

Special Meeting of Council - 29 September 2025 Attachments

6.1.1. ADOPTION OF 2024/25 FINANCIAL STATEMENT AND 2024/25 PERFORMANCE
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**Pyrenees Shire Council
Financial Report**

Pyrenees Shire Council

ANNUAL FINANCIAL REPORT

For the year ended 30 June 2025

**Pyrenees Shire Council
Financial Report**

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Certification of Financial Statement

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



Glenn Kallio B.Bus CPA
Principal Accounting Officer
Date: 29 September 2025
Beaufort Shire Offices

In our opinion, the accompanying financial statements present fairly the financial transactions of the Pyrenees Shire Council for the year ended 30 June 2025 and the financial position of the Council as at that date.

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

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

Cr Tanya Kehoe
Councillor
Date 29 September 2025
Beaufort Shire Offices

Cr Rebecca Wardlaw
Councillor
Date 29 September 2025
Beaufort Shire Offices

Jim Nolan
Chief Executive Officer
Date 29 September 2025
Beaufort Shire Offices

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

	Note	2025 \$'000	2024 \$'000
Income / Revenue			
Rates and charges	3.1	13,910	13,433
Statutory fees and fines	3.2	236	273
User fees	3.3	801	695
Grants - operating	3.4	14,100	2,608
Grants - capital	3.4	6,037	5,881
Contributions - monetary	3.5	162	205
Net gain on disposal of property, infrastructure, plant and equipment	3.6	245	47
Other income	3.7	898	784
Total income / revenue		36,389	23,926
Expenses			
Employee costs	4.1	9,554	9,741
Materials and services	4.2	9,991	10,853
Depreciation	4.3	6,913	6,551
Depreciation - right of use assets	4.4	9	10
Allowances for impairment losses	4.5	(7)	11
Borrowing costs	4.6	66	31
Finance costs - leases	4.7	3	3
Other expenses	4.8	306	297
Asset revaluation decrement through Surplus / (Deficit)		1,437	-
Total expenses		28,272	27,497
Surplus/(Deficit) for the year		8,117	(3,571)
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.1	63,990	-
Total other comprehensive income		63,990	-
Total comprehensive result		72,107	(3,571)

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

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**Balance Sheet
As at 30 June 2025**

	Note	2025 \$'000	Restated 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	23,877	9,202
Trade and other receivables	5.1 (b)	2,517	2,421
Inventories	5.2 (a)	13	14
Prepayments	5.2 (b)	148	207
Other assets	5.2 (b)	1,185	43
Total current assets		27,740	11,887
Non-current assets			
Trade and other receivables	5.1 (b)	2	8
Property, infrastructure, plant and equipment	6.1	369,018	304,411
Right-of-use assets		29	38
Total non-current assets		369,049	304,457
Total assets		396,789	316,344
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	3,414	2,436
Trust funds and deposits	5.3 (b)	504	319
Contract and other liabilities	5.3 (c)	6,942	852
Provisions	5.4	2,346	2,329
Interest-bearing liabilities	5.5	458	208
Lease liabilities		11	11
Total current liabilities		13,675	6,155
Non-current liabilities			
Provisions	5.4	108	123
Interest-bearing liabilities	5.5	2,077	1,235
Lease liabilities		21	30
Total non-current liabilities		2,206	1,388
Total liabilities		15,881	7,543
Net assets		380,908	308,801
Equity			
Accumulated surplus		125,589	117,524
Reserves	9.1	255,319	191,277
Total Equity		380,908	308,801

2024 Comparative balances have been restated as detailed in note 11

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

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

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2025					
Balance at beginning of the financial year		308,801	117,524	191,268	9
Surplus/(Deficit) for the year		8,117	8,117	-	-
Net asset revaluation gain/(loss)	9.1	63,990	-	63,990	-
Transfers from (to) other reserves	9.1	-	(52)	-	52
Balance at end of the financial year		380,908	125,589	255,258	61

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2024					
Balance at beginning of the financial year		294,794	103,517	191,268	9
Correction or prior year error - retrospective	11	17,578	17,578	-	-
Surplus / (Deficit) for the year		(3,571)	(3,571)	-	-
Balance at end of the financial year		308,801	117,524	191,268	9

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

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

		2025	2024
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		13,805	13,220
Statutory fees and fines		236	273
User fees		901	390
Grants - operating		18,948	1,694
Grants - capital		6,137	4,833
Contributions - monetary		162	205
Interest received		458	411
Other receipts		486	377
Net GST refund/(payment)		1,079	1,214
Employee costs		(9,552)	(9,783)
Materials and services		(10,143)	(12,620)
Net Trust funds and deposits received/(repaid)		185	60
Other payments		(337)	(327)
Net cash provided by/(used in) operating activities	9.2	22,366	(53)
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(9,231)	(10,950)
Proceeds from sale of property, infrastructure, plant and equipment		525	74
Net cash provided by/(used in) investing activities		(8,706)	(10,876)
Cash flows from financing activities			
Finance costs		(66)	(31)
Proceeds from borrowings		1,300	1,000
Repayment of borrowings		(207)	(121)
Interest paid - lease liability		(3)	(3)
Repayment of lease liabilities		(9)	(7)
Net cash provided by/(used in) financing activities		1,015	838
Net increase (decrease) in cash and cash equivalents		14,675	(10,091)
Cash and cash equivalents at the beginning of the financial year		9,202	19,293
Cash and cash equivalents at the end of the financial year		23,877	9,202
Financing arrangements	5.6		

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

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

	Note	2025 \$'000	2024 \$'000
Property			
Land		-	705
Land Improvemets		1,021	95
Total land		1,021	800
Buildings		-	502
Building Improvements		1,565	-
Total buildings		1,565	502
Total property		2,586	1,302
Plant and equipment			
Plant, machinery and equipment		687	816
Fixtures, fittings and furniture		17	3
Computers and telecommunications		80	118
Library books		50	56
Total plant and equipment		834	993
Infrastructure			
Roads		4,348	5,603
Bridges		641	552
Footpaths and cycleways		287	533
Drainage		557	837
Other infrastructure		-	1,200
Total infrastructure		5,833	8,725
Total capital works expenditure		9,253	11,020
Represented by:			
New asset expenditure		2,277	4,242
Asset renewal expenditure		5,244	6,129
Asset expansion expenditure		414	179
Asset upgrade expenditure		1,318	470
Total capital works expenditure		9,253	11,020

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

Pyrenees Shire Council Financial Report

Note 1 Overview

Introduction

The Pyrenees Shire Council was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate. The Council's main office is located at 5 Lawrence Street Beaufort.

Statement of Compliance

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

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

Accounting policy information

1.1 Basis of accounting

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

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant, and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant, and equipment (refer to Note 6.1)

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- the determination of employee provisions (refer to Note 5.4)
- the determination of whether performance obligations are sufficiently specific to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- other areas requiring judgements.

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

Goods and Service Tax (GST)

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

1.2 Impact of emergencies and natural disasters

During 2024-25 emergencies or natural disasters impacted Council's operations. Council has noted the following significant impacts on its financial operations:

Funding was received:

	2025 \$'000
Avoca Flood Mitigation Investigation	96
Fire Event February 2024	986
Pyrenees Bushfire Resilience Project	300
Pyrenees Municipal Bushfires Hazard Assessment	43
Flood Study Implementation Support Grant	656
Fire Event October 2022	684
Flood Event October 2022 - Certified Claims	930
	3,695

Additional costs incurred:

Flood Event October 2022 - works	176
Flood Event October 2022 - infrastructure works	311
Community Recovery Officer	108
Community Recovery Hub	39
Fire Event February 2024 - works	414
Flood Certified Claims - works	930
	1,978

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Note 2 Analysis of our results

Note 2.1 Performance against budget

The performance against budget notes compares Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a that an explanation is warranted only when both a +/- 10 percent and \$250,000 movement has occurred. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

Note 2.1.1 Income / Revenue and expenditure

	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
Income / Revenue					
Rates and charges	13,992	13,910	(82)	-1%	
Statutory fees and fines	281	236	(45)	-16%	
User fees	732	801	69	9%	
Grants - operating	7,478	14,100	6,622	89%	1
Grants - capital	1,435	6,037	4,602	321%	2
Contributions - monetary	34	162	128	376%	
Net gain on disposal of property, infrastructure, plant and equipment	-	245	245	100%	
Other income	649	898	249	38%	
Total income / revenue	24,601	36,389	11,788	48%	
Expenses					
Employee costs	9,902	9,554	348	4%	
Materials and services	8,663	9,991	(1,328)	-15%	3
Depreciation	6,202	6,913	(711)	-11%	4
Depreciation - right of use assets	9	9	-	0%	
Allowances for impairment losses	10	(7)	17	170%	
Borrowing costs	68	66	2	3%	
Finance costs - leases	11	3	8	73%	
Other expenses	309	306	3	1%	
Asset revaluation decrement through Surplus / (Deficit)	-	1,437	(1,437)	100%	5
Total expenses	25,174	28,272	(3,098)	-12%	
Surplus/(Deficit) for the year	(573)	8,117	8,690	-1517%	

**Pyrenees Shire Council
Financial Report****(i) Explanation of material variations****1 Grants – operating**

The principal cause for this variation relates to the timing of receiving Council's Financial Assistance Grants.

50% of the 2025/26 allocation was received in the 2024/25 financial year.

2 Grants – capital

The positive variation was due to the receipt of additional grants that were not budgeted for, these relate to:

- LRCIP Phase 4 projects
- October 2022 Flood grants.
- Lexton Community Hall
- Roads to Recovery

3 Materials and services

The excess expenditure related to the following unbudgeted projects:

- October 2022 flood
- February 2024 Fire

4 Depreciation

At the time of preparing the budget for 2024/25, the impact of the fair value adjustments of infrastructure assets in the 2023/24 year had not been fully considered resulting in lower levels of depreciation budgeted for in the 2024/25 financial year.

5 Asset revaluation decrement through Surplus / (Deficit)

During the revaluation process, the revaluation of Kerb & Channel assets has resulted in a reduction of the value of these assets. This reduction exceeded the amount in the Asset Revaluation Reserve resulting in this loss which was not anticipated at the time of preparing the budget.

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Note 2.1.2 Capital Works

	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
Property					
Land	-	-	-	100%	
Land Improvemets	-	1,021	1,021	100%	1
Total land	-	1,021	1,021	100%	
Buildings	1,000	-	(1,000)	-100%	2
Building Improvements	190	1,565	1,375	724%	3
Total buildings	1,190	1,565	375	32%	
Total property	1,190	2,586	1,396	117%	
Plant and equipment					
Plant, machinery and equipment	764	687	(77)	-10%	
Fixtures, fittings and furniture	21	17	(4)	-19%	
Computers and telecommunications	309	80	(229)	-74%	
Library books	26	50	24	92%	
Total plant and equipment	1,120	834	(286)	-26%	
Infrastructure					
Roads	3,005	4,348	1,343	45%	4
Bridges	420	641	221	53%	
Footpaths and cycleways	30	287	257	857%	5
Drainage	199	557	358	180%	6
Recreational, leaisure and community facilities	51	-	(51)	-100%	
Waste Management	87	-	(87)	-100%	
Other infrastructure	650	-	(650)	-100%	7
Total infrastructure	4,442	5,833	1,391	31%	
Total capital works expenditure	6,752	9,253	2,501	37%	
Represented by:					
New asset expenditure	2,640	2,277	(363)	-14%	
Asset renewal expenditure	4,112	5,244	1,132	28%	
Asset expansion expenditure	-	414	414	100%	
Asset upgrade expenditure	-	1,318	1,318	0%	
Total capital works expenditure	6,752	9,253	2,501	37%	

**Pyrenees Shire Council
Financial Report****(i) Explanation of material variations**

A significant portion of the material variations within capital works is a result of funds carried forward from 2023-24 to the 2024-25 financial year to complete projects that had not been completed in the 2023-24 financial year.

These carry forward amounts are included in the amended budget figures for comparative purpose for management reports but are excluded from the budget amounts that are used in this table.

1 Land Improvements

The variation is a reclassification of projects from Buildings to Land Improvements. The main projects in question relate to:

- Regional Workers Accommodation
- Playground and Public Open Space Improvements
- LRCIP Phase 4 – Streetscape Amenity Avoca - These funds were carried over from 2023/24 hence were not included in the adopted budget.

2 Buildings

The projects allocated to Buildings at the commencement of the financial year were reallocated to Building improvements at year end when the detail of the work involved was reviewed.

In addition to the reclassification of projects, funds carried forward impacted the variation relating to the Avoca Depot relocation project.

3 Building improvements

The projects allocated to Buildings at the commencement of the financial year were reallocated to Building improvements at year end when the detail of the work involved was reviewed.

4 Roads

Unbudgeted expenditure on roads relating to rehabilitation works contributed to the October 2022 flood event has resulted in the variation recorded.

5 Footpaths and cycleways

Works carried over from 2023/24 and works relating to the LRCIP program account for the variation of expenditure to the adopted budget.

6 Drainage

Excess expenditure can be attributed to the October 2022 flood rehabilitation works.

7 Other infrastructure

This classification has been removed and all projects originally allocated under this heading have been reallocated under other infrastructure classifications.

**Pyrenees Shire Council
Financial Report****Note 2.2 Analysis of Council results by program.**

Council delivers its functions and activities through the following programs:

2.2.1 People and Organisation Development

Prepare for emergencies and ensure community safety.

Support a vibrant community art, culture, and heritage environment.

Improve accessibility and inclusivity.

Promote health, wellbeing, engagement, and connection.

Improve social outcomes.

Place

Sustain and enhance unique character of our communities.

Support community sustainability.

Enhance liveability of our communities.

Promote responsible development.

Environment

Lead and promote environmental sustainability.

Foster a climate change resilient community.

Encourage community care of biodiversity and natural values.

Improve waste management to reduce landfill and reduce harm to the environment.

Economy

Support our local businesses and help to strengthen key industries.

Invest in road infrastructure to improve connectivity for commerce and community.

Advocate for and invest in assets and infrastructure to support industry sustainability.

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

	Income / Revenue	Expenses	Surplus / (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2025					
People and Organisation Development	679	1,340	(661)	651	-
Place	377	3,009	(2,632)	138	-
Environment	2,939	2,870	69	90	-
Economy	20,835	12,703	8,132	19,258	396,789
Unattributed					
Net Asset Sales	245	-	245	-	-
Rates Revenue	11,314	-	11,314	-	-
Loss on Asset Revaluation Reserve	-	1,437	(1,437)	-	-
Depreciation	-	6,913	(6,913)	-	-
	36,389	28,272	8,117	20,137	396,789

	Income / Revenue	Expenses	Surplus / (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
People and Organisation Development	544	1,367	(823)	535	-
Place	375	3,031	(2,656)	165	-
Environment	2,833	2,672	161	108	-
Economy	9,168	13,876	(4,708)	7,681	298,766
Unattributed					
Net Asset Sales	47	-	47	-	-
Rates Revenue	10,959	-	10,959	-	-
Depreciation	-	6,551	(6,551)	-	-
	23,926	27,497	(3,571)	8,489	298,766

**Pyrenees Shire Council
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Note 3 Funding for the delivery of services

3.1 Rates and Charges

2025	2024
\$'000	\$'000

Council uses capital improved value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its market value (land and buildings).

The valuation base used to calculate general rates for 2024/25 was \$5,254 million (2023/24 \$5,357 million).

General rates	9,896	9,632
Supplementary rates and rate adjustments	14	14
Waste management charge	2,596	2,473
Interest on rates and charges	70	26
Revenue in lieu of rates	1,334	1,288
Total rates and charges	13,910	13,433

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

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

3.2 Statutory fees and fines

Environmental health fees	40	38
Fines	42	73
Town planning fees	126	141
Land information certificates	28	21
Total statutory fees and fines	236	273

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

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3.3 User Fees

	2025	2024
	\$'000	\$'000
Caravan park charges	388	317
Building charges	43	47
Animal registration charges	137	135
Rental and function charges	43	39
Waste disposal charges	7	6
Resource and information centre charges	45	48
Community transport charges	7	7
Environmental Health	18	26
Road opening permits	49	8
Other charges	64	62
Total user fees	801	695
User fees by timing of revenue recognition		
User fees recognised over time	180	174
User fees recognised at a point in time	621	521
Total user fees	801	695

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

3.4 Funding from other levels of government

Grants were received in respect of the following :

Summary of grants

Commonwealth funded grants	14,344	3,731
State Government funded grants	5,793	4,758
Total grants received	20,137	8,489

(a) Operating Grants

Recurrent - Commonwealth Government

Financial Assistance Grants	10,664	301
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Recurrent - State Government

Aged Care Services	3	71
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Libraries	245	-
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Family & Childrens Services	319	399
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Other	91	30
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Total recurrent operating grants	11,322	801
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Pyrenees Shire Council
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	2025	2024
	\$'000	\$'000
<i>Non-recurrent - State Government</i>		
Lexton Fire	39	-
Avoca Flood Mitigation Investigation	96	-
Council Flood Support Fund (AGRN1096)	100	-
Council Flood Support Fund (AGRN1108)	500	-
Community Recovery Hub	-	275
Community Recovery Officer	40	179
Fire Event February 2024	986	1,000
Pyrenees Bushfire Resilience Project	300	-
Cat Desexing Project	7	-
Implementation of 3 yr old preschool	32	-
Youth Engagement Project	43	45
Premier Reading Challenge	6	6
Digital Literacy for Seniors	-	13
Good Things Be Connected Digital Literacy	3	-
Beaufort Linear Masterplan	-	85
TAC - Pyrenees Shire Road Safety	-	30
Onsite Domestic Wastewater Management Plan	-	20
Pyrenees SC Statutory Planning Assistance	27	19
Pyrenees Municipal Bushfire Hazard Assessment	43	-
Rural and Regional Planning Cadet Program	12	-
Municipal Emergency Resourcing Program	60	-
Roadside Weeds & Pest Management	-	62
Transition Plan Development	-	13
Economy Household Education Fund	8	19
Flood Study Implementation Support Grant	56	-
Community Participation & Support; Old Beaufort Primary School	400	-
Digital Planning Statutory Administration Improvement	-	41
Community Activation & Social Isolation	20	-
Total non-recurrent operating grants	2,778	1,807
Total operating grants	14,100	2,608

**Pyrenees Shire Council
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	2025	2024
	\$'000	\$'000
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,996	1,743
Total recurrent capital grants	1,996	1,743
<i>Non-recurrent - Commonwealth Government</i>		
Local Roads and Community Infrastructure Program	1,540	992
Agrilinks - Bridge 110 on the Moonambel Warrenmang Road	-	74
BRP - Bridge 139 Raglan Elmhurst Rd	-	302
Lexton Community Facility	144	319
<i>Non-recurrent - State Government</i>		
Lexton Community Facility	-	50
Pyrenees Mobile Library Bus Project State Grant3	-	30
Light up Goldfields Recreation Reserve	25	225
Flood Event October 2022	683	2,076
Flood Event October 2022 - Certified Claims	930	-
Burke Street Infrastructure RWAf	139	-
School Crossing Upgrade-Skipton Rd Beaufort	80	-
Beaufort Caravan Park	500	-
Beaufort New Practice Nets & Storage Shed	-	70
Total non-recurrent capital grants	4,041	4,138
Total capital grants	6,037	5,881

(c) Recognition of grant income

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

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

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

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

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	2025	2024
	\$'000	\$'000
Income recognised under AASB 1058 <i>Income for Not-for-Profit Entities</i>		
General Purpose	10,664	301
Specific purpose grants to acquire non-financial assets	6,038	5,881
Other specific purpose grants	2,613	1,527
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	822	780
	20,137	8,489

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

Operating

Balance at start of year	403	1,236
Received during the financial year and remained unspent at balance date	456	351
Received in prior years and spent during the financial year	(355)	(1,184)
Balance at year end	504	403

Capital

Balance at start of year	449	1,578
Received during the financial year and remained unspent at balance date	6,437	349
Received in prior years and spent during the financial year	(448)	(1,478)
Balance at year end	6,438	449

Unspent grants are determined and disclosed on a cash basis.

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3.5 Contributions

	2025 \$'000	2024 \$'000
Monetary	162	205
Total contributions	162	205

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

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

Proceeds of sale	525	74
Written down value of assets disposed	(280)	(27)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	245	47

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

3.7 Other income

Interest	456	440
Reimbursement - Workcover wages	90	98
Reimbursement - State Revenue Office	48	47
Insurance Recovery	211	-
Private Works	4	2
Other	89	197
Total other income	898	784

Interest is recognised as it is earned.

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

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Note 4 The cost of delivering services

4.1 Employee costs

	2025	2024
	\$'000	\$'000
Wages and salaries	8,371	8,588
WorkCover	214	180
Superannuation	954	966
Fringe benefits tax	15	7
Total employee costs	9,554	9,741

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	69	88
	69	88
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	513	584
Employer contributions - other funds	372	294
	885	878
Employer contributions payable at reporting date.	-	33

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

**Pyrenees Shire Council
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4.2 Materials and services

	2025 \$'000	2024 \$'000
Contractors	3,306	5,398
Consumables	2,337	1,773
Contracted Service Delivery	2,012	1,445
Insurance	599	496
Electricity and water	226	205
Plant expenses	174	239
Information technology	442	389
Telecommunications	241	190
Subscriptions and memberships	156	150
Advertising	92	109
Legal fees	96	89
Stationery, postage, photocopying and printing	71	70
Conferences and training	108	141
Contributions and donations	92	126
Valuations	12	6
Fire services levy	27	27
Total materials and services	9,991	10,853

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

4.3 Depreciation – Property, Infrastructure, Plant & Equipment

Property	1,150	1,092
Plant and equipment	1,008	896
Infrastructure	4,755	4,563
Total depreciation	6,913	6,551

Refer to note 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Depreciation – Right of Use Assets

Printers	9	10
Total Depreciation - Right of use assets	9	10

Pyrenees Shire Council
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4.5 Allowances form impairment losses

	2025	2024
	\$'000	\$'000
General Debtors	(7)	11
Total allowance for impairment losses	(7)	11

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	(32)	(22)
New allowances recognised during the year	22	(10)
Balance at end of year	(10)	(32)

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

4.6 Borrowing costs

Interest - Borrowings	66	31
Total borrowing costs	66	31

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

4.7 Finance costs – Leases

Interest - Lease Liabilities	3	3
Total finance costs	3	3

4.8 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	47	51
Auditors' remuneration - Internal Audit	44	57
Councillors' allowances	198	171
Internal audit committee	13	9
Short term leases	4	9
Total other expenses	306	297

Pyrenees Shire Council
Financial Report

Note 5 Investing in and financing our operations

5.1 Financial assets

	2025	2024
	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	1	1
Cash at bank	23,876	9,201
Term deposits	-	-
Total cash and cash equivalents	23,877	9,202

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

(b) Trade and other receivables

Current

Statutory receivables

Rates debtors	1,205	1,102
Special rate assessment	5	5
GST receivable	373	198

Non statutory receivables

Other debtors	944	1,148
Provision for doubtful debts - other debtors	(10)	(32)

Total current trade and other receivables

2,517	2,421
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Non-current

Statutory receivables

Special rate scheme	2	8
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Total non-current trade and other receivables	2	8
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Total trade and other receivables

2,519	2,429
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Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

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(c) Ageing of Receivables

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

	2025 \$'000	2024 \$'000
Current (not yet due)	236	428
Past due by up to 30 days	677	10
Past due between 31 and 180 days	8	274
Past due between 181 and 365 days	2	12
Past due by more than 1 year	21	424
Total trade and other receivables	944	1,148

5.2 Non-financial assets

(a) Inventories

Inventories held for distribution	13	14
Total inventories	13	14

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	148	207
Accrued Income	41	43
Contract assets	1,144	-
Total other assets	1,333	250

**Pyrenees Shire Council
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5.3 Payables, trust funds and deposits and contract and other liabilities

	2025	2024
	\$'000	\$'000
(a) Trade and other payables		
Current		
<i>Non-statutory payables</i>		
Trade payables	3,373	2,151
Accrued expenses	41	285
Total current trade and other payables	3,414	2,436
(b) Trust funds and deposits		
Current		
Refundable deposits	108	109
Fire services levy	-	(1)
Retention amounts	396	211
Total current trust funds and deposits	504	319
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	504	403
Total contract liabilities	504	403
Other liabilities		
Current		
Deferred capital grants	6,438	449
Total other liabilities	6,438	449
Total contract and other liabilities	6,942	852

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Trust funds and deposits

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

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of the following:

Funding Body	Details	2025 \$'000
Department Justice and Community Safety	Flood Recovery - Certified Claims	1,385
Department Justice and Community Safety	Disaster Recovery Heritage Program	4
Department Families, Fairness and Housing	Men's Shed Funding	100
Department for the Environment	Beggs Street Dog Park Beaufort	28
Department of Jobs, Skills, Industry and Regions	Burke Street Infrastructure	4,921
		6,438

Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Pyrenees Shire Council Financial Report

Other liabilities

The table below details the grant consideration received and the projects to be constructed.

	2025 \$'000
Flood Study Implementation Support	245
HACC-PYP Minor Capital	10
Kindergarten Infrastructure and Service Plan	42
Pyrenees Municipal Bushfire Hazard Assessment	7
Increase the visibility;awareness;accessibility of our Libraries	200
	<u>504</u>

Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

Purpose and nature of items

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

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

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5.4 Provisions

	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	2,452	2,494
Additional provisions	838	1,391
Amounts used	(681)	(1,183)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(155)	(250)
Balance at the end of the financial year	2,454	2,452
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	580	556
Long service leave	191	215
	771	771
Current provisions expected to be wholly settled after 12 months		
Annual leave	84	108
Long service leave	1,491	1,450
	1,575	1,558
Total current employee provisions	2,346	2,329
Non-current		
Long service leave	108	123
Total non-current employee provisions	108	123
Aggregate carrying amount of employee provisions:		
Current	2,346	2,329
Non-current	108	123
Total aggregate carrying amount of employee provisions	2,454	2,452

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

Annual leave

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

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

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

Pyrenees Shire Council Financial Report

Long service leave

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

Key assumptions:	2025	2024
- discount rate	4.203%	4.450%
- index rate	4.250%	4.380%

5.5 Interest bearing liabilities

	2025	2024
	\$'000	\$'000
Current		
Treasury Corporation of Victoria borrowings - secured	323	79
Other borrowings - secured	135	129
Total current interest-bearing liabilities	458	208
Non-current		
Treasury Corporation of Victoria borrowings - secured	1,897	921
Other borrowings - secured	180	314
Total non-current interest-bearing liabilities	2,077	1,235
Total	2,535	1,443

Borrowings are secured by all accounts and other rights, remedies and entitlements (whether arising under statute or otherwise) in respect of general rates and/or council rates (however described) which exist at any time (including the right to charge and collect any such rates)

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

Not later than one year	458	208
Later than one year and not later than five years	1,618	683
Later than five years	459	552
	2,535	1,443

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

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

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5.6 Financing arrangements

	2025	2024
	\$'000	\$'000
The Council has the following funding arrangements in place as at 30 June 2025		
Credit card facilities	75	75
Loans	2,535	1,443
Total facilities	2,610	1,518
Used facilities	2,593	1,455
Unused facilities	17	63

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5.7 Commitments

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

(a) Commitments for expenditure

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2025					
Operating					
Waste services	1,210	-	-	-	1,210
Environmental Health	247	257	131	-	635
Swimming Pools	428	-	-	-	428
Landfill	534	553	573	-	1,660
Mobile Waste bins	27	28	29	-	84
Cleaning services	217	217	542	-	976
Internal audit	25	-	-	-	25
Total	2,688	1,055	1,275	-	5,018

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2025			
	Not later than	Later than 1 year and not later than 2	Total
	1 year	years	
Capital	\$'000	\$'000	\$'000
Roads	850	850	1,700
Total	850	850	1,700

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	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2024					
Operating					
Waste services	1,174	1,210	-	-	2,384
Transfer station management	516	534	1,126	-	2,176
Mobile Waste bins	27	27	57	-	111
Cleaning services	217	217	650	108	1,192
Internal audit	25	25	-	-	50
Lexton Flood Management Plan	106	-	-	-	106
Total	2,065	2,013	1,833	108	6,019
Capital					
Roads	850	850	850	-	2,550
Avoca Dept Facility	335	-	-	-	335
Total	1,185	850	850	-	2,885

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(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial property leases on its property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of less than 1 year.

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

	2025	2024
	\$'000	\$'000
Not later than one year	3	3
	3	3

Pyrenees Shire Council
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Note 6 Assets we manage

6.1 Property, infrastructure, plant, and equipment

	Restated Carrying amount 30 June 2024*	Opening Adjustments **			Revaluation decrement through Surplus / (Deficit)	Depreciation	Disposal	Write-off	Transfers	Carrying amount 30 June 2025
	\$'000	\$'000	Additions \$'000	Revaluation \$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure	222,881	(4,377)	4,903	67,042	(1,437)	(4,755)	-	(6)	501	284,752
Plant and equipment	5,079	-	834	-	-	(1,008)	(280)	-	-	4,625
Property	74,683	4,377	2,020	(3,052)	-	(1,150)	-	-	153	77,031
Work in progress	1,768	-	1,496	-	-	-	-	-	(654)	2,610
	304,411	-	9,253	63,990	(1,437)	(6,913)	(280)	(6)	-	369,018

Summary of Work in Progress	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure	1,604	930	-	(501)	2,033
Plant and equipment	-	-	-	-	-
Property	164	566	-	(153)	577
Total	1,768	1,496	-	(654)	2,610

Pyrenees Shire Council
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(a) Property

	Land	Land improvements	Total Land & Land Improvements	Restated Land Under Roads*	Buildings - specialised	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	13,388	3,588	16,976	17,578	41,221	164	75,939
Accumulated depreciation at 1 July 2024	-	(209)	(209)	-	(883)	-	(1,092)
	13,388	3,379	16,767	17,578	40,338	164	74,847
Movements in fair value							
Opening Adjustments **	-	3,542	3,542	-	846	-	4,388
Additions	-	787	787	-	1,233	566	2,586
Revaluation increments / decrements	1,134	(2,897)	(1,763)	-	(3,541)	-	(5,304)
Transfers	11	142	153	-	-	(153)	-
	1,145	1,574	2,719	-	(1,462)	413	1,670
Movements in accumulated depreciation							
Opening Adjustments **	-	-	-	-	(11)	-	(11)
Depreciation and amortisation	-	(208)	(208)	-	(942)	-	(1,150)
Revaluation increments/decrements	-	417	417	-	1,835	-	2,252
	-	209	209	-	882	-	1,091
At fair value 30 June 2025	14,533	5,162	19,695	17,578	39,759	577	77,609
Accumulated depreciation at 30 June 2025	-	-	-	-	(1)	-	(1)
Carrying amount	14,533	5,162	19,695	17,578	39,758	577	77,608

* 1 July 2024 opening Land Under Roads balances have been restated as detailed in Note 11.

** Assets were reclassified between asset classes at the commencement of the year.

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(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Library books \$'000	Total plant and equipment \$'000
At fair value 1 July 2024	8,376	599	992	574	10,541
Accumulated depreciation at 1 July 2024	(4,056)	(398)	(615)	(393)	(5,462)
	4,320	201	377	181	5,079
Movements in fair value					
Opening Adjustments	33	-	(33)	-	-
Additions	687	17	80	50	834
Disposal	(984)	-	(4)	-	(988)
Transfers	-	-	1	-	1
	(264)	17	44	50	(153)
Movements in accumulated depreciation					
Opening Adjustments	(34)	-	34	-	-
Depreciation and amortisation	(745)	(37)	(190)	(36)	(1,008)
Accumulated depreciation of disposals	704	-	4	-	708
	(75)	(37)	(152)	(36)	(300)
At fair value 30 June 2025	8,112	616	1,036	624	10,388
Accumulated depreciation at 30 June 2025	(4,131)	(435)	(767)	(429)	(5,762)
Carrying amount	3,981	181	269	195	4,626

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(c) Infrastructure

	Bridges	Drainage	Footpaths and Cycleways	Kerb and Channel	Roads	Other Infrastructure	Work In Progress Infrastructure	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	32,713	15,753	3,072	4,453	166,359	5,251	1,604	229,205
Accumulated depreciation at 1 July 2024	(413)	(157)	(93)	(95)	(3,553)	(409)	-	(4,720)
	32,300	15,596	2,979	4,358	162,806	4,842	1,604	224,485
Movements in fair value								
Opening Balance Adjustments *	-	(9)	-	-	(57)	(5,251)	-	(5,317)
Additions	537	557	287	-	3,522	-	930	5,833
Revaluation increments / decrements	9,897	(1,844)	(573)	(629)	51,671	-	-	58,522
Asset revaluation decrement through Surplus / (Deficit)	-	-	-	(1,437)	-	-	-	(1,437)
Write-off	(6)	-	-	-	-	-	-	(6)
Transfers	35	224	44	-	198	-	(501)	-
	10,463	(1,072)	(242)	(2,066)	55,334	(5,251)	429	57,595
Movements in accumulated depreciation								
Opening Balance Adjustments *	-	9	-	-	57	874	-	940
Depreciation and amortisation	(420)	(160)	(93)	(99)	(3,518)	(465)	-	(4,755)
Revaluation increments/decrements	833	302	184	194	7,007	-	-	8,520
	413	151	91	95	3,546	409	-	4,705
At fair value 30 June 2025	43,176	14,681	2,830	2,387	221,693	-	2,033	286,800
Accumulated depreciation at 30 June 2025	-	(6)	(2)	-	(7)	-	-	(15)
Carrying amount	43,176	14,675	2,828	2,387	221,686	-	2,033	286,785

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Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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

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

	Depreciation Period	Threshold Limit \$'000
<i>Asset recognition thresholds and depreciation periods</i>		
Land & land improvements		
land	-	-
land improvements	15 - 60 years	10
land under roads	-	-
Buildings		
buildings	20 - 150 years	10
Plant and Equipment		
plant, machinery and equipment	5 - 20 years	5
computers & Telecommunications	3 - 10 years	5
fixtures, fittings, and furniture	3 - 20 years	5
library Collection	10 years	5
Infrastructure		
Roads	20 - 110 years	10
footpaths and cycleways	53 years	5
kerb and channel	15 - 85 years	5
drainage	100 years	5
bridges	128 - 130 years	10

**Pyrenees Shire Council
Financial Report***Land under roads*

Council has recognised land under roads at fair value in 2024/25 to the value of \$17,578,000. The opening balances (refer note 11) have been adjusted to recognise the valuation of these assets.

Depreciation and amortisation

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Mr Peter Wigg Certified Practicing Valuer, Associate of the Australian Property Institute 62580. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions as at 30 June 2025. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
	\$'000	\$'000	\$'000		
Specialised land	-	-	6,578	6/25	Valuation
Non-Specialised land	-	7,955	-	6/25	Valuation
Land improvements	-	-	5,162	6/25	Valuation
Land under Roads	-	-	17,578	6/25	Valuation
Specialised buildings	-	-	39,758	6/25	Valuation
Total	-	7,955	69,076		

Valuation of infrastructure

Valuation of bridge, road pavement, road formation and sealed surface assets has been determined in accordance with an independent valuation undertaken by Mr Peter Moloney, Dip. C.E., MIE Australia as at 30 June 2025.

Valuations of the following assets classes were undertaken by Council's Assets Manager:

- Drainage
- Footpaths and Cycleways
- Kerb and channel

The valuations are based on reasonable unit rates multiplied by quantitative measures and applied to the assessment of the assets remaining useful life.

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

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
	\$'000	\$'000	\$'000		
Roads	-	-	221,686	6/25	Valuation
Bridges	-	-	43,176	6/25	Valuation
Footpaths and cycleways	-	-	2,828	6/25	Valuation
Drainage	-	-	14,675	6/25	Valuation
Kerb & Channel	-	-	2,387	6/25	Valuation
Total	-	-	284,752		

Pyrenees Shire Council Financial Report

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads are valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 10% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. The range of unit rates used were from \$0.10 per m2 to \$750 per m2.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 50 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$197 to \$15,000 per m2.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 years to 130 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

		Restated *
	2025	2024
	\$'000	\$'000
Reconciliation of specialised land		
Recreation	4,048	6,817
Industry	648	3,255
Tourism	229	322
Waste Management	538	974
Children's services	-	215
Land under Roads	17,578	17,578
Roads	818	1,623
Administration	297	182
Total specialised land	24,156	30,966

* 1 July 2024 opening Land Under Roads balances have been restated as detailed in Note 11.

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6.2 Investments in associates, joint arrangements, and subsidiaries

Council does not have any investments in associates, joint arrangements, or subsidiaries.

Committees of management

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

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Pyrenees Shire Council is the parent entity.

Subsidiaries and Associates

As at 30 June 2025 Council does not have any interests in any subsidiaries and/or associates.

(b) Key Management Personnel

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

Councillors

Councillor Ron Eason	(to 25/10/2024)
Councillor Robert Vance	(to 25/10/2024)
Councillor David Clark	(to 25/10/2024)
Councillor Tanya Kehoe (Mayor)	
Councillor Damien Ferrari	
Councillor Rebecca Wardlaw	(from 12/11/2024)
Councillor Megan Phelan	(from 12/11/2024)
Councillor Simon Tol	(from 12/11/2024)
Jim Nolan – Chief Executive Officer	
Jacinta Erdody – Director Corporate and Community Services	(from 19/05/2025)
Kathy Bramwell – Director Corporate and Community Services	(to 16/05/2025)
Douglas Gowans – Director Assets and Development	

	2025	2024
	No.	No.
Total Number of Councillors	8	5
Total of Chief Executive Officer and other Key Management Personnel	4	3
Total Number of Key Management Personnel	12	8

Pyrenees Shire Council Financial Report

(c) Remuneration of Key Management Personnel

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

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

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

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

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

	2025 \$'000	2024 \$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	847	763
Other long-term benefits	15	30
Post employment benefits	67	64
Total	<u>929</u>	<u>857</u>

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

	2025 No.	2024 No.
\$5,000 - \$9,998	1	-
\$10,000 - \$19,999	2	-
\$20,000 - \$29,999	3	3
\$30,000 - \$39,999	2	-
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	-	1
\$70,000 - \$79,999	1	-
\$180,000 - \$189,999	1	1
\$220,000 - \$229,999	1	1
\$260,000 - \$269,999	1	1
	<u>12</u>	<u>8</u>

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(d) Remuneration of other senior staff

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

Pyrenees Shire Council have no other senior staff as defined above (2024: Nil).

7.2 Relates party disclosures

	2025 \$'000	2024 \$'000
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties.		
Employee remuneration under normal employment terms	-	46
	-	46

(b) Outstanding balances with related parties

No material transactions with outstanding balances to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2025.

(c) Loans to/from related parties

No loans to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2025.

(d) Commitments to/from related parties

No material commitments to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2025.

**Pyrenees Shire Council
Financial Report****Note 8 Managing uncertainties****8.1 Contingent assets and liabilities**

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

There were no contingent assets as at 30 June 2025. As at 30 June 2024 there was a contingent asset in respect to \$806,678 of National Disaster Financial Assistance funding claims lodged but not yet approved in relation to the October 2022 flood event.

(b) Contingent liabilities

Contingent liabilities are:

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

Superannuation

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

Liability Mutual insurance

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

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MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027).

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

8.2 Change in accounting standards

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

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

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables), Bendigo Bank borrowings, and TCV borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements.

Risk management is conducted by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls, and risk minimisation.

(b) Market risk

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

Pyrenees Shire Council Financial Report

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from borrowings from the Bendigo Bank at a fixed rate which exposes council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

(c) Credit risk

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

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

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

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

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

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

**Pyrenees Shire Council
Financial Report****(d) Liquidity risk**

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

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained.
- have readily accessible standby facilities and other funding arrangements in place.
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments.
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.5.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 2.0% and -2.0% in market interest rates (AUD) from year-end rates of 3.85%. These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

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8.4 Fair value measurement

Fair value hierarchy

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

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

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

The AASB 13 amendments have not resulted in any material impacts to Council's financial statements. It is noted however, that Council has not recently undertaken any construction projects that would provide the data required to reliably estimate the impact of the following costs on the fair value of the Council's infrastructure assets at 30 June 2025:

- Site preparation costs relating to the demolition and removal of unwanted structures
- Costs for disruption of other entities' assets

As a result, information to estimate the impact of these costs on the fair value of the Council's infrastructure assets is not reasonably available, and those costs are not included in the Council's estimate of current replacement cost for all infrastructure asset categories.

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset

Pyrenees Shire Council Financial Report

materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

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

Asset class	Revaluation frequency
Land	3 to 5 years
Land Improvements	3 to 5 years
Land under roads	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	3 to 5 years
Kerb and Channel	3 to 5 years

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

Impairment of assets

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

8.5 Events occurring after balance date

No matters have occurred after balance date that requires disclosures in the financial report.

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Note 9 Other matters

9.1 Reserevs

	Balance at beginning of reporting period *	Increase (decrease)	Balance at end of reporting period
	\$'000	\$'000	\$'000
(a) Asset revaluation reserves			
2025			
Property			
Land and land improvements	12,217	(1,346)	10,871
Buildings	32,166	(1,706)	30,460
	44,383	(3,052)	41,331
Infrastructure			
Roads	111,883	58,678	170,561
Bridges	20,380	10,730	31,110
Footpaths and cycleways	1,115	(389)	726
Kerb and Channel	435	(435)	-
Drainage	13,072	(1,542)	11,530
	146,885	67,042	213,927
Total asset revaluation reserves	191,268	63,990	255,258
2024			
Property			
Land and land improvements	11,761	-	11,761
Buildings	32,118	-	32,118
	43,879	-	43,879
Infrastructure			
Roads	111,883	-	111,883
Bridges	20,380	-	20,380
Footpaths and cycleways	1,115	-	1,115
Kerb and Channel	435	-	435
Culverts; Pipes & Pits	13,072	-	13,072
Other Infrastructure	504	-	504
	147,389	-	147,389
Total asset revaluation reserves	191,268	-	191,268

** Opening adjustment is as a result of reclassification of other infrastructure assets to property assets.

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

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	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2025				
Recreational Land	9	52	-	61
Total Other reserves	9	52	-	61
2024				
Recreational Land	9	-	-	9
Total Other reserves	9	-	-	9

Recreational Land

The purpose of this reserve is to collect contributions from developers for open space which is used for future Parks and Open Space upgrades including Play spaces. The policy framework for open space contributions is set out in the Subdivision Act 1988 which enshrines a nominal contribution.

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

	2025	2024
	\$'000	\$'000
Surplus/(Deficit) for the year	8,117	(3,571)
<i>Non-cash adjustments</i>		
Depreciation	6,913	6,551
Depreciation - right of use assets	9	10
Net gain on disposal of property, infrastructure, plan and equipment	(245)	(47)
Finance costs - Borrowings	66	31
Finance Cost - Leases	3	3
Asset revaluation decrement through Surplus / (Deficit)	1,437	-
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(90)	(577)
(Increase)/decrease in inventories	1	-
(Increase)/decrease in prepayments	59	(148)
Increase/(decrease) in contract assets	(1,142)	57
(Decrease)/increase in contract and other liabilities	6,090	(1,962)
Increase/(decrease) in trade and other payables	963	(418)
(Decrease)/increase in provisions	2	(42)
(Decrease)/increase in trust funds and deposits	183	60
Net cash provided by/(used in) operating activities	22,366	(53)

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9.3 Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024: 11.0%)).

Defined Benefit

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

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

Funding arrangements

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

As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category.

The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

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

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

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

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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

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Employer contributions

(a) Regular contributions

On the basis of the results of the 2024 interim actuarial investigation conducted by the Fund Actuary, Pyrenees Shire Council makes employer contributions to the Fund’s Defined Benefit category at rates determined by the Fund’s Trustee. For the year ended 30 June 2025, this rate was 11.5% of members' salaries (11.0% in 2023/24). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

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

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category’s VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

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

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

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

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

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

The 2024 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Pyrenees Shire Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2024 while a full investigation was conducted as at 30 June 2023.

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

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

**Pyrenees Shire Council
Financial Report**

The VBI surplus means that the market value of the fund’s assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2024.

The total service liability surplus means that the current value of the assets in the Fund’s Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2024.

The discounted accrued benefit surplus means that the current value of the assets in the Fund’s Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2024.

The 2025 interim actuarial investigation

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

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

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

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

The 2023 triennial investigation

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

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.50% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

Pyrenees Shire Council Financial Report

Superannuation contributions

Contributions by Pyrenees Shire Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2025 are detailed below:

Scheme	Type of Scheme	Rate	2025 \$'000	2024 \$'000
Vision Super	Defined benefits	11.5% (2024: 11.0%)	69	58
Vision Super	Accumulation	11.5% (2024: 11.0%)	513	584
Other Schemes	Accumulation	11.5% (2024: 11.0%)	372	294

In addition to the above contributions, Pyrenees Shire Council has paid unfunded liability payments to Vision Super totalling (Nil) during the 2024/25 year, (2023/24 Nil).

There were nil contributions outstanding and nil loans issued from or to the above schemes as at 30 June 2025.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$61,783

Note 10 Change in accounting policy

There have been no changes to accounting policies in the 2024/25 year.

**Pyrenees Shire Council
Financial Report**

**Note 11 Corrections of error relating to previous reporting period –
Retrospective**

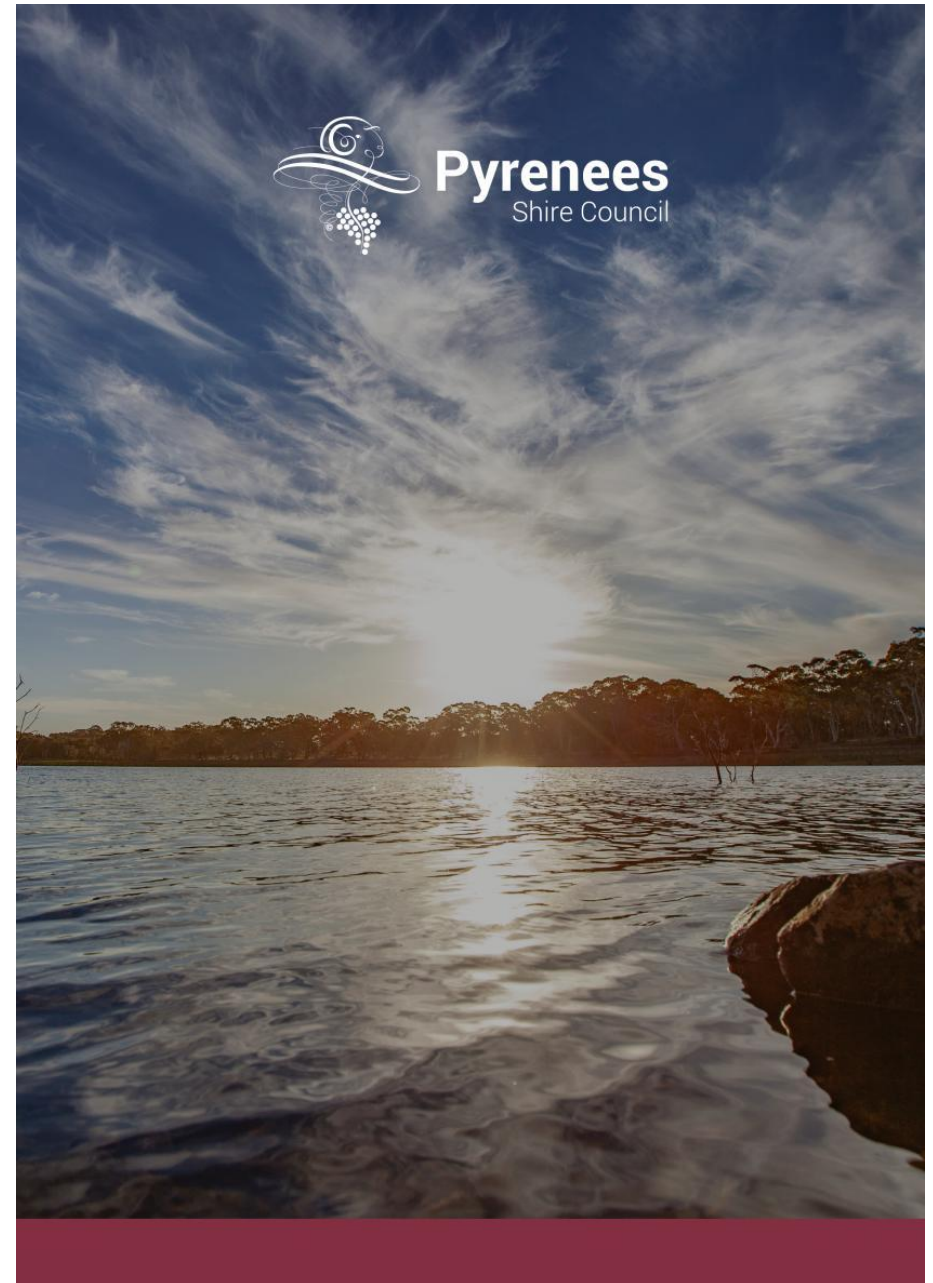
During the revaluation process of Council's land under roads Council found the following assets that had not previously been recorded in Council's asset register. These found assets have been brought to account as an adjustment to Council's prior year asset balance comparatives and to accumulated surplus for the 2023/24 financial year.

Adjustments to the comparative figures for the year ended 30 June 2024

	Original Balance 30 June 2024 \$'000	Impact increase/ (decrease) \$'000	Restated Balance 30 June 2024 \$'000
Balance Sheet			
Property, infrastructure, plant and equipment	286,833	17,578	304,411
Total Non-current Assets	286,879	17,578	304,457
Net Assets	291,223	17,578	308,801
Accumulated Surplus	99,946	17,578	117,524
Total Equity	291,223	17,578	308,801
Note 6.1 - Property			
Land under roads	-	17,578	17,578
Total Assets	57,269	17,578	74,847
Total Property, Infrastructure, Plant and Equipment	283,883	17,578	304,411

PYRENEES SHIRE COUNCIL PERFORMANCE STATEMENT

For the Year ended 30 June 2025





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Certification of the Performance Statement

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

A handwritten signature in black ink, appearing to read "Glenn Kallio".

Glenn Kallio
Principal Accounting Officer
Dated: 29 September 2025

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

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

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

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

Cr Tanya Kehoe
Mayor / Councillor
Dated: 29 September 2025

Cr Rebecca Wardlaw
Councillor
Dated: 29 September 2025

Jim Nolan
Chief Executive Officer
Dated: 29 September 2025



Victorian Auditor-General's Office Audit Report

To be inserted





Section 1. Description of municipality

The Pyrenees Shire is in the central west of Victoria, about 130 kilometres northwest of Melbourne. It is heavily dependent on primary industry and is renowned for its wool, viticulture, and forestry activity. Thirty percent of the workforce is involved in agriculture. Key areas of production are wool, cereal, hay crops and meat. Grape and wine production have expanded significantly in recent years. Gold, along with sand, gravel and slate all contribute to the economy.

The Pyrenees Shire comprises an area of nearly 3,500 square kilometres and a population of 7,622 residents. The Shire takes its name from the ranges in the north that hold similarity to the Pyrenees Ranges in Europe.

Council administration is based on the township of Beaufort, and several Council services also operate from the township of Avoca. These services include early years health, roads and infrastructure maintenance, community and economic development and support, library and visitor information services, statutory planning and building services.

Recreational activities are available in abundance in the region, giving community members and visitors wonderful opportunities to experience new pastimes. Most townships in the Shire have their own sporting facilities, such as sports ovals and netball courts. Avoca, Beaufort, and Snake Valley also have skate parks.

Tourism is every growing throughout the region. Hang-gliding from Mount Cole, croquet in Beaufort, the French game of Petanque in Avoca and the long-running Lake Goldsmith Steam Rally attract large numbers of visitors year-round. In recent years, the action sport of mountain bike riding has risen in popularity.

In addition to the sporting opportunities, the Pyrenees is known for its wineries and culinary delights. Community markets are a popular attraction, as are the region's antique fairs, picnic horse races and music festivals.



Section 2. Service performance indicators

For the year ended 30 June 2025

Service/Indicator/measure	Results					Comments
	2022	2023	2024	2025		
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic facilities utilisation						
Utilisation of aquatic facilities	1.02	1.22	1.03	N/A	1.08	Utilisation rates are linked to weather patterns.
[Number of visits to aquatic facilities / Municipal population]						
Animal management						
Health and Safety						
Animal management prosecutions	100%	100%	100%	N/A	100.00%	
[Number of successful animal management prosecutions/Number of animal management prosecutions] x 100						
Food safety						
Health and Safety						
Critical and major non-compliance outcome notifications	100%	100%	100%	N/A	100.00%	
[Number of critical and major non-compliance outcome notifications about a food premises followed up / Number of critical and major non-compliance outcome notifications about a food premises] x 100						
Governance Satisfaction						
Satisfaction with community consultation and engagement	51	50	52	53	51	
[Community satisfaction rating out of 100 with the consultation and engagement efforts of Council]						



Service/Indicator/measure	Results					Comments
	2022 Actual	2023 Actual	2024 Actual	2025		
				Target as per budget	Actual	
Libraries participation	N/A	N/A	16.38%	N/A	16.40%	
Library membership						
[Percentage of the population that are registered library members] x 100						
Maternal and child health (MCH)	94.31%	92.95%	93.71%	N/A	94.22%	
Participation						
Participation in the MCH Service						
[Number of children who attend MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100						
MCH Participation	100%	100%	100%	N/A	93.33%	This variation related to one participant that did not attend in 24-25 as their visit only occurs once every 18 months.
Participation in the MCH Service by Aboriginal children						
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100						
Roads Condition	99.92%	99.93%	99.98%	N/A	99.92%	
Sealed local roads below the intervention level						
[Percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal]						
Statutory Planning	91.72%	91.05%	91.78%	87.00%	84.29%	The percentage of planning applications decided within the 60 statutory days has reduced in the past 12 months due to a change in staff. While application numbers have reduced the complexity of applications and an increase in referral authority time frames has resulted in some applications exceeding the statutory timeframes. It is however noted that performance while often based on timeframes is better measured by achieving good planning outcomes.
Service standard						
Planning applications decided within the relevant required time						
[Percentage of planning application decisions made within the relevant required time]						



Service/Indicator/measure	Results					Comments
	2022 Actual	2023 Actual	2024 Actual	2025		
				Target as per budget	Actual	
Waste Collection	24.30%	37.14%	30.41%	26.00%	34.04%	Greenwaste volume included within the data this year which increases the diversion percentage.
Waste diversion						
Kerbside collection waste diverted from landfill						
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100						



Section 3. Financial performance indicators

For the year ended 30 June 2025

Dimension/indicator/measure		Results				Forecasts				Material variations and comments
	2022	2023	2024	2025		2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual					
Efficiency	\$3,866.16	\$4,108.71	\$4,364.60	\$3,930.00	\$4,486.19	\$4,163.24	\$4,122.15	\$4,138.32	\$4,154.49	Additional expenditure relating to recent flood and fire events, combined with the revaluation decrement to kerb and channel assets has increased expenditure to a level higher than would normally be expected thus resulting in this indicator increasing.
Expenditure level										
Expenses per property assessment										
[Total expenses / Number of property assessments]										



Dimension/indicator/measure		Results				Forecasts				Material variations and comments
	2022	2023	2024	2025		2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual					
Revenue level	\$1,506.58	\$1,512.42	\$1,531.11	NA	\$1,583.62	\$1,607.68	\$1,593.50	\$1,585.78	\$1,578.07	The forecast indicator results have been amended from the 2025/26 Council budget as councils budget calculated the KPI on total rates revenue instead of general rates and charges.
Average rate per property assessment										
[General rates and Municipal charges / Number of property assessments]										
Liquidity	240.50%	256.64%	193.13%	143.40%	202.85%	170.22%	175.09%	178.44%	180.66%	The budgeted working capital assumes all projects are completed thus no carryover funds and all grant funds are spent, the actual position at 30 June was that there were projects that were still in progress and Council received funding in advance for projects and for the Federal Assistance Grants.
Working Capital										
Current assets compared to current liabilities										
[Current assets / Current liabilities] x 100										



Dimension/indicator/measure		Results				Forecasts				Material variations and comments
	2022	2023	2024	2025		2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual					
Unrestricted cash	-66.83%	168.04%	100.68%	NA	90.39%	107.47%	109.74%	111.07%	111.71%	Past years results have been impacted by the timing of the Financial Assistance grants. 2024 was impacted by additional expenditure for disaster recovery works where matching funding had not been received. 2025 was impacted by expenditure on LRCIP projects, it is expected funding will be received in 2026. The improvement in unrestricted cash from 2026 onwards is a deliberate strategy on behalf of Council through their financial plan to increase the level of unrestricted cash.
Unrestricted cash compared to current liabilities										
[Unrestricted cash / Current liabilities] x 100										
Obligations	0.00%	4.40%	10.74%	NA	18.22%	22.15%	18.81%	16.25%	13.90%	
Loans and borrowings										
Loans and borrowings compared to rates										
[Interest bearing loans and borrowings / Rates revenue] x 100										



Dimension/indicator/measure		Results				Forecasts				Material variations and comments
	2022	2023	2024	2025		2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual					
Loans and borrowings Repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x 100	0.00%	0.87%	1.13%	NA	1.96%	2.27%	3.13%	3.50%	2.73%	The increase from 2023 to 2028 is due to loans being taken out during this period for major projects, no new loans are forecast to be raised from 2027 resulting in a decrease in payments.
Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x 100	0.87%	4.18%	9.11%	NA	13.71%	18.73%	16.30%	14.18%	12.10%	Borrowings raised from 2022 has resulted in the increase in indebtedness. From 2027 no new loans are forecast to be raised resulting in the reduction of indebtedness.



Dimension/indicator/measure		Results				Forecasts				Material variations and comments
	2022	2023	2024	2025		2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual					
Asset renewal and upgrade	110.58%	116.06%	100.73%	66.00%	94.92%	83.00%	82.52%	82.54%	82.51%	Prior years performance has been impacted by grants received for capital projects which has increased the ratio. Grant funding for capital projects decreased in 2025 resulting in a decrease for this ratio. The target result for 2025 and future forecast results assume no such grants for capital works resulting in a reduction of this ratio.
Asset renewal and upgrade compared to depreciation										
[Asset renewal and upgrade expense / Asset depreciation] x 100										
Operating position	4.22%	6.16%	-38.96%	NA	12.60%	0.17%	0.00%	0.00%	0.00%	This has been impacted by the timing of operating grants, especially the recent changes in timing for the Federal Assistance Grant.
Adjusted underlying result										
Adjusted underlying surplus (or deficit)										
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x 100										



Dimension/indicator/measure		Results				Forecasts				Material variations and comments
	2022	2023	2024	2025		2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual					
Stability	50.63%	47.19%	67.88%	56.00%	43.00%	46.00%	54.61%	54.85%	54.97%	This has been impacted by the timing of operating grants, especially the recent changes in timing for the Federal Assistance Grant.
Rates concentration										
Rates compared to adjusted underlying										
[Rate revenue / Adjusted underlying revenue] x 100										
Rates effort	0.40%	0.28%	0.25%	NA	0.26%	0.31%	0.32%	0.32%	0.32%	Recent revaluation process has shown errors in the valuation in 2022 & 2023. These errors have been corrected during 2025 and 2025 revaluation process.
Rates compared to Property values										
[Rate revenue / Capital Improved Value of rateable properties in the municipality] x 100										



Section 4. Sustainable capacity indicators

For the year ended 30 June 2025

Indicator/ measure	Results				Material variations
	2022 Actual	2023 Actual	2024 Actual	2025 Actual	
Population	\$3,085.02	\$3,332.11	\$3,531.60	\$3,552.05	This has been impacted by the increased level of expenditure required as a result of the recent flood and fire events impacting the municipality.
Expenses per head of municipal population					
[Total expenses / Municipal population]					
Infrastructure per head of municipal population	\$31,852.27	\$35,540.61	\$35,120.09	\$41,686.98	Increase is due to the revaluation of infrastructure assets in the 2024/25 financial year, including the valuation of land under roads for the first time..
[Value of infrastructure / Municipal population]					
Population density per length of road	3.88	3.79	3.88	3.82	
[Municipal population / kilometres of local roads]					
Own-source revenue	\$1,817.37	\$1,925.44	\$1,956.33	\$2,021.86	Own source income has increased through rates and fees greater than the population of the municipality.
Own-source revenue per head of municipal					
[Own-source revenue / Municipal population]					
Recurrent grants	\$1,283.13	\$1,470.77	\$326.74	\$1,673.79	Due to the receipt of the 2025/26 Financial Assistance grants in June 2025.
Recurrent grants per head of municipal population					
[Recurrent grants / Municipal population]					
Disadvantage	3	3	3	3	
Relative socio-economic disadvantage					
[Index of Relative Socio-economic Disadvantage by decile]					



<i>Indicator/ measure</i>	Results				Material variations
	2022 Actual	2023 Actual	2024 Actual	2025 Actual	
Workforce turnover	31.02%	15.90%	22.90%	18.20%	In the last few years there has been a higher than normal staff turnover due to the impacts of COVID. Staffing has stabilised as was the case before COVID.
<i>Percentage of staff turnover</i>					
<i>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</i>					



Section 5. Notes to the accounts

5.1 Basis of Preparation

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

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

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year, and the results forecast for the period 2025-2026 to 2028-2029 by the council's financial plan.

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

5.2 Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than:



Key term	Definition
	• non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age



Key term	Definition
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

5.3 Other Matters – Overview of 2024-2025

During the financial year Council continued to experience moderate growth in residents and demand for services. Residential growth of approximately 1.5% per year has been seen in recent years.

Extensive capital works were undertaken to improve infrastructure including road reconstruction across the shire. Council completed the final works of the LRCIP Phase 4 program and increased funding through the Roads to Recovery program.

Council completed the major upgrade the Beaufort Caravan Park following the securing of \$500,000 in government grants. Council also contributed \$500,000 towards the works. Council commenced a \$5.4 million project being the Regional Workers Accommodation. Council have secured \$5.4 million in funding for the delivery of this project.



Council has commenced the final stage of rectifying damaged caused by the October 2022 floods. These works commenced during the 2024/25 financial year and will be completed by June 30 2026. The total of these works are in the vicinity of \$7 million.

A review of Ward Boundaries was conducted in 2024 in preparation for the local government general election in October 2024, with some shrinkage in the more heavily populated Wards of Beaufort and Avoca and area growth in the Ward of De Cameron where population is in decline.

Council operations were impacted by the Bayindeen Rocky Road bushfire in February / March 2024 with recovery operations coming on top of the recovery activity underway from the 2022 extreme weather / flooding events. Significant vegetation damage was seen across the fire ground, with some impacts to Council's local road network. Additional resources were added to the flood recovery team already in place to coordinate emergency tree safety measures, infrastructure rehabilitation and community recovery.