment of the new committees has been a high priority as they assist regional planning requirements under the NSW Biosecurity Act. CMCC crosses two LLS regions – North West and Central West. To reduce administrative duplication, the county was originally a partner only in the Central West WAP2025 project with Orange City Council as the lead agency for the CW WAP 2025 project, coordinated by the Macquarie Valley Weeds Committee. This has now changed and Council receives separate funding allocations from both the North West and Central West LLSs in respect of the constituent councils in their respective regions.

The WAP 20/25 targets the highest risk weeds, including:

- Through inspections and monitoring the prevention of new weeds becoming established,
- Through monitoring and control eliminating or preventing the spread of new weeds,
- Through targeted control programmes the protection of significant natural assets (endangered ecological communities, wetlands and major waterways),
- By targeting the weeds workforce and community improving capacity through awareness and education.

The County Council, along with all WAP partners and additional stakeholders with interests in weed management, is also working with the newly established Regional Weed Committees for both the North West and Central West regions. Both committees have now produced new Regional Strategic Weed Management Plans for each of their regions and these are detailed in this report.

EDUCATION AND COMMUNITY AWARENESS

The constituent councils being the councils from the local government areas of Walgett, Warrumbungle, Coonamble, Gilgandra and Warren are the primary funding agencies. The constituent council communities are the direct beneficiaries of the County Council's work and accordingly have a keen interest in the County Council's activities and in particular the impacts of weed biosecurity in relation to farmland productivity, local economic impacts and more generally the quality of life in rural communities. Beyond landholders and residents in the County area, the effectiveness of local weed biosecurity impacts on all Australians in different ways, as efforts to control weeds in our district, is part of a national effort to control serious invasive pest plants that unchecked will cause insurmountable damage to the productivity of agricultural land, country landscapes, and waterway environments.

Castlereagh Macquarie County Council Biosecurity Officers control roadside weeds and on a daily basis conduct property inspections. Education and awareness are ongoing to landowner/managers, communities, grey nomads and other road users i.e. slashers. The New South Wales Weed Control Handbook, Northwest & Central West Regional Strategic Weed Management Plan and the Northwest & Central West Glove box weed booklet are distributed regularly. Landowner/managers and community are also encouraged to use the NSW Weed Wise app that has regular updates of weed profiles, biosecurity duties and control information. Awareness and understanding of the importance of biosecurity Act 2015 and people's responsibilities is most important to protect and enhance the healthy and productive landscapes of the County Councils regions. This Plan is critical to ensure the combined efforts of landholders, agencies and other stakeholders are effective in meeting the current and future threats posed by weeds to our natural, social and economic assets.

The County Council area of operations includes parts of the NSW Central West and NSW Northwest that are highly productive agricultural land, high ecological value national parks, and vast areas of quality forest operations. Climatically the area is susceptible to rapid weed invasion of the farmland, the parks, and the forests, escaping from properties where landholders historically do not properly control weeds on their land on an ongoing basis. The primary weed risk at present

Hudson Pear white spine (*Cylindropuntia pallida*), Hudson Pear Brown Spine (*Cylindropuntia Tunicata*), Tiger Pear, Harrisia Cactus, St John's Wort, African Box Thorn, Blue Heliotrope, Spiny Burr Grass, Green Cestrum, Blackberry, Parkinsonia, Parthenium, Sticky Nightshade and Mother of Millions.

HUDSON PEAR CONTROL PROGRAMME

In December 2022, in the lead-up to the state election, the local member the Nationals Dugald Saunders, announced a \$2.6 million Hudson Pear Control Program. Local Land Services Northwest engaged Castlereagh Macquarie County Council to get the program running from 1st March 2023 to 18th August 2023. Castlereagh Macquarie County Council conducted an aerial surveillance on Hudson Pear particularly checking containment lines. A total of 20 landholders put in an expression of interest for spray contractors to spray Hudson Pear on their properties and 17 Landholders took advantage of the chemical supply program. Castlereagh Macquarie County Council engaged spray contractors that sprayed infestations over approximately 50,000 Hectares.



Two full time positions have also been created this year within Northwest Local Land Services to manage the program moving forward.

The Hudson Pear Control Program will be in operation until June 2027, and aims to stop the spread and progressively contain Hudson pear while the core infestation is treated with the biological control *Dactylopius tomentosus* (Ccalifornica var.).

The program includes:

- providing chemical access to landholders, free to those in identified priority areas
- targeted spraying of Hudson Pear outliers and high-risk containment zones

The Hudson Pear Taskforce is also overseeing the program - an independently chaired committee of stakeholders inclusive of industry bodies, state agencies, local government, landholders and interest groups.

HUDSON PEAR CHEMICAL DISTRIBUTION

Chemical is currently being supplied to landholders for the following uses:

- establishment of containment zones outside core infestations of Hudson pear to maintain/progressively shrink containment lines or manage new outbreaks.
- local eradication of outlier incursions in strategic locations
- creation of buffer zones by landholders in core infestation areas around high spread risk zones/pathways on their property such as roads/tracks, infrastructure, and property boundaries.

Landholder chemical access will not target treatment of the core infestation of Hudson pear. In these areas the biological control will continue to be distributed and established.

Allocation of amounts of chemical will be informed by project scale, relative priority to other projects, activity completion and chemical stock availability. Limits to chemical supply will be considered if the program becomes fully subscribed.

Chemical is not being supplied to landholders for:

- statutory weed control
- clearing of native vegetation
- activities that have already been completed.

HOW TO APPLY FOR CHEMICAL FOR HUDSON PEAR CONTROL

Currently, landholders with Hudson pear on their property in the Brewarrina and Walgett shires can submit an expression of interest to gain access to chemical.

Download the [expression of interest form PDF](#) and return to Todd Pallister (contact details below).

- Landholders will need to hold a current AQF3 chemical certificate to obtain chemical supplies.
- Chemical, wetter and dye will be supplied. Landholders are required to pick up the chemical at the collection point.
- Landholders will need to make a 1 to 1 in-kind contribution to the value of chemical provided. This is normally done as in-kind labour when spraying the Hudson pear.
- Chemical will not be supplied to contractors or sub-contractors on behalf of landholders.

To be eligible landholders must also:

1. be able to demonstrate that proposed activities are over and above any statutory landholder requirements for weed management under the *Biosecurity Act 2015*
2. be willing to agree to enter into an agreement for the provision of herbicide. Approved Landholders will be required to pick up chemical from designated locations within agreed timeframes.

To find out more about the program, please:

- contact Todd Pallister, Cacti Control Coordinator - Hudson Pear, North West Local Land Services on 0457 939 055 or todd.pallister@lls.nsw.gov.au
- or [sign up to the Hudson Pear stakeholder newsletter](#) for regular updates.



ST JOHN'S WORT

Central West Regional Recommended Measure (for Regional Priority - Asset Protection)

Land managers should mitigate the risk of the plant being introduced to their land. Land managers should mitigate spread of the plant from their land. A person should not buy, sell, move, carry or release the plant into the environment. Land managers should reduce the impact of the plant on assets of high economic, environmental and/or social value.

Castlereagh Macquarie County Council continues to be actively involved in education and awareness one on one with landowners/managers, fields days and workshops. Various media including media releases, newspapers, Facebook and TV advertising is also used in increase weed awareness.

St John's Wort spreads easily with sticky seeds that can stick to machinery, livestock or pest animals. The seed can pass through the digestive system and will remain viable. Seed can also spread by water movement or by wind over short distances. The seed may remain viable for up to 12 years.

St John's wort is poisonous to livestock. It contains a chemical called hypericin, which causes photosensitivity. Other symptoms include weight loss, stillbirths and in severe cases, death. Young stock are more susceptible, with suckling stock still effected through the milk of their mothers. St John's Wort will compete with pasture species and can also create a vegetable fault in wool.

St John's Wort is spreading in our area, so it's important for all land managers to know how to identify it. Land managers should take particular notice in spring as the yellow flowers are easy to spot, even with the tall grass this year. It is worth noting that plants that are less than a year old, will not flower, so you may have young plants present that are hard to spot.

Once you identify Wort, it is important that you control it quickly to prevent seed set. Unfortunately, physical removal is ineffective as new plants will grow from root fragments, in fact Wort can be spread through cultivation.

It is imperative that all landholders remember their duties under the *Biosecurity Act 2015*.

In conjunction with Local Land Services Central West, Castlereagh Macquarie County Council have set up a trial plot on a private property near Coolah. This trial is a 2 year program of using and monitoring a range of herbicides, application techniques and slashing.



PARKINSONIA

Parkinsonia also known as Jerusalem thorn is a Weed of National Significance. It is a spiny shrub or small tree with yellow flowers. It forms dense, impenetrable thickets especially around watercourses, streams and water bodies. There have been isolated infestations in and around Moree, Broken Hill, Walgett, Bourke, Brewarrina and the far north-western corner of NSW.

In 2020, Castlereagh Macquarie County Council approached Moree Plains Shire Council with the idea of doing a helicopter survey of the Barwon River from Mungindi to Walgett for Parkinsonia.

The program was expanded to include the survey of the Narran River from the QLD Border to Narran Lake. NSW DPI provided financial funding for the initial survey, ground truthing & control, and follow up aerial surveys in the future. The operation was continually set back due to flooding in NSW & Queensland, keeping the river systems continually full for quite a while. Staff had hoped to fly when the Parkinsonia was in flower, but in the end, they had to go when the weather was suitable, and the river systems were at a reasonable level.

The aerial survey commenced in Moree on the 13th of March 2023, flying from Moree to Mungindi, finding plants within the first 15 minutes. They then continued to Collarenebri. Next day from Collarenebri to Walgett along with some of the lower reaches of the Namoi River where it joins the Barwon.

The final 2 days were spent flying the Narran, finally finding Parkinsonia just out of Angledool, and continuing to find scattered outbreaks as far as the Bangate Bridge.

Approximately 530 kilometers were covered during the aerial surveillance and in May 2023 Castlereagh Macquarie County Council started control works. This included, covered one day using a side by side on a farming property outside of Collarenebri 3 days using a helicopter for the river systems. Using the surveillance coordinates the helicopter was able to land at each infestation allowing staff to carryout control spraying using “Best Practice” control methods.

Approximately 3000 plants were treated in May 2023 on the Barwon and Narran Rivers ranging from juvenile to mature trees full of pods. Due to the recent major flooding, it’s predicted this surveillance will be required for a number of consecutive years.



VARROA MITE RESPONSE

August 2022 NSW Department of Primary Industries (NSW DPI) were seeking assistance from authorised officers to help in the Varroa Mite Response.

Authorised Officers from Castlereagh Macquarie County Council were able to assist in a 2-week block in September and another 2-week block in October based in Maitland.

ALL costs, including regular salary, overtime, accommodation, travel, meals, were reimbursed by DPI for authorised officers to participate in the response.

The staff are currently appointed under the Act which is essentially the County Council area and only for weeds. The DPI Deputy Director General, with the powers vested in him by the Secretary, appointed the CMCC Biosecurity Officers as an authorised officer under the Act without any limitations on powers, for the duration of time they participated in the varroa mite response.

The CMCC Biosecurity Officers role as an authorised officer was to lead a small team of volunteer beekeepers and RFS volunteers onto between 4 and 8 private properties per day. They were responsible for talking to the owner of the hives, and for record keeping. They were not required to suit up however welcomed this opportunity on occasion to gain experience of euthanizing and to know how it feels to be suited up which is no fun pony ride. Training was provided to staff on the first day as they shadowed another AO on their last shift. Authorised officers started their shift one hour before destruction crews for a full briefing each day. The CMCC staff would typically depart in the afternoon with their crew, equipment and list of properties. In daylight each property would be visited to inspect the hives, access and plan destruction. By the time this process takes place it is dark enough to revisit each site to commence destruction.

Staff got to deal with some emotional hive owner's which was understandable and their roles as authorised Weeds officers allowed them to overcome these challenges. It was a rewarding experience for the staff knowing they were a part of protecting Australian industries. **To date approximately 82,000 hives have been destroyed in NSW.**





ATTACHMENTS

Attachment A – Review of Functional Objectives – Outcomes for 2021/2022

Attachment B - Council's Financial Statements and Auditor General's Report

Attachment A – Review of Functional Objectives – Outcomes for 2022/2023

Note: In the following tables the column headed “BA & SO” provides in order, a reference to the Main Business Activity Priorities number and the Strategic Objective number from the Business Activity Strategic Plan.

1. Provide information to Council to allow decisions at Council Meetings					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Ensure Business Paper is ready for distribution.	2.3	GM	At least 7 days, working days prior to the Council Meeting.	Satisfactory completion of task in accordance with target level.	Compliant
Provide recommendations to Council when possible.	2.3	GM	Include in business paper for Council’s consideration.		

2. Respond to Councillor inquiries related to the administration function					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Provide information to Councillors within Council’s policy guidelines	2.3	GM	On day requested where possible, or within 5 working days (unless request requires detailed investigation).	Satisfactory completion of task in accordance with target level.	Complying
Provide written information as requested	2.3	GM	Within 5 working days (unless request requires detailed investigation)		

3. Update Council policy register					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Update new or amended administration policies in Council's policy register.	2.3	GM	Within 14 days of adoption or amendment	Satisfactory completion of task in accordance with target level.	Complying
Review Council administration policies.	2.3	GM	Within 2 months of expiry of policy or every 2 years		Major review completed prior to December 2022

4. Provide information to public in a timely and effective manner					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Ensure Council business papers are made available in hard copy at Council's office.	2.1	GM	At least 3 working days before the Council meeting.	Satisfactory completion of task in accordance with target level.	Complying
Ensure other public information is made available at Council's office.	2.1	GM	As soon as practicable after it becomes public information.		Complying
Ensure business papers are provided to constituent councils.	2.1	GM	Post to General Managers at the same time as Councillors' business papers.		Complying with the exception of June 23 Ordinary meeting.
Ensure minutes, business papers and other information is posted to Council's website.	2.1	GM	As soon as practicable.		Complying

5. Ensure all statutory requirements are completed and financial returns and plans are completed and lodged by the due date					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Quarterly Budget Review Statements and Delivery Programme Review to Council.	2.2	GM	August, October, February and April Meetings.	Satisfactory completion of task in accordance with target level.	Complying
Audited Financial Statements to Office of Local Government.	2.2	GM	By the end of October.		Completed on time.
Financial Data collection return.					
Notice of meeting at which audited reports are to be presented.	2.2	GM	By date specified by Office of Local Government.		Completed
Audited Financial Reports presented to public	2.2	GM	Prior to December meeting.		Presented October 2022
Draft Operational Plan and Budget on public exhibition.	2.2	GM	February meeting.		Completed April 23
Operational Plan and Budget to be adopted	2.2 2.2	GM GM	Following April meeting.		Put on display in April and adopted after submissions in June 2023.

6. Ensure all other statutory returns are completed and lodged by the due date					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Pecuniary Interest Returns.	2.2	GM	30 September annually.	Satisfactory completion of task in accordance with target level.	Complying
Council's Annual Report prepared and lodged with Office of Local Government	2.2	GM	30 November annually.		Lodged on time
Other returns as required by Office of Local Government, Department of Primary Industries, or others	2.2	GM	No later than return date specified		Lodged on time

7. Implementation of Council decisions					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Implement Council decisions following Council meeting	2.2	GM	Within 10 working days of Council Meeting For prosecutions, within 2 months of Council resolution	Satisfactory completion of task in accordance with target level.	Complying Nil prosecutions

8. Continue to ensure the provision of finance to Council from available sources					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Liaise with constituent councils regarding the level of Council contributions and the apportionment of contributions.	2.4	GM	Continuously.	Satisfactory completion of task in accordance with target level.	Advised of 3.7% increase and asked for comment.
Letter to Constituent Councils concerning Council's proposed Delivery Plan and Budget estimates for the forthcoming financial year, and the contribution sought from constituent councils.	2.4	GM	30 April.		Letters not sent out due to issues with administration support Copies of budget sent to Constituents
Application to Department of Primary Industries for grants under NSW Weeds Action Programme as necessary.	2.4	GM	As required under Weeds Action Programme 1520.		Completed
Provide grant returns to Department of Primary Industries.	2.4	GM	As required under Weeds Action Programme 1520		Completed
Pursue opportunities for securing grant funds from other available sources.	2.4 & 1.4	GM	As required		Application submitted

9. Continue current financial management direction and review Business Activity Strategic Plan and Delivery Programme					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Review Business Activity Strategic Plan.	2.1 & 2.4	GM	Continuously	Satisfactory completion of task in accordance with target level.	Complete
Review Delivery Programme.	2.1 & 2.4	GM	Continuously		Complete
Provide adequate funds for employee leave entitlements.	2.3	GM	Maintain reserve of at least 50% of Long Service Leave liability		Provision 21-22 budget. As at 30 th June 2022 reserve was 71.61% of liability

10. Provide financial information and advice to Council					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Provide financial advice as required.	2.2 & 2.3	GM	At Council meetings	Satisfactory completion of task in accordance with target level.	Complying
Provide quarterly update on financial trends relating to Council's expenditure.	2.2 & 3	GM	At Council Meeting following end of quarter		Complying

11. Ensure that Council's Operational Plan and Budget is considered in order to allow adoption by 30 June each year					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Draft Plan to be presented to Council.	2.2	GM	February Meeting.	Satisfactory completion of task in accordance with target level.	Complete at April meeting
Draft Plan adopted to allow 28 day public exhibition.	2.2	GM	April Meeting.		Complete
Draft Plan to be adopted following consideration of any submissions received.					Complete

12. Promote the Council's interests through participation with relevant organisations					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Participate in Macquarie Valley Weeds Advisory Committee activities through attendance at meetings and supply of information as required to assist the lobbying of State and Federal Governments.	1.1	GM	Attend meetings and provide information as requested.	Satisfactory completion of task in accordance with target level.	Staff in attendance

13. Provide active support for LGNSW					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Provide information as requested by LGNSW to assist it to lobby governments.	3.1	GM	Information to be provided by the date requested.	Satisfactory completion of task in accordance with target level.	Complying
Utilise the services of LGNSW to further Council's interests	3.1	GM	As and when required by Council.		Complying

14. Actively pursue politicians to further Council's interests					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Invite politicians to attend Council meetings.	3.1	GM	Politicians to be invited to Council meetings as required.	Satisfactory completion of task in accordance with target level.	Minister for Agriculture invited to May 2022 and August 22 meetings Complying met with Minister for Agriculture and Member for Barwon and Parkes.
Meet with State and Federal Politicians to promote the interests of Council.	3.1	GM	As required		
15. Minimise the risks associated with all functions of Council					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Identify new risks associated with Council's functions.	2.3	GM	Ongoing.	Satisfactory completion of task in accordance with target level.	Complying
Analyse and prioritise all risks identified.	2.3	GM	Within 3 months after identification.		Training for staff WH&S, refresher February 23
Minimise exposure through rectification of risks.	2.3	GM	Within budget constraints.		Under review 2022
Update policy on the use of contractors.	2.3	GM	Ongoing.		Under review 2022
Review risk management policy.	2.3	GM	Ongoing.		
Update Risk Assessment re spraying from back of vehicles and consult WorkCover on proposal.	2.3	GM	When resources allow.		

16. Ensure Council staff are aware of their rights and responsibilities in relation to WH&S , risk management and EEO					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Provide training to staff on relevant legislation.	2.3	GM	Ongoing as identified.	Satisfactory completion of task in accordance with target level.	Complying
Provide training on EEO to staff.	2.3	GM	Ongoing as required.		No training to date
Provide staff with training on risk management.	2.3	GM	Ongoing as required.		Conducted February 2023
Review and update staff training programme.	2.3	GM	Annually.		Complete
Review EEO Management Plan.	2.3	GM	As required		To be completed 2022/23

17. Maintain and update Council's records management system					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Monitor record keeping procedures to ensure that they provide the best method of maintaining an accurate record of Council's activities.	2.3	GM	Ongoing.	Satisfactory completion of task in accordance with target level.	Complying
Review record keeping procedures with a view to updating and computerizing.	2.3	GM	Ongoing.		Complying records are electronic

18. Implement system of information technology capable of providing information that is relevant and timely					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Monitor reporting system ability to provide information requirements.	2.3	GM	Ongoing.	Satisfactory completion of task in accordance with target level.	Complying
Monitor technology improvements and assess future requirements.	2.3	GM	Ongoing.		Complying Investigating update of MYOB
Update Council's computer system, both hardware and software, to ensure that it enhances management and record keeping (as resources allow).	2.3	GM	As required.		Lap tops updated regularly
Review Council's website and implement systems for expanding content and keeping content up to date.	2.1 & 3.2	GM	Ongoing.		Reviewed constantly Major review 2023
19. Compile accurate data on the condition of current Council assets					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Maintain assets register for all assets over \$5,000.	2.3	GM	Ongoing.	Satisfactory completion of task in accordance with target level.	Complying
Monitor the condition of those assets	2.3	GM	Ongoing.		Complying
Identify maintenance requirements for those assets.	2.3	GM	Ongoing.		Complying Maintenance as required
Cost maintenance requirements and incorporate into annual budget.	2.3	GM	As identified.		Complying in conjunction with

					Senior Biosecurity Officer
20. Introduce a system for electronic mapping of invasive weed infestations and the automation of Weeds Officers' reports					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Monitor the introduction of electronic mapping of invasive weed infestations and the automation of Weeds Officers' reporting procedures.	1.3 & 2.3	GM SWO	In conjunction with year 1 WAP 2020 2025.	Satisfactory completion of task in accordance with target level.	Complying
Expand the introduction of electronic mapping of invasive weeds infestation and the automation of Weeds Officers' Reporting Procedures to the whole of Council's Area of Operations. Continue the training of staff in the use of the system in order to ensure it's most efficient and effective use.	1.3 & 2.3 1.3 & 2.3	GM SWO GM SWO	In conjunction with year 1 WAP 2020 / 2025. Ongoing.		Continuing Complying Training as necessary Use of drones to assist with weed identification complete

21. Compile data on Council's current vehicle and plant fleet – condition and usage					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Analyse Council's current vehicle and plant fleet and its activities and assess future vehicle and plant needs.	2.3	GM	Ongoing	Satisfactory completion of task in accordance with target level.	Complying

22. Ensure access to competitively priced chemicals for weeds control programmes					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Ensure access to competitively priced chemicals for weeds control programmes.	1.2	GM	As required	Satisfactory completion of task in accordance with target level.	Complying

23. Actively pursue the control of invasive weeds along roadsides in Council's area					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Inspect roadsides prior to control works to ensure that control programmes are efficient and effective.	1.3	SWO	At least one week prior to spraying.	Satisfactory completion of task in accordance with target level.	Complying
Carryout necessary control works in line with Council's Budget allocations.	1.3	SWO	As seasonal conditions / and available funding permit.		Works continuing
Respond to reports of invasive weeds on roadsides.	1.3	SWO	Carry out inspection within 7 days of notification.		All reports responded to
Carry out control works in accordance with Council's policy and budget allocations.	1.3	SWO	As required		Complying

24. Actively pursue the control of invasive weeds on private lands					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Inspection of private lands to assist landowners to fulfill their legal responsibilities in relation to invasive weeds.	1.2 & 3.2	SWO	At least 250 inspections per quarter.	Satisfactory completion of task in accordance with target level.	Complying
Provide information to landowners on invasive weeds control	1.2 & 3.2	SWO	If not done at time of inspection then within 1 week.		Complying
Respond to invasive weed complaints	1.2 & 3.2	SWO	Initial inspection within 10 working days.		Complying

25. Actively pursue the control of invasive weeds on vacant Crown lands					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Inspect vacant Crown land parcels to facilitate application to DPI for funds for necessary control works.	1.2	SWO	Prior to submission of application.	Satisfactory completion of task in accordance with target level.	Complying
Inspect vacant Crown lands to ensure obligations for invasive weed control are being met.	1.2	SWO	As required as resources are available.		Continuing
Provide information to Department of Lands on invasive weed control requirements	1.2	SWO	Within 10 working days of inspection.		Continuing
Respond to complaints for invasive weeds on vacant Crown Land	1.2	SWO	Initial inspection within 10 working days.		Continuing

26. Actively pursue the control of invasive weeds on land held by Forests of NSW					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Inspect areas proposed to be clear felled in coming financial year.	1.2	SWO	Within 28 days of receipt of <i>Harvesting Plan of Operations</i> .	Satisfactory completion of task in accordance with target level.	When advised
Advise Forests NSW of proposed clear fell areas that are potential weeds risks.	1.2	SWO	Within 14 days of inspection.		
Follow up to ensure control work is carried out on potential weeds risks.	1.2	SWO	Prior to Spring each year.		
Inspect areas surrounding standing forests and "land bank" areas.	1.2	SWO	Ongoing as resources permit, or in response to complaints within 10 working 14 days after inspection.		
Advise Forests NSW of areas that pose a risk of weeds spreading to adjoining land.	1.2	SWO			

27. Actively pursue the control of invasive weeds on other public authorities land					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Inspect lands of public authorities to ensure obligations for invasive weeds control are being met.	1.2 & 1.3	SWO	Ongoing.	Satisfactory completion of task in accordance with target level.	Continuing
Provide information to public authority on invasive weed control requirements.	1.2 & 1.3	SWO	Within 10 working days of inspection.		Continuing
Respond to complaints regarding invasive weeds on lands of public authorities.	1.2 & 1.3	SWO	Initial inspection within 10 working days.		Continuing

28. Conduct aerial spraying programmes for invasive weeds					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Organise programmes for aerial spraying of invasive weeds throughout the year as seasonal conditions permit and demand requires.	1.2	GM/SWO	As required.	Satisfactory completion of task in accordance with target level.	As required Hudson Pear aerial inspection February 2023 Parkinsonia program conducted in June 2023
Publicise aerial spraying programmes in local media, and as occasion permits, to ensure maximum landholder participation.	1.2	GM/SWO	As required.		Completed
Organise aerial spraying (involving all weeds officers) throughout Council's area in accordance with programmes.	1.2	SWO	In accordance with Programmes		Parkinsonia aerial inspection completed June 2023.

29. Actively pursue regional resources sharing with neighbouring councils and other public authorities to provide cost benefits to Council in the provision of services					
Required Activity	BA & SO	Resp	Target	Performance Measure	Status as at 30th June 2023
Pursue resource sharing through regular interaction with nearby councils and other public authorities to discuss regional weed plans and coordinated approaches to weed control	1.1	GM	Liaise with appropriate members and officers of surrounding councils and other public authorities as required.	Satisfactory completion of task in accordance with target level.	Continuing

Attachment B – Financial Information

Local Government Act Section 428 (4)(a)

[A copy of the Council's audited financial reports.](#)

See attachment (B): Financial Statements

Castlereagh Macquarie County Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023



Castlereaigh Macquarie County Council

General Purpose Financial Statements

for the year ended 30 June 2023

Contents	Page
Understanding Council's Financial Statements	3
Statement by Councillors and Management	4
Primary Financial Statements:	
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	48
On the Financial Statements (Sect 417 [3])	51

Castlereagh Macquarie County Council

General Purpose Financial Statements

for the year ended 30 June 2023

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2023.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Castlereagh Macquarie County Council

General Purpose Financial Statements for the year ended 30 June 2023

Statement by Councillors and Management

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

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

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

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

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

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

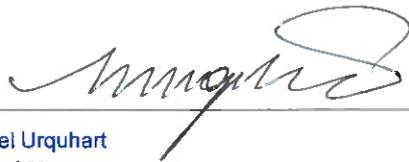
Signed in accordance with a resolution of Council made on 28 August 2023.



Doug Batten
Chairperson
28 August 2023



Bill Fisher
Deputy Chairperson
28 August 2023



Michael Urquhart
General Manager
28 August 2023



Michael Urquhart
Responsible Accounting Officer
28 August 2023

Castlereagh Macquarie County Council

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023 \$ '000		Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
	Income from continuing operations			
187	User charges and fees	B2-1	148	95
5	Other revenues	B2-2	6	5
883	Grants and contributions provided for operating purposes	B2-3	1,636	921
6	Interest and investment income	B2-4	27	3
5	Net gain from the disposal of assets	B4-1	15	46
1,086	Total income from continuing operations		1,832	1,070
	Expenses from continuing operations			
591	Employee benefits and on-costs	B3-1	551	564
538	Materials and services	B3-2	1,218	437
80	Depreciation, amortisation and impairment of non-financial assets	B3-3	94	98
1,209	Total expenses from continuing operations		1,863	1,099
(123)	Operating result from continuing operations		(31)	(29)
(123)	Net operating result for the year attributable to Council		(31)	(29)
(123)	Net operating result for the year before grants and contributions provided for capital purposes		(31)	(29)

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

Castlereagh Macquarie County Council

Statement of Comprehensive Income

for the year ended 30 June 2023

	Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
Net operating result for the year – from Income Statement		(31)	(29)
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<u>253</u>	–
Total items which will not be reclassified subsequently to the operating result		<u>253</u>	–
Total other comprehensive income for the year		<u>253</u>	–
Total comprehensive income for the year attributable to Council		<u>222</u>	<u>(29)</u>

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

Castlereagh Macquarie County Council

Statement of Financial Position

as at 30 June 2023

	Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	581	632
Investments	C1-2	500	500
Receivables	C1-4	105	78
Inventories	C1-5	79	49
Total current assets		1,265	1,259
Non-current assets			
Infrastructure, property, plant and equipment (IPPE)	C1-6	576	367
Right of use assets	C2-1	10	15
Total non-current assets		586	382
Total assets		1,851	1,641
LIABILITIES			
Current liabilities			
Payables	C3-1	47	70
Lease liabilities	C2-1	5	5
Employee benefit provisions	C3-2	171	148
Total current liabilities		223	223
Non-current liabilities			
Lease liabilities	C2-1	5	10
Employee benefit provisions	C3-2	–	7
Total non-current liabilities		5	17
Total liabilities		228	240
Net assets		1,623	1,401
EQUITY			
Accumulated surplus	C4-1	1,186	1,217
IPPE revaluation reserve	C4-1	437	184
Council equity interest		1,623	1,401
Total equity		1,623	1,401

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

Castlereagh Macquarie County Council

Statement of Changes in Equity

for the year ended 30 June 2023

	Notes	2023			2022		
		Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation reserve \$ '000	Total equity \$ '000
Opening balance at 1 July		1,217	184	1,401	1,246	184	1,430
Net operating result for the year		(31)	–	(31)	(29)	–	(29)
Net operating result for the period		(31)	–	(31)	(29)	–	(29)
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	–	253	253	–	–	–
Other comprehensive income		–	253	253	–	–	–
Total comprehensive income		(31)	253	222	(29)	–	(29)
Closing balance at 30 June		1,186	437	1,623	1,217	184	1,401

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

Castlereagh Macquarie County Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023 \$ '000		Notes	Actual 2023 \$ '000	Actual 2022 \$ '000
Cash flows from operating activities				
<i>Receipts:</i>				
187	User charges and fees		125	49
6	Interest received		23	2
883	Grants and contributions		1,782	921
5	Other		6	90
<i>Payments:</i>				
(591)	Payments to employees		(535)	(554)
(601)	Payments for materials and services		(1,362)	(466)
–	Other		(55)	(74)
(111)	Net cash flows from operating activities	G1-1	(16)	(32)
Cash flows from investing activities				
<i>Receipts:</i>				
–	Redemption of term deposits		1,000	375
40	Proceeds from sale of IPPE		23	77
<i>Payments:</i>				
–	Acquisition of term deposits		(1,000)	–
(70)	Payments for IPPE		(53)	(167)
(30)	Net cash flows from investing activities		(30)	285
Cash flows from financing activities				
<i>Payments:</i>				
(5)	Principal component of lease payments		(5)	(4)
(5)	Net cash flows from financing activities		(5)	(4)
(146)	Net change in cash and cash equivalents		(51)	249
1,066	Cash and cash equivalents at beginning of year		632	383
920	Cash and cash equivalents at end of year	C1-1	581	632
121	plus: Investments on hand at end of year	C1-2	500	500
1,041	Total cash, cash equivalents and investments		1,081	1,132

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

Castlereagh Macquarie County Council

Contents for the notes to the Financial Statements for the year ended 30 June 2023

A About Council and these financial statements	12
A1-1 Basis of preparation	12
B Financial Performance	14
B1 Functions or activities	14
B1-1 Functions or activities – income, expenses and assets	14
B1-2 Components of functions or activities	15
B2 Sources of income	16
B2-1 User charges and fees	16
B2-2 Other revenues	17
B2-3 Grants and contributions	17
B2-4 Interest and investment income	18
B3 Costs of providing services	19
B3-1 Employee benefits and on-costs	19
B3-2 Materials and services	20
B3-3 Depreciation, amortisation and impairment of non-financial assets	21
B4 Gains or losses	22
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	22
B5 Performance against budget	23
B5-1 Material budget variations	23
C Financial position	25
C1 Assets we manage	25
C1-1 Cash and cash equivalents	25
C1-2 Financial investments	26
C1-3 Restricted and allocated cash, cash equivalents and investments	27
C1-4 Receivables	28
C1-5 Inventories	29
C1-6 Infrastructure, property, plant and equipment	30
C2 Leasing activities	33
C2-1 Council as a lessee	33
C3 Liabilities of Council	36
C3-1 Payables	36
C3-2 Employee benefit provisions	37
C4 Reserves	38
C4-1 Nature and purpose of reserves	38
D Risks and accounting uncertainties	39
D1-1 Risks relating to financial instruments held	39
D2-1 Fair value measurement	41
D3-1 Contingencies	42

Castlereagh Macquarie County Council

Contents for the notes to the Financial Statements for the year ended 30 June 2023

E People and relationships	43
E1 Related party disclosures	43
E1-1 Key management personnel (KMP)	43
E1-2 Councillor and Mayoral fees and associated expenses	44
E2 Other relationships	45
E2-1 Audit fees	45
F Other matters	46
F1-1 Statement of Cash Flows information	46
F2-1 Events occurring after the reporting date	46
F3 Statement of performance measures	47
F3-1 Statement of performance measures – consolidated results	47

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 28 August 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

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

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- i. estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- ii. employee benefit provisions – refer Note C3-2.

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 B2-1 – B2-3.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

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

A1-1 Basis of preparation (continued)

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.

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

Goods and Services Tax (GST)

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

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

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

Volunteer services

Council does not engage volunteers.

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2023 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

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 standards are effective for the first time at 30 June 2023:

- *AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and Other Amendments*

There has been no material impact from the adoption of these standards on the financial statements.

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.

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Functions or activities										
Governance	-	-	33	32	(33)	(32)	-	-	-	-
Administration	-	-	255	247	(255)	(247)	-	-	-	-
Environment	1,832	1,070	1,575	820	257	250	1,636	921	1,851	1,641
Total functions and activities	1,832	1,070	1,863	1,099	(31)	(29)	1,636	921	1,851	1,641

B1-2 Components of functions or activities

GOVERNANCE

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

ADMINISTRATION

Includes corporate support and other support services and any Council policy compliance.

ENVIRONMENT

Includes priority/noxious plants and insect/vermin control, other environmental protection.

B2 Sources of income

B2-1 User charges and fees

	Timing	2023 Actual \$ '000	2022 Actual \$ '000
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Private works – section 67	2	148	95
Total fees and charges – statutory/regulatory		148	95
Total other user charges and fees		148	95
Total user charges and fees		148	95
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		–	–
User charges and fees recognised at a point in time (2)		148	95
Total user charges and fees		148	95

Accounting policy

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service. There is no material obligation for Council in relation to refunds or returns.

B2-2 Other revenues

	Timing	2023 Actual \$ '000	2022 Actual \$ '000
Insurance claims recoveries	2	6	5
Total other revenue		6	5

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		6	5
Total other revenue		6	5

Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

B2-3 Grants and contributions

	Timing	Operating 2023 Actual \$ '000	Operating 2022 Actual \$ '000	Capital 2023 Actual \$ '000	Capital 2022 Actual \$ '000
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Noxious weeds	2	1,068	357	–	–
Previously contributions:					
Other councils – joint works/services	2	568	564	–	–
Total special purpose grants and non-developer contributions – cash		1,636	921	–	–
Total special purpose grants and non-developer contributions (tied)		1,636	921	–	–
Total grants and non-developer contributions		1,636	921	–	–
Comprising:					
– Other funding		568	–	–	–
– State funding		1,068	921	–	–
		1,636	921	–	–
Total grants and contributions		1,636	921	–	–
Timing of revenue recognition for grants and contributions					
Grants and contributions recognised over time (1)		–	–	–	–
Grants and contributions recognised at a point in time (2)		1,636	921	–	–
Total grants and contributions		1,636	921	–	–

B2-3 Grants and contributions (continued)

Unspent grants and contributions

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

	Operating 2023 Actual \$ '000	Operating 2022 Actual \$ '000	Capital 2023 Actual \$ '000	Capital 2022 Actual \$ '000
Unspent grants and contributions				
Unspent funds at 1 July	185	244	-	-
Add: operating grants recognised in the current period but not yet spent	231	185	-	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	(185)	(244)	-	-
Unspent funds at 30 June	231	185	-	-

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

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

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

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.

Other grants and contributions

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

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

B2-4 Interest and investment income

	2023 Actual \$ '000	2022 Actual \$ '000
Interest on financial assets measured at amortised cost		
– Cash and investments	27	3
Total interest and investment income (losses)	27	3

Accounting policy

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

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Salaries and wages	398	449
Travel expenses	1	–
Employee leave entitlements (ELE)	84	59
Superannuation	50	44
Workers' compensation insurance	8	10
Training costs (other than salaries and wages)	7	–
Protective clothing	3	2
Total employee costs	551	564
Total employee costs expensed	551	564
Number of 'full-time equivalent' employees (FTE) at year end	6	6

Accounting policy

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

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

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

Council participates in a defined benefit plan under 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.

B3-2 Materials and services

	Notes	2023 Actual \$ '000	2022 Actual \$ '000
Raw materials and consumables		564	150
Contractor costs		331	–
Audit Fees	E2-1	14	19
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	E1-2	33	32
Advertising		3	7
Computer software charges		19	19
Insurance		70	63
Office expenses (including computer expenses)		60	38
Postage		1	1
Printing and stationery		2	1
Telephone and communications		7	5
Plant expenses		88	88
Regional meeting expenses		23	10
Membership		3	4
Total materials and services		1,218	437
Total materials and services		1,218	437

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

	Notes	2023 \$ '000	2022 \$ '000
Depreciation and amortisation			
Plant and equipment		81	77
Office equipment		3	10
Infrastructure:			
– Buildings (non-specialised)	C1-6	5	7
Right of use assets	C2-1	5	4
Total gross depreciation and amortisation costs		94	98
Total depreciation and amortisation costs		94	98
Total depreciation, amortisation and impairment for non-financial assets		94	98

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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

B4 Gains or losses

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

	Notes	2023 Actual \$ '000	2022 Actual \$ '000
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		23	77
Less: carrying amount of plant and equipment assets sold/written off		(8)	(31)
Gain (or loss) on disposal		15	46
Gain (or loss) on disposal of term deposits	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		1,000	375
Less: carrying amount of term deposits sold/redeemed/matured		(1,000)	(375)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		15	46

Accounting policy

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

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 27 June 2022 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	2023 Budget	2023 Actual	2023 ----- Variance -----	
Revenues				
User charges and fees	187	148	(39)	(21)% U
Actual private works income was less than original budget predictions.				
Other revenues	5	6	1	20% F
Operating grants and contributions	883	1,636	753	85% F
Received grants of \$569,000 for the Hudson Pear program and \$60,000 for the Parkinsonia program that was not budgeted for.				
Interest and investment revenue	6	27	21	350% F
Interest rates increased during the year allowing for higher interest returns on the term deposit and funds held at bank.				
Net gains from disposal of assets	5	15	10	200% F
Gain on sale of motor vehicle was greater than anticipated in the budget.				
Expenses				
Employee benefits and on-costs	591	551	40	7% F
Materials and services	538	1,218	(680)	(126)% U
Actual materials and services expenses were higher than budget due to spending the funds received for the Hudson Pear and Parkinsonia programs.				
Depreciation, amortisation and impairment of non-financial assets	80	94	(14)	(18)% U
Increased depreciation compared to budget due to purchases from the previous year being depreciated for a full year for the first time.				

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----		
Statement of cash flows					
Cash flows from operating activities	(111)	(16)	95	(86)%	F
Operating income was more than previously estimated in the original budget.					
Cash flows from investing activities	(30)	(30)	-	0%	F
Cash flows from financing activities	(5)	(5)	-	0%	F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Cash assets		
Cash on hand and at bank	581	632
Total cash and cash equivalents	581	632

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	581	632
Balance as per the Statement of Cash Flows	581	632

Accounting policy

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

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
Debt securities at amortised cost				
Long term deposits	500	–	500	–
Total	500	–	500	–
Total financial investments	500	–	500	–
Total cash assets, cash equivalents and investments	1,081	–	1,132	–

Accounting policy

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

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

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

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

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

	2023 Actual \$ '000	2022 Actual \$ '000
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	1,081	1,132
Less: Externally restricted cash, cash equivalents and investments	<u>(231)</u>	<u>(185)</u>
Cash, cash equivalents and investments not subject to external restrictions	850	947

External restrictions

External restrictions

External restrictions included in cash, cash equivalents and investments above comprise:

Specific purpose unexpended grants (recognised as revenue) – general fund	<u>231</u>	<u>185</u>
Total external restrictions	231	185

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.

	2023 Actual \$ '000	2022 Actual \$ '000
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(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions	850	947
Less: Internally restricted cash, cash equivalents and investments	<u>(153)</u>	<u>(179)</u>
Unrestricted and unallocated cash, cash equivalents and investments	697	768

Internal allocations

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

Plant and vehicle replacement	<u>37</u>	<u>48</u>
Employees leave entitlement	<u>96</u>	<u>111</u>
Building	<u>20</u>	<u>20</u>
Total internal allocations	153	179

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

	2023 Actual \$ '000	2022 Actual \$ '000
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(c) Unrestricted and unallocated

Unrestricted and unallocated cash, cash equivalents and investments	697	768
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C1-4 Receivables

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
User charges and fees	88	-	65	-
Accrued revenues				
– Interest on investments	5	-	1	-
Net GST receivable	12	-	11	-
Other debtors	-	-	1	-
Total	105	-	78	-
Total net receivables	105	-	78	-
Unrestricted receivables	105	-	78	-
Total net receivables	105	-	78	-

Accounting policy

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.

C1-5 Inventories

	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
	Actual	Actual	Actual	Actual
	\$ '000	\$ '000	\$ '000	\$ '000
(i) Inventories at cost				
Stores and materials	79	-	49	-
Total inventories at cost	79	-	49	-
Total inventories	79	-	49	-

Accounting policy

Raw materials and stores, work in progress and finished goods

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

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period				At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions new assets	Carrying value of disposals	Depreciation expense	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Plant and equipment	423	(124)	299	53	(8)	(81)	–	435	(172)	263
Office equipment	57	(52)	5	–	–	(3)	–	57	(55)	2
Land:										
– Operational land	4	–	4	–	–	–	32	36	–	36
Infrastructure:										
– Buildings – non-specialised	287	(228)	59	–	–	(5)	221	460	(185)	275
Total infrastructure, property, plant and equipment	771	(404)	367	53	(8)	(89)	253	988	(412)	576

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

	At 1 July 2021			Asset movements during the reporting period			At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions new assets	Carrying value of disposals	Depreciation expense	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
By aggregated asset class	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Plant and equipment	380	(135)	245	162	(31)	(77)	423	(124)	299
Office equipment	52	(42)	10	5	–	(10)	57	(52)	5
Land:									
– Operational land	4	–	4	–	–	–	4	–	4
Infrastructure:									
– Buildings – non-specialised	287	(221)	66	–	–	(7)	287	(228)	59
Total infrastructure, property, plant and equipment	723	(398)	325	167	(31)	(94)	771	(404)	367

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

Accounting policy

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

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.

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

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

Plant and equipment	Years		
Office equipment	5 to 10		
Office furniture	10 to 20		
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40

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

C2 Leasing activities

C2-1 Council as a lessee

Council has a lease over a building. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

Leases are on a short-term basis with the building lease renewable in the 2023/2024 financial year.

Buildings

Council leases a depot building in Coonamble. The lease has a five (5) year term.

The building lease contains an annual pricing mechanism based on a fixed increases of 3% at each anniversary of the lease inception.

Extension options

Council includes options in the building leases to provide flexibility and certainty to Council operations and reduce costs of moving premises; and the extension options are at Council's discretion.

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

(a) Right of use assets

	Ready to use Actual \$ '000	Total Actual \$ '000
2023		
Opening balance at 1 July	15	15
Depreciation charge	(5)	(5)
Balance at 30 June	10	10
2022		
Opening balance at 1 July	19	19
Depreciation charge	(4)	(4)
Balance at 30 June	15	15

(b) Lease liabilities

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
Lease liabilities	5	5	5	10
Total lease liabilities	5	5	5	10

C2-1 Council as a lessee (continued)

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year Actual \$ '000	1 – 5 years Actual \$ '000	> 5 years Actual \$ '000	Total Actual \$ '000	Total per Statement of Financial Position Actual \$ '000
2023					
Cash flows	5	5	–	10	10
2022					
Cash flows	5	10	–	15	15

(d) Income Statement

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

	2023 Actual \$ '000	2022 Actual \$ '000
Depreciation of right of use assets	5	4
	5	4

(e) Statement of Cash Flows

Total cash outflow for leases	(5)	(5)
	(5)	(5)

Accounting policy

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

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

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

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

C2-1 Council as a lessee (continued)

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C3 Liabilities of Council

C3-1 Payables

	2023 Current \$ '000	2023 Non-current \$ '000	2022 Current \$ '000	2022 Non-current \$ '000
Accrued expenses:				
– Salaries and wages	16	–	16	–
– Other expenditure accruals	31	–	54	–
Total payables	47	–	70	–

Accounting policy

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 Employee benefit provisions

	2023 Current Actual \$ '000	2023 Non-current Actual \$ '000	2022 Current Actual \$ '000	2022 Non-current Actual \$ '000
Annual leave	83	-	78	-
Long service leave	88	-	70	7
Total employee benefit provisions	171	-	148	7

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

	2023 Actual \$ '000	2022 Actual \$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	44	39
	44	39

Description of and movements in provisions

	ELE provisions		
	Annual leave \$ '000	Long service leave \$ '000	Total \$ '000
2023			
At beginning of year	78	77	155
Additional provisions	30	13	43
Amounts used (payments)	(25)	(2)	(27)
Total ELE provisions at end of year	83	88	171
2022			
At beginning of year	80	81	161
Additional provisions	23	(3)	20
Amounts used (payments)	(25)	(1)	(26)
Total ELE provisions at end of year	78	77	155

C3-2 Employee benefit provisions (continued)

Accounting policy

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

Short-term obligations

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

Other long-term employee benefit obligations

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

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

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

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

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

Financial risk management is carried out under policies approved by the Council.

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

	Carrying value 2023 \$ '000	Carrying value 2022 \$ '000	Fair value 2023 \$ '000	Fair value 2022 \$ '000
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	581	632	581	632
Receivables	105	78	105	78
Investments				
– Debt securities at amortised cost	500	500	500	500
Total financial assets	1,186	1,210	1,186	1,210
Financial liabilities				
Payables	47	70	47	70
Total financial liabilities	47	70	47	70

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

Council's General Manager manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

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

(a) Market risk – interest rate and price risk

	2023 \$ '000	2022 \$ '000
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	11	12
Impact of a 10% movement in price of investments		
– Equity / Income Statement	–	–

(b) 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 \$ '000	payable in:			Total cash outflows \$ '000	Actual carrying values \$ '000
			≤ 1 Year \$ '000	1 - 5 Years \$ '000	> 5 Years \$ '000		
2023							
Payables	0.00%	–	47	–	–	47	47
Lease liabilities	0.00%	–	5	5	–	10	10
Total financial liabilities		–	52	5	–	57	57
2022							
Payables	0.00%	–	70	–	–	70	70
Lease liabilities	0.00%	–	5	10	–	15	15
Total financial liabilities		–	75	10	–	85	85

D2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

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

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

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

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

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

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

\$ '000	Notes	Fair value measurement hierarchy							
		Date of latest valuation		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022	2023	2022
Recurring fair value measurements									
Infrastructure, property, plant and equipment C1-6									
Plant and Office Equipment		30/06/23	30/06/17	–	–	265	304	265	304
Operational Land		30/06/23	30/06/17	–	–	36	4	36	4
Buildings (non specialised)		30/06/23	30/06/17	–	–	275	59	275	59
Total infrastructure, property, plant and equipment				–	–	576	367	576	367

D3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) 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.

(ii) 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.

(iii) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

E People and relationships

E1 Related party disclosures

E1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

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

	2023	2022
	\$ '000	\$ '000
Compensation:		
Short-term benefits	57	57
Total	57	57

Other transactions with KMP and their related parties

Council has determined that there were no other KMP or related party transactions.

E1-2 Councillor and Mayoral fees and associated expenses

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Member expenses – chairperson’s fee	4	3
Member expenses – member’s fees	19	15
Member’s expenses (incl. chairperson) – other (excluding fees above)	10	14
Total	33	32

E2 Other relationships

E2-1 Audit fees

	2023	2022
	Actual	Actual
	\$ '000	\$ '000

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

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements

14	19
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Remuneration for audit and other assurance services

14	19
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Total Auditor-General remuneration

14	19
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Total audit fees

14	19
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F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

	2023	2022
	Actual	Actual
	\$ '000	\$ '000
Net operating result from Income Statement	(31)	(29)
Add / (less) non-cash items:		
Depreciation and amortisation	94	98
(Gain) / loss on disposal of assets	(15)	(46)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(27)	(51)
(Increase) / decrease of inventories	(30)	(29)
Increase / (decrease) in other accrued expenses payable	(23)	33
Increase / (decrease) in other liabilities	-	(2)
Increase/(decrease) in employee leave entitlements	16	(6)
Net cash flows from operating activities	(16)	(32)

F2-1 Events occurring after the reporting date

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

F3 Statement of performance measures

F3-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022 2021		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(46)	(2.53)%	(7.32)%	25.54%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	1,817				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	181	9.96%	10.06%	13.56%	> 60.00%
Total continuing operating revenue ¹	1,817				
3. Unrestricted current ratio					
Current assets less all external restrictions	1,034	5.78x	5.84x	7.07x	> 1.50x
Current liabilities less specific purpose liabilities	179				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	48	9.60x	5.75x	87.60x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	5				
5. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	1,081	6.63 months	12.37 months	15.66 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	163				

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

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

End of the audited financial statements



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Castlereagh Macquarie County Council

To the Councillors of Castlereagh Macquarie County Council

Opinion

I have audited the accompanying financial statements of Castlereagh Macquarie County Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2023, 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.

The Councillors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Manuel Moncada
Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY



Cr Doug Batten
 Chairperson
 Castlereagh Macquarie County Council
 PO Box 664
 WALGETT NSW 2825

Contact: Manuel Moncada
 Phone no: 02 9275 7333
 Our ref: R008-16585809-47207

31 October 2023

Dear Chairperson

**Report on the Conduct of the Audit
 for the year ended 30 June 2023
 Castlereagh Macquarie County Council**

I have audited the general purpose financial statements (GPFS) of the Castlereagh Macquarie County Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

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

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2022 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

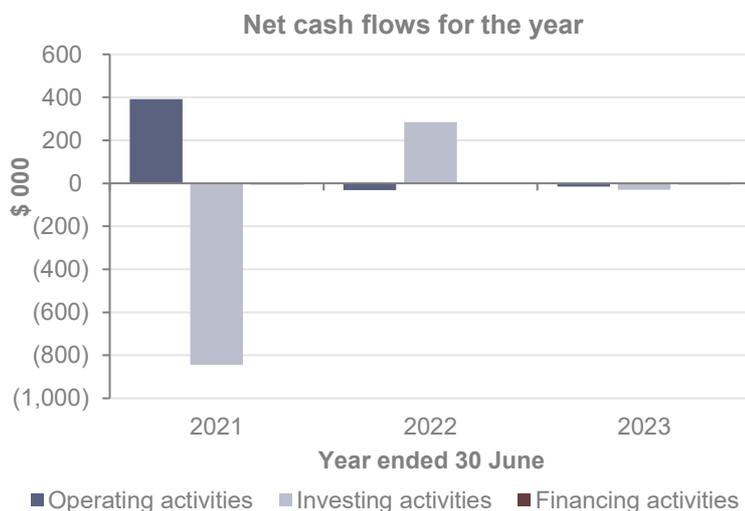
	2023	2022	Variance
	\$000	\$000	%
Grants and contributions revenue	1,636	921	↑ 78
Operating result from continuing operations	(31)	(29)	↓ 7

Grants and contributions revenue (\$1,636,000) increased by \$715,000 (78 per cent) in 2022–2023 due to the receipt of additional funding for projects.

Council’s operating result (a deficit of \$31,000 including the effect of depreciation and amortisation expense of \$94,000) compared to a deficit of \$29,000 for 2021–22 result.

STATEMENT OF CASH FLOWS

- The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year and reveals that cash decreased by \$51,000 to \$581,000 at the close of the year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2022	2022	Commentary
	\$000	\$000	
Total cash, cash equivalents and investments	1,081	1,132	<ul style="list-style-type: none"> External restrictions represent unspent specific purpose grants Balances are internally allocated due to Council policy or decisions for forward plans including works program.
Restricted cash and investments:			
<ul style="list-style-type: none"> External restrictions Internal allocations 	<ul style="list-style-type: none"> 231 153 	<ul style="list-style-type: none"> 185 179 	

PERFORMANCE

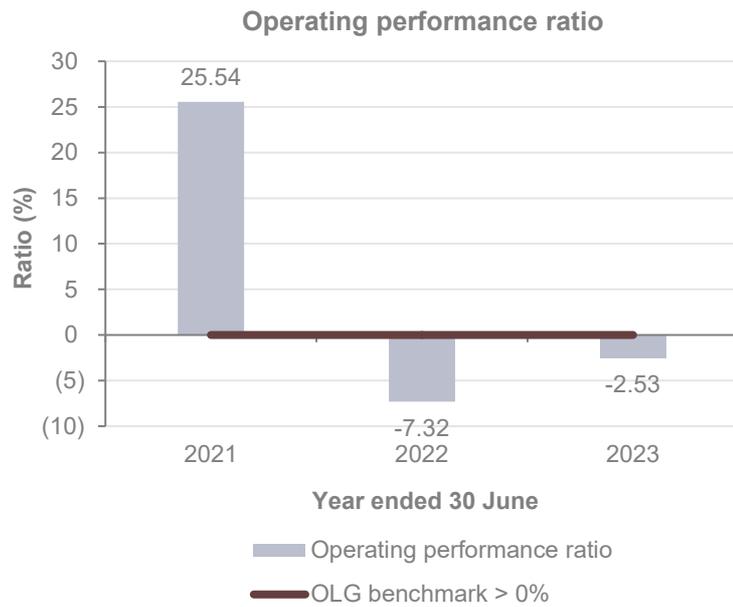
Performance measures

The following section provides an overview of the Council’s performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

Operating performance ratio

The Council did not meet the OLG benchmark for the current reporting period.

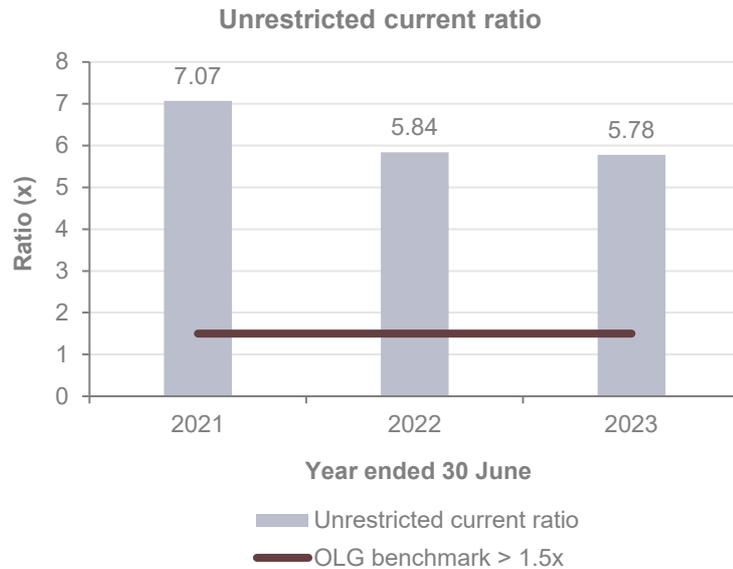
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Unrestricted current ratio

The Council met the OLG benchmark for the current reporting period.

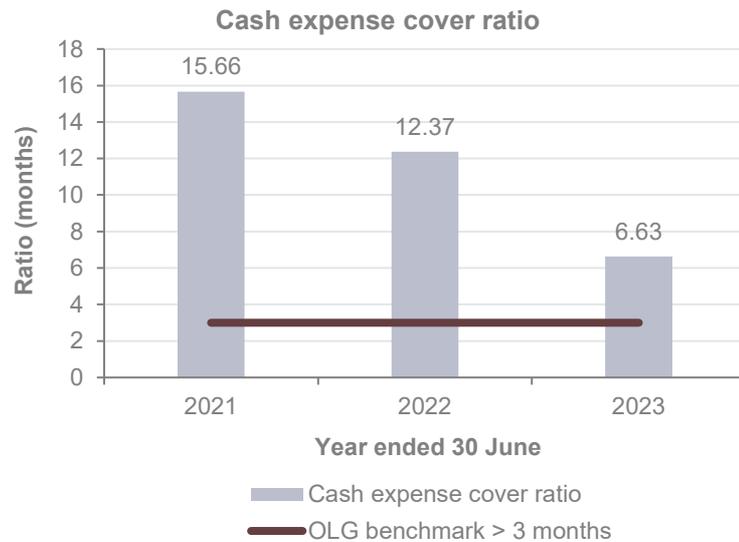
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Cash expense cover ratio

The Council met the OLG benchmark for the current reporting period.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements 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.

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the general purpose financial statements
- staff provided all accounting records and information relevant to the audit.

Manuel Moncada
Delegate of the Auditor-General for New South Wales



Castlereagh Macquarie County Council
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www.cmcc.nsw.gov.au

Photos © NSW Department of Primary Industries