Agenda and Business Paper

Extraordinary Meeting of Council

To be held on
Wednesday 29 October 2025
at 5:00 PM

Civic Centre cnr Baylis and Morrow Streets,
Wagga Wagga NSW 2650 (PO Box 20)
P 1300 292 442
P council@wagga.nsw.gov.au

wagga.nsw.gov.au

City of
Wagga Wagga

NOTICE OF MEETING

The proceedings of all Council meetings in open session, including all debate and addresses by the public, are recorded (audio visual) and livestreamed on Council's website including for the purpose of facilitating community access to meetings and accuracy of the Minutes.

In addition to webcasting council meetings, audio recordings of confidential sessions of Ordinary Meetings of Council are also recorded, but do not form part of the webcast.

Peter Thompson
General Manager

WAGGA WAGGA CITY COUNCILLORS

Councillor Dallas Tout (Mayor)

Councillor Dallas Tout was elected to Council in 2012 and was elected Mayor in 2022.

Councillor Georgie Davies (Deputy Mayor)

Councillor Georgie Davies was elected to Council in 2021 and was elected as Deputy Mayor in 2024.

Councillor Allana Condron

Councillor Allana Condron was elected to Council in 2024.

Councillor Richard Foley

Councillor Richard Foley was elected to Council in 2021.

Councillor Tim Koschel

Councillor Tim Koschel was elected to Council in 2016.

Councillor Jenny McKinnon

Councillor Jenny McKinnon was elected to Council in 2021 and was Deputy Mayor between 2022 and 2023.

Councillor Amelia Parkins

Councillor Amelia Parkins was elected to Council in 2021 and was Deputy Mayor between 2023 and 2024.

Councillor Karissa Subedi

Councillor Karissa Subedi was elected to Council in 2024.

Councillor Lindsay Tanner

Councillor Lindsay Tanner was elected to Council in 2024.

STATEMENT OF ETHICAL OBLIGATIONS

Councillors are reminded of their Oath or Affirmation of Office made under Section 233A of the Local Government Act 1993 and their obligation under Council's Code of Conduct to disclose and appropriately manage Conflicts of Interest.

QUORUM

The quorum for a meeting of the Council, is a majority of the Councillors of the Council, who hold office for the time being, who are eligible to vote at the meeting.

EXTRAORDINARY MEETING OF COUNCIL AGENDA AND BUSINESS PAPER

WEDNESDAY 29 OCTOBER 2025

ORDER OF BUSINESS:

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ACKNOWLEDGEMENT OF COUNTRY

Wagga Wagga City Council acknowledges the traditional custodians of the land, the Wiradjuri people, and pays respect to Elders past, present and future and extends our respect to all First Nations Peoples in Wagga Wagga.

We recognise and respect their cultural heritage, beliefs and continuing connection with the land and rivers. We also recognise the resilience, strength and pride of the Wiradjuri and First Nations communities

REFLECTION

Councillors, let us in silence reflect upon our responsibilities to the community which we represent, and to all future generations and faithfully, and impartially, carry out the functions, powers, authorities and discretions vested in us, to the best of our skill and judgement.

APOLOGIES

DECLARATIONS OF INTEREST

REPORTS FROM STAFF

RP-1 2024/25 ANNUAL FINANCIAL STATEMENTS

Author: Zachary Wilson
Executive: Carolyn Rodney

Summary: The 2024/25 financial statements have been completed by Council staff and have recently been audited by the NSW Audit Office.

Recommendation

That Council:

a note the resolution from the Audit, Risk & Improvement Committee meeting held on 24 October 2025 regarding the 2024/25 Financial Statements

b approve the signing of the 2024/25 Financial Statements pursuant to Section 413 (2)(c) of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting

c approve the closing balances of the Internal Allocations (Reserves) as at 30 June 2025 as detailed in Note C1-3 – Restricted and allocated cash, cash equivalents and investments

d receive a report on the audited financial reports and auditors report at the 17 November 2025 Council Meeting, pursuant to Section 418(1) of the Local Government Act 1993 and provide public notice accordingly

Report

The 2024/25 Annual Financial Statements have been prepared and Council's external auditors, NSW Audit Office, have commenced the final audit. It is a requirement of the *Local Government Act 1993* that Council prepare a statement on the General Purpose and Special Purpose Financial Reports prior to sign off by the auditor. These statements must be signed by the Mayor, one Councillor, the General Manager and the Responsible Accounting Officer.

This statement is required to be signed and included in the Financial Statements prior to the auditor providing the final audit reports. The Financial Statements together with the auditors' reports must be forwarded to the Office of Local Government (OLG) by 31 October 2025.

The 2024/25 Annual Financial Statements were presented to the Audit, Risk & Improvement Committee (ARIC) at its meeting on 24 October 2025. Council's Financial Statements are to be reviewed by the Committee prior to presentation and sign off by Council. In relation to this, the Committee's role under the ARIC Charter notes that the Committee responsibilities include to:

- *Review and advise Council on the accuracy of annual financial statements, compliance with Australian Accounting Standards, and adequacy of management signoff and internal controls.*
- *Review external audit plans, reports, and opinions, and monitor the implementation of audit recommendations and related management actions.*

- *Consider significant accounting and financial reporting issues in consultation with management and external auditors.*
- *Ensure processes are in place to confirm financial information included in the annual report is consistent with the signed financial statements.*
- *Monitor the review and implementation of relevant State Government audit and review recommendations.*
- *Review the adequacy and effectiveness of Council's performance management and measurement frameworks to ensure alignment with organisational objectives.*

During the ARIC Meeting, the Committee resolved the following:

That the Audit, Risk and Improvement Committee:

a receive a presentation from Council's auditors, the NSW Audit Office

b note that the NSW Audit Office is likely to express an unmodified audit opinion for the 2024/25 General Purpose Financial Statements due to the value of the non-recognition of Rural Fire Service (RFS) assets being immaterial to the financial statements

c recommend that Council approve the signing of the 2024/25 Financial Statements pursuant to Section 413(2)(c) of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting

The NSW Audit Office have advised Council that they will be likely to express an Unmodified Audit Opinion on the Councils 2024/25 General Purpose Financial Statements (GPFS) and Special Purpose Financial Statements (SPFS). For 2024/25, the NSW Audit Office performed an alternative audit procedure to verify that the value of the Rural Fire Service (RFS) assets was not material to Councils financial statements, and as a result of these procedures the Audit Office has concluded that the impact of these assets (that Council has not included in its financial statements) is not significant to Councils overall financial statements.

2024/25 Financial Overview

The 2024/25 draft financial statements show total income from continuing operations of $202.74M, total expenses from continuing operations of $173.92M, resulting in a preliminary net operating surplus of $28.82M (including capital grants and contributions), an increase on the net operating deficit result of $2.67M recognised in 2023/24. For the 2024/25 financial year, Council recognised a net operating deficit before capital grants and contributions of $17.21M, a significant decrease from the 2023/24 deficit of $51.99M recognised. This significant movement is mainly attributable to the following:

- decrease in net loss from the disposal of assets – down from $45.39M to $10.08M – which is mainly attributable to the significant write-off of costs in 2023/24 associated with construction costs of non-council owned assets as part of the RiFL precinct works.

Extract from the draft 2024/25 Financial Statements – Income Statement:

$ '000	Notes	Actual 2025	Actual 2024
Income from continuing operations			
Rates and annual charges	B2-1	**82,801**	78,498
User charges and fees	B2-2	**36,975**	34,317
Other revenues	B2-3	**5,190**	5,228
Grants and contributions provided for operating purposes	B2-4	**16,079**	16,136
Grants and contributions provided for capital purposes	B2-4	**46,031**	49,318
Interest and investment income	B2-5	**12,754**	8,741
Other income	B2-6	**2,913**	2,572
Total income from continuing operations		**202,743**	194,810
Expenses from continuing operations			
Employee benefits and on-costs	B3-1	**55,969**	49,889
Materials and services	B3-2	**50,609**	46,083
Borrowing costs	B3-3	**3,220**	3,411
Other expenses	B3-5	**1,998**	2,957
Net loss from the disposal of assets	B4-1	**10,081**	45,386
Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		**121,877**	147,726
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		**80,866**	47,084
Depreciation, amortisation and impairment of non-financial assets	B3-4	**52,042**	49,752
Operating result from continuing operations		**28,824**	(2,668)
Net operating result for the year attributable to Council		**28,824**	(2,668)
Net operating result for the year before grants and contributions provided for capital purposes		**(17,207)**	(51,986)

For the 2024/25 financial year, Council met five (5) of the six (6) performance indicators outlined within the Financial Statements, with the Operating performance ratio (>0%) not being met. This ratio measures Council's achievement of containing operating expenditure within operating revenue.

As noted in the financial statements Note H1-3, and shown below:

> *"Council's operating performance ratio has decreased slightly, down from -4.63% in 2023/24 to -5.35% for the 2024/25 financial year. This decrease is mainly attributable to a reduction in the advanced financial assistance grant payment reducing from 85% to 50% for the 2024/25 and 2025/26 advanced payments made."*

Below is an extract of the performance indicators from the draft 2024/25 financial statements.

It is worth noting, that as part of the 2024/25 release of the Code of Accounting Practice and Financial Reporting, the OLG elected to remove these as a mandatory disclosure while a review of these performance indicators is undertaken. Whilst no longer

mandatory, Council staff have made the decision for these performance indicators to remain as part of Council's Financial Statements, albeit unaudited by the NSW Audit Office.

Extract from the draft 2024/25 Financial Statements – Statement of performance measures:

Wagga Wagga City Council | Notes to the Financial Statements 30 June 2025

H1-3 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio

Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2024/25 result

2024/25 ratio (5.35)%

Council's operating performance ratio has decreased slightly, down from -4.63% in 2023/24 to -5.35% for the 2024/25 financial year. This decrease is mainly attributable to a reduction in the advanced financial assistance grant payment reducing from 85% to 50% for the 2024/25 and 2025/26 advanced payments made.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio

Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2024/25 result

2024/25 ratio 69.19%

Council's own source operating revenue ratio has improved for 2024/25, up from 66.24% in 2023/24 to 69.19% in 2024/25. This improvement is a result of Council receiving increase user charges and fees and interest income for 2024/25, when compared to previous years.

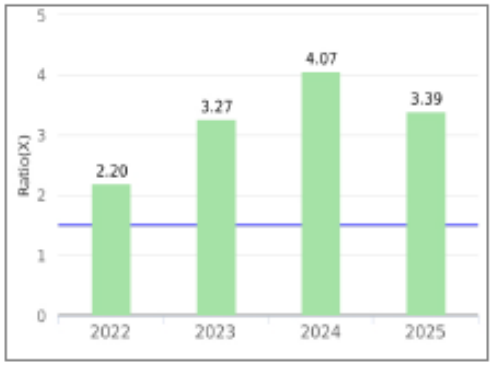
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2024/25 result

2024/25 ratio 3.39x

Council's unrestricted current ratio of 3.39x indicates that it continues to have sufficient unrestricted current assets available to service any short term liabilities as they arise. This result demonstrates Council's continued ability to satisfy its short term obligations as they arise.

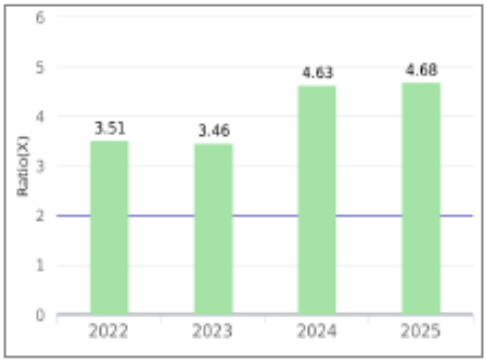
Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2024/25 result

2024/25 ratio 4.68x

Council's debt service cover ratio has increased slightly for 2024/25, up from 4.63x in 2023/24 to 4.68x. This result continues to demonstrate Council's ability to service its debt requirements as they arise.

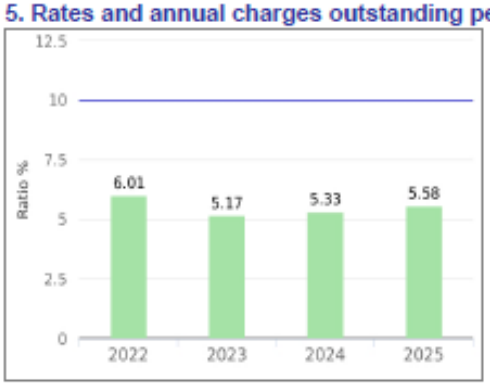
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2024/25 result

2024/25 ratio 5.58%

As at 30 June 2025, Council had 5.58% of it's rates and annual charges outstanding. This is a slight increase from the 5.33% outstanding at 30 June 2024. Council continues to be well below the benchmark of 10.00% for rural areas.

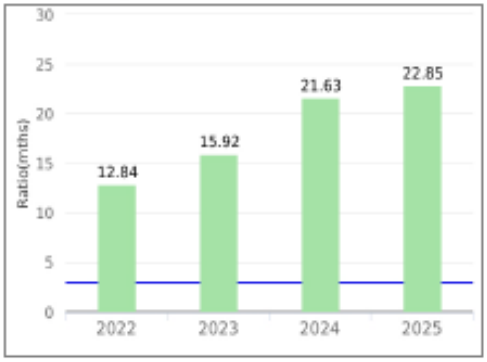
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2024/25 result

2024/25 ratio 22.85 months

Council's cash expense cover ratio result of 22.85 months indicates its continued ability to cover its immediate expenses without having to rely on additional cash flows.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

As at 30 June 2025, Council held $75.8M in internal reserves, a decrease of $2.5M on the previous year. The major internally restricted reserves Council holds are:

Reserve Name	30 June 2025 Balance	30 June 2024 Balance	Increase/ (Decrease) from prior year
Civil Infrastructure	$13.478M	$11.521M	$1.957M
Financial Assistance Grants in advance	$6.770M	$10.947M	($4.177M)
Buildings	$3.887M	$3.387M	$0.500M
Plant	$7.235M	$6.383M	$0.852M
Internal Loans	$9.201M	$7.842M	$1.359M
Information Services	$3.723M	$2.388M	$1.335M
Livestock Marketing Centre	$8.155M	$8.324M	($0.169M)
Project Carryovers	$4.295M	$8.549M	($4.254M)

A copy of the draft 2024/25 Financial Statements are attached to this report. As noted earlier, the Audit, Risk & Improvement Committee have reviewed the Draft Financial Statements and have provided their recommendation to Council in relation to signing the Statement by Councillors and Management within both the General Purpose Financial Statements and Special Purpose Financial Statements.

Financial Implications

Whilst this report and associated attachments show Council's financial performance and position for the 2024/25 financial year, the adoption of this report has no financial implications.

Policy and Legislation

Local Government Act 1993
Sections: 413 - Preparation of Financial Reports
418 - Public notice to be given of presentation of financial reports

Link to Strategic Plan

Regional Leadership

Ethical Leadership

Deliver accountable and transparent leadership.

Risk Management Issues for Council

The NSW Audit Office has previously supplied Council with an interim management letter, which was discussed at the 21 August 2025 Audit, Risk & Improvement Committee Meeting. The interim management letter identified five (5) issues, all rated as Moderate risk. Council officers will undertake the actions identified in the Management Responses.

The Management letter on the Final Phase of the Audit for the year ended 30 June 2025 will be presented to the February 2026 Audit, Risk & Improvement Committee meeting and will include Councils Management responses on any issues raised.

Internal / External Consultation

Council's external auditors, NSW Audit Office, have liaised with Council's Finance division, along with presenting the draft financial statements to the Audit, Risk and Improvement Committee on 24 October 2025.

	Mail			Traditional Media				Community Engagement					Digital			
	Rates notices insert	Direct mail	Letterbox drop	Council news	Media release	Media opportunity	TV/radio advertising	One-on-one meeting(s)	Community meeting(s)	Stakeholder workshop(s)	Drop-in session(s)	Survey/feedback form(s)	Have your Say	Email newsletter	Social media	Website
Inform																
Consult				✠												✠
Involve																
Collaborate																
Other methods (please list specific details below)																

Attachments

1. Draft 2024-25 Annual Financial Statements

2. 2024/25 - Statement by Councillors and Management - General Purpose Financial Statements

3. 2024/25 - Statement by Councillors and Management - Special Purpose Financial Statements

Wagga Wagga City Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2025

"A thriving, innovative, connected community on the Murrumbidgee, rich in opportunity, choice, learning and environment, where paths cross, where people meet"

City of Wagga Wagga

Wagga Wagga City Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2025

"A thriving, innovative, connected community on the Murrumbidgee, rich in opportunity, choice, learning and environment, where paths cross, where people meet"

City of Wagga Wagga

Wagga Wagga City Council

General Purpose Financial Statements

for the year ended 30 June 2025

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Overview

Wagga Wagga City Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

Corner Baylis and Morrow Streets
Wagga Wagga NSW 2650

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by Council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: wagga.nsw.gov.au.

Wagga Wagga City Council

General Purpose Financial Statements

for the year ended 30 June 2025

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2025.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

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

2. The Statement of Comprehensive Income
Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

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

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

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Wagga Wagga City Council

General Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the *Local Government Act 1993* (NSW)

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

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

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

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

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

Signed in accordance with a resolution of Council made on 29 October 2025.

Dallas Tout
Mayor
29 October 2025

Georgie Davies
Councillor
29 October 2025

Peter Thompson
General Manager
29 October 2025

Zachary Wilson
Responsible Accounting Officer
29 October 2025

Wagga Wagga City Council

Income Statement

for the year ended 30 June 2025

Original unaudited budget 2025	$ '000	Notes	Actual 2025	Actual 2024
	Income from continuing operations			
83,946	Rates and annual charges	B2-1	**82,801**	78,498
31,845	User charges and fees	B2-2	**36,975**	34,317
3,841	Other revenues	B2-3	**5,190**	5,228
15,367	Grants and contributions provided for operating purposes	B2-4	**16,079**	16,136
28,284	Grants and contributions provided for capital purposes	B2-4	**46,031**	49,318
7,350	Interest and investment income	B2-5	**12,754**	8,741
1,714	Other income	B2-6	**2,913**	2,572
172,347	**Total income from continuing operations**		**202,743**	194,810
	Expenses from continuing operations			
59,833	Employee benefits and on-costs	B3-1	**55,969**	49,889
45,560	Materials and services	B3-2	**50,609**	46,083
2,979	Borrowing costs	B3-3	**3,220**	3,411
2,231	Other expenses	B3-5	**1,998**	2,957
–	Net loss from the disposal of assets	B4-1	**10,081**	45,386
110,603	**Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets**		**121,877**	147,726
61,744	**Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets**		**80,866**	47,084
48,713	Depreciation, amortisation and impairment of non-financial assets	B3-4	**52,042**	49,752
13,031	**Operating result from continuing operations**		**28,824**	(2,668)
13,031	Net operating result for the year attributable to Council		**28,824**	(2,668)
(15,253)	**Net operating result for the year before grants and contributions provided for capital purposes**		**(17,207)**	(51,986)

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

Wagga Wagga City Council

Statement of Comprehensive Income

for the year ended 30 June 2025

$ '000	Notes	2025	2024
Net operating result for the year – from Income Statement		**28,824**	(2,668)
Other comprehensive income:			
Amounts which will not be reclassified subsequent to operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	**214,297**	111,892
Total items which will not be reclassified subsequent to operating result		**214,297**	111,892
Total other comprehensive income for the year		**214,297**	111,892
Total comprehensive income for the year attributable to Council		**243,121**	109,224

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

Wagga Wagga City Council

Statement of Financial Position

as at 30 June 2025

$ '000	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	**93,747**	90,695
Investments	C1-2	**84,000**	72,844
Receivables	C1-4	**17,007**	15,909
Inventories	C1-5	**2,077**	2,386
Contract assets and contract cost assets	C1-6	**4,555**	3,854
Other	C1-9	**2,489**	1,137
Total current assets		**203,875**	186,825
Non-current assets			
Investments	C1-2	**131,342**	125,889
Receivables	C1-4	**1,533**	1,533
Infrastructure, property, plant and equipment (IPPE)	C1-7	**2,371,140**	2,142,877
Investment property	C1-8	**5,440**	4,870
Right of use assets	C2-1	**1,835**	2,216
Total non-current assets		**2,511,290**	2,277,385
Total assets		**2,715,165**	2,464,210
LIABILITIES			
Current liabilities			
Payables	C3-1	**21,672**	16,465
Contract liabilities	C3-2	**64,039**	55,150
Lease liabilities	C2-1	**375**	365
Borrowings	C3-3	**6,142**	6,453
Employee benefit provisions	C3-4	**14,085**	12,535
Provisions	C3-5	**1,513**	2,353
Total current liabilities		**107,826**	93,321
Non-current liabilities			
Lease liabilities	C2-1	**640**	991
Borrowings	C3-3	**40,091**	46,233
Employee benefit provisions	C3-4	**667**	500
Provisions	C3-5	**1,089**	1,434
Total non-current liabilities		**42,487**	49,158
Total liabilities		**150,313**	142,479
Net assets		**2,564,852**	2,321,731
EQUITY			
Accumulated surplus	C4-1	**1,114,722**	1,085,898
IPPE revaluation surplus	C4-1	**1,450,130**	1,235,833
Council equity interest		**2,564,852**	2,321,731
Total equity		**2,564,852**	2,321,731

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

Wagga Wagga City Council

Statement of Changes in Equity

for the year ended 30 June 2025

		2025			2024		
$ '000	Notes	**Accumulated surplus**	**IPPE revaluation surplus**	**Total equity**	Accumulated surplus	IPPE revaluation surplus	Total equity
Opening balance at 1 July		**1,085,898**	**1,235,833**	**2,321,731**	1,088,566	1,123,941	2,212,507
Net operating result for the year		**28,824**	**–**	**28,824**	(2,668)	–	(2,668)
Net operating result for the period		**28,824**	**–**	**28,824**	(2,668)	–	(2,668)
Other comprehensive income							
Restated Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	**–**	**214,297**	**214,297**	–	111,892	111,892
Other comprehensive income		**–**	**214,297**	**214,297**	–	111,892	111,892
Total comprehensive income		**28,824**	**214,297**	**243,121**	(2,668)	111,892	109,224
Closing balance at 30 June		**1,114,722**	**1,450,130**	**2,564,852**	1,085,898	1,235,833	2,321,731

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

Wagga Wagga City Council

Statement of Cash Flows

for the year ended 30 June 2025

Original unaudited budget 2025	$ '000	Notes	Actual 2025	Actual 2024
	Cash flows from operating activities			
	Receipts:			
83,719	Rates and annual charges		**82,595**	78,871
32,315	User charges and fees		**39,213**	36,580
7,586	Interest received		**11,814**	7,837
44,747	Grants and contributions		**50,336**	107,467
–	Bonds, deposits and retentions received		**191**	–
5,328	Other		**15,397**	14,220
	Payments:			
(59,833)	Payments to employees		**(54,750)**	(49,861)
(45,185)	Payments for materials and services		**(53,434)**	(56,777)
(2,979)	Borrowing costs		**(3,240)**	(3,420)
–	Bonds, deposits and retentions refunded		**–**	(146)
(2,231)	Other		**(9,747)**	(2,807)
63,467	**Net cash provided from (or used in) operating activities**	G1-1	**78,375**	131,964
	Cash flows from investing activities			
	Receipts:			
27,743	Sale of investments		**21,637**	7,569
–	Redemption of term deposits		**49,000**	32,000
1,495	Proceeds from sale of IPPE		**1,528**	1,187
–	Distributions received from joint ventures and associates		**–**	1,408
–	Deferred debtors receipts		**–**	5
	Payments:			
(10,000)	Purchase of investments		**(12,649)**	(17,093)
–	Acquisition of term deposits		**(74,000)**	(41,000)
(78,563)	Payments for IPPE		**(54,022)**	(59,043)
(59,325)	**Net cash provided from (or used in) investing activities**		**(68,506)**	(74,967)
	Cash flows from financing activities			
	Receipts:			
10,765	Proceeds from borrowings		**–**	1,183
	Payments:			
(6,808)	Repayment of borrowings		**(6,453)**	(6,272)
(351)	Principal component of lease payments		**(364)**	(356)
3,606	**Net cash flow provided from (or used in) financing activities**		**(6,817)**	(5,445)
7,748	**Net change in cash and cash equivalents**		**3,052**	51,552
22,995	Cash and cash equivalents at beginning of year		**90,695**	39,143
30,743	Cash and cash equivalents at end of year	C1-1	**93,747**	90,695
185,427	plus: Investments on hand at end of year	C1-2	**215,342**	198,733
216,170	Total cash, cash equivalents and investments		**309,089**	289,428

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

Wagga Wagga City Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 29 October 2025. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information related to these consolidated financial statements are set out below. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

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

Council is a not for-profit entity.

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

Historical cost convention

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

Significant accounting estimates and judgements

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

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

i. fair values of investment property – refer Note C1-8
ii. fair values of infrastructure, property, plant and equipment – refer Note C1-7
iii. remediation provisions – refer Note C3-5
iv. employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

i. Impairment of receivables – refer Note C1-4.
ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

Monies and other assets received by Council

The Consolidated Fund

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

The Consolidated Fund has been included in the financial statements of the Council.

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

- general purpose operations
- sewerage service.

continued on next page ...

A1-1 Basis of preparation (continued)

The Trust Fund

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

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

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

Volunteer services

Council utilises volunteer services across a range of functions including cultural facilities, the Glenfield Road Animal Shelter, parks maintenance and for environmental projects such as Clean up Australia Day.

As the services received by Council would not normally be purchased by Council and at times cannot be reliably measured, volunteer services have not been recognised in the income statement.

New accounting standards and interpretations issued but not yet effective

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

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

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2025.

The following new standards were effective for the first time at 30 June 2025:

- **AASB 2022-10** ***Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities***
- **AASB 2022-6** ***Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants.***

It is not expected that the adoption of this new standards will have a significant impact on Council's reported financial position.

B Financial Performance

B1 Functions or activities

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

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

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
$ '000	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Functions or activities										
Community Leadership and Collaboration	**75,242**	76,204	**26,239**	23,365	**49,003**	52,839	**13,753**	18,853	**92,472**	87,042
Safe and Healthy Community	**9,543**	9,933	**22,894**	21,216	**(13,351)**	(11,283)	**2,649**	3,703	**390,077**	389,128
Growing Economy	**17,898**	17,075	**16,653**	17,087	**1,245**	(12)	**1,705**	2,570	**72,485**	70,623
Community Place and Identity	**2,789**	2,522	**9,118**	8,349	**(6,329)**	(5,827)	**796**	807	**14,461**	14,603
The Environment	**97,271**	89,076	**99,015**	127,461	**(1,744)**	(38,385)	**43,207**	39,521	**2,145,670**	1,902,814
Total functions and activities	**202,743**	194,810	**173,919**	197,478	**28,824**	(2,668)	**62,110**	65,454	**2,715,165**	2,464,210

B1-2 Components of functions or activities

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

Community Leadership and Collaboration

Includes costs related to Council's planning and reporting, governance and customer service activities. Council activities include corporate governance and management, financial management and reporting, and information services.

Safe and Healthy Community

Includes services and actions Council takes to ensure the community's safety, from managing the physical environment to ensuring the health standard of the community including activities related to providing recreational spaces and programs for a healthy community. Council activities include parks management, recreational programming, and ranger and animal management services.

Growing Economy

Includes costs of providing assets and services to develop our transport networks and encourage economic growth as well as projects and events that make our city a great place to live and visit. Council activities include visitor economy, events management, economic development, and airport and livestock management operations.

Community Place and Identity

Includes costs of programs and activities Council delivers that bring people together including projects and programs that will help our spaces reflect our community. Council activities include operation and management of the civic theatre, art and glass galleries, museums and the Wagga City Library.

The Environment

Includes costs of all programs, projects and services that contribute to the sustainability of our community including managing our growth and impact on the environment, as well as protecting and maintaing our assets. Council activities including planning and development, environmental management and compliance, project delivery, sewer and stormwater services, building management and civil infrastructure management.

B2 Sources of income

B2-1 Rates and annual charges

$ '000	2025	2024
Ordinary rates		
Residential	**33,179**	31,418
Farmland	**5,774**	5,482
Business	**12,690**	12,039
Less: pensioner rebates (mandatory)	**(607)**	(605)
Rates levied to ratepayers	**51,036**	48,334
Pensioner rate subsidies received	**337**	333
Total ordinary rates	**51,373**	48,667
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	**11,801**	11,093
Stormwater management services	**743**	735
Sewerage services	**18,383**	17,550
Waste management services (non-domestic)	**731**	690
Less: pensioner rebates (mandatory)	**(521)**	(522)
Annual charges levied	**31,137**	29,546
Pensioner annual charges subsidies received:		
– Sewerage	**159**	156
– Domestic waste management	**132**	129
Total annual charges	**31,428**	29,831
Total rates and annual charges	**82,801**	78,498

Council has used 2023 year valuations provided by the NSW Valuer General in calculating its rates.

Material accounting policy information

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

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

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

B2-2 User charges and fees

$ '000	2025	2024
Specific user charges (per s502 - specific 'actual use' charges)		
Domestic waste management services	**2,035**	1,894
Sewerage services	**5,354**	5,416
Waste management services (non-domestic)	**5,783**	5,449
Total specific user charges	**13,172**	12,759
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s608)		
Private works – section 67	**83**	157
Regulatory/statutory fees	**702**	757
Total fees and charges – statutory/regulatory	**785**	914
(ii) Fees and charges – other (incl. general user charges (per s608))		
Aerodrome	**5,195**	4,603
Cemeteries	**1,722**	1,630
Fire and emergency services levy (FESL) implementation	**88**	–
Development services	**2,031**	2,643
Corporate services	**22**	22
Library and art gallery	**106**	110
Livestock Marketing Centre	**9,701**	7,805
Oasis swimming complex	**1,706**	1,666
Park and sportsgrounds	**896**	624
Regional civic theatre	**1,067**	1,043
Visitors information centre	**217**	264
Other	**267**	234
Total fees and charges – other	**23,018**	20,644
Total other user charges and fees	**23,803**	21,558
Total user charges and fees	**36,975**	34,317
Timing of revenue recognition for user charges and fees		
User charges and fees recognised over time	**288**	268
User charges and fees recognised at a point in time	**36,687**	34,049
Total user charges and fees	**36,975**	34,317

Material accounting policy information

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

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

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

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

B2-3 Other revenues

$ '000	2025	2024
Ex gratia rates	**45**	43
Fines	**211**	217
Legal fees recovery – rates and charges (extra charges)	**102**	75
Diesel rebate	**265**	252
Insurance claims recoveries	**126**	102
Other theatre	**9**	9
Provision for remediation	**267**	–
Sales – miscellaneous	**1,151**	1,195
Sales – Oasis Aquatic Centre	**113**	115
Sponsorship and Promotion	**4**	–
Container Deposit Scheme	**61**	666
Other	**2,836**	2,554
Total other revenue	**5,190**	5,228
Timing of revenue recognition for other revenue		
Other revenue recognised over time	**–**	–
Other revenue recognised at a point in time	**5,190**	5,228
Total other revenue	**5,190**	5,228

Material accounting policy information for other revenue

Where the revenue is earned for the provision of specified goods/services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

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

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

$ '000	Operating 2025	Operating 2024	Capital 2025	Capital 2024
General purpose grants				
General purpose				
Current year allocation				
Financial assistance	**1,986**	527	**–**	–
Payment in advance - future year allocation				
Financial assistance	**6,770**	10,947	**–**	–
Amount recognised as income during current year	**8,756**	11,474	**–**	–
Special purpose grants and non-developer contributions				
Cash grants				
Sewerage services	**13**	15	**1,211**	156
Bushfire and emergency services	**–**	46	**85**	420
Community care	**6**	9	**–**	–
Economic development	**372**	431	**–**	–
Domestic waste management	**5**	–	**2**	–
Environmental programs	**314**	450	**7**	21
Recreation and culture	**59**	72	**6,606**	3,573
Airport	**–**	–	**138**	22
Drainage	**–**	–	**990**	341
Heritage and cultural	**1,044**	751	**31**	97
Noxious weeds	**83**	115	**–**	–
Family and childrens services – other	**43**	22	**–**	–
Street lighting	**93**	91	**–**	–
Transport (other roads and bridges funding)	**3,633**	823	**5,055**	21,693
Other specific grants	**188**	286	**833**	331
Cash contributions				
Bushfire services	**29**	58	**–**	–
Economic development	**–**	–	**–**	4,932
Recreation and culture	**179**	358	**1,023**	344
Roads and bridges	**–**	–	**15**	4
Transport for NSW contributions (regional roads, block grant)	**1,045**	893	**1,177**	1,276
Sewerage (excl. section 64 contributions)	**44**	41	**1**	1
Other contributions	**173**	201	**–**	–
Total special purpose grants and non-developer contributions – cash	**7,323**	4,662	**17,174**	33,211
Non-cash contributions				
Dedications (other than by s7.11)	**–**	–	**20,192**	5,481
Artworks donated	**–**	–	**67**	144
Total other contributions – non-cash	**–**	–	**20,259**	5,625
Total special purpose grants and non-developer contributions (tied)	**7,323**	4,662	**37,433**	38,836
Total grants and non-developer contributions	**16,079**	16,136	**37,433**	38,836
Comprising:				
– Commonwealth funding	**8,759**	11,556	**3,440**	6,554
– State funding	**6,846**	3,836	**12,694**	26,130
– Other funding	**474**	744	**21,299**	6,152
	16,079	16,136	**37,433**	38,836

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B2-4 Grants and contributions (continued)

Developer contributions

$ '000	Notes	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G4				
Cash contributions					
S 7.11 – contributions towards amenities/services		**–**	–	**4,468**	6,486
S 7.12 – fixed development consent levies		**–**	–	**904**	956
S 64 – sewerage service contributions		**–**	–	**1,970**	1,903
S 64 – stormwater contributions		**–**	–	**1,256**	1,137
Total developer contributions – cash		**–**	–	**8,598**	10,482
Total developer contributions		**–**	–	**8,598**	10,482
Total grants and contributions		**16,079**	16,136	**46,031**	49,318
Timing of revenue recognition					
Grants and contributions recognised over time		**–**	–	**13,666**	25,674
Grants and contributions recognised at a point in time		**16,079**	16,136	**32,365**	23,644
Total grants and contributions		**16,079**	16,136	**46,031**	49,318

continued on next page ...

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

$ '000		**Operating 2025**	Operating 2024	**Capital 2025**	Capital 2024
Grants					
Unspent funds at 1 July		**1,488**	6,210	**56,077**	7,775
Add:	Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	**–**	–	**–**	3,650
Add:	Funds received and not recognised as revenue in the current year	**982**	1,101	**9,301**	49,986
Less:	Funds recognised as revenue in previous years that have been spent during the reporting year	**–**	–	**–**	–
Less:	Funds received in prior year but revenue recognised and funds spent in current year	**(1,239)**	(5,823)	**(7,055)**	(5,334)
Unspent grants at 30 June		**1,231**	1,488	**58,323**	56,077
Contributions					
Unspent funds at 1 July		**46,953**	42,688	**–**	–
Add:	contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	**6,640**	9,770	**–**	–
Add:	contributions received and not recognised as revenue in the current year	**3,776**	15	**–**	–
Add:	contributions recognised as income in the current period obtained in respect of a future rating identified by Council for the purpose of establishing a rate	**–**	–	**–**	–
Less:	contributions recognised as revenue in previous years that have been spent during the reporting year	**(6,484)**	(5,520)	**–**	–
Unspent contributions at 30 June		**50,885**	46,953	**–**	–

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

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

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

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

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B2-4 Grants and contributions (continued)

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

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

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

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

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

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

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

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

B2-5 Interest and investment income

$ '000	2025	2024
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	**401**	337
– Cash and investments	**12,353**	8,404
Total interest and investment income (losses)	**12,754**	8,741
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	**383**	321
General Council cash and investments	**8,058**	6,836
Restricted investments/funds – external:		
Developer contributions		
– Section 7.11	**2**	47
– Section 64	**–**	11
Sewerage fund operations	**2,762**	1,246
Domestic waste management operations	**385**	257
Restricted investments/funds – internal:		
Internally restricted assets	**1,164**	23
Total interest and investment income	**12,754**	8,741

B2-6 Other income

$ '000	Notes	2025	2024
Fair value increment on investments			
Fair value increment on investments through profit and loss		**597**	580
Total fair value increment on investments	C1-2	**597**	580
Fair value increment on investment properties			
Fair value increment on investment properties		**570**	330
Total fair value increment on investment properties	C1-8	**570**	330
Rental income			
Investment properties			
Lease income (excluding variable lease payments not dependent on an index or rate)		**450**	461
Total investment properties		**450**	461
Land and Property			
Lease income (excluding variable lease payments not dependent on an index or rate)		**1,198**	1,088
Other lease income			
Leaseback fees - council vehicles		**98**	113
Total other lease income		**1,296**	1,201
Total rental income	C2-2	**1,746**	1,662
Total other income		**2,913**	2,572

B3 Costs of providing services

B3-1 Employee benefits and on-costs

$ '000	2025	2024
Salaries and wages	**42,688**	39,176
Employee leave entitlements (ELE)	**7,107**	5,929
Superannuation	**5,506**	4,716
Workers' compensation insurance	**1,616**	1,253
Fringe benefit tax (FBT)	**75**	83
Payroll tax	**318**	238
Total employee costs	**57,310**	51,395
Less: capitalised costs	**(1,341)**	(1,506)
Total employee costs expensed	**55,969**	49,889
Number of 'full-time equivalent' employees (FTE) at year end	**529**	519

Material accounting policy information

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

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

Council participates in an Industry Defined Benefit Plan under Active Super – Pool B (the Scheme), however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

$ '000	Notes	2025	2024
Raw materials and consumables		**30,051**	25,417
Contractor costs		**11,070**	11,190
Audit Fees	F2-1	**140**	158
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	**370**	335
Election expenses		**517**	1
Electricity and heating		**2,874**	2,973
Insurance		**1,760**	1,657
Postage		**188**	162
Street lighting		**799**	809
Subscriptions and publications		**63**	60
Telephone and communications		**341**	393
Cost of sales		**749**	647
Valuer General Fees		**267**	257
Water		**1,166**	1,008
Legal expenses:			
– Legal expenses: planning and development		**35**	108
– Legal expenses: debt recovery		**109**	81
– Legal expenses: other		**110**	827
Total materials and services		**50,609**	46,083
Total materials and services		**50,609**	46,083

B3-3 Borrowing costs

$ '000	Notes	2025	2024
(i) Interest bearing liability costs			
Interest on leases		**33**	45
Interest on loans		**2,675**	2,857
Total interest bearing liability costs		**2,708**	2,902
Total interest bearing liability costs expensed		**2,708**	2,902
(ii) Other borrowing costs			
Discount adjustments relating to movements in provisions:		**–**	–
– Employee leave liabilities	C3-4	**383**	379
– Remediation liabilities	C3-5	**129**	130
Total other borrowing costs		**512**	509
Total borrowing costs expensed		**3,220**	3,411

B3-4 Depreciation, amortisation and impairment of non-financial assets

$ '000	Notes	2025	2024
Depreciation and amortisation			
Plant and equipment		**3,359**	2,391
Office equipment		**394**	261
Furniture and fittings		**18**	19
Infrastructure:	C1-7		
– Buildings		**3,699**	3,395
– Other structures		**1,824**	1,705
– Roads		**20,677**	19,258
– Bridges		**1,061**	1,134
– Footpaths		**1,288**	1,168
– Stormwater drainage		**3,741**	3,734
– Sewerage network		**7,264**	6,879
– Swimming pools		**122**	118
– Other open space/recreational assets		**2,095**	2,482
– Airport infrastructure		**4,042**	4,721
– Rail infrastructure		**286**	276
Right of use assets	C2-1	**404**	404
Other assets:	C1-7		
– Library books		**100**	115
– Other		**1,143**	1,268
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-7	**23**	25
– Quarry assets	C3-5,C1-7	**42**	50
– Other remediation assets	C3-5,C1-7	**701**	701
Total gross depreciation and amortisation costs		**52,283**	50,104
Less: capitalised costs		**(241)**	(352)
Total depreciation and amortisation costs		**52,042**	49,752
Total depreciation, amortisation and impairment for non-financial assets		**52,042**	49,752

Material accounting policy information

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

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

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

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

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

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

B3-5 Other expenses

$ '000	Notes	2025	2024
Impairment of receivables			
Other		**(35)**	(16)
Total impairment of receivables	C1-4	**(35)**	(16)
Net share of interests in joint ventures and associates using the equity method			
Joint ventures		**–**	831
Total net share of interests in joint ventures and associates using the equity method		**–**	831
Other			
Bushfire fighting fund		**660**	670
Canberra Region Joint Organisation Contribution		**55**	53
Emergency Services Levy (includes FRNSW, SES, and RFS levies)		**244**	308
NSW Fire Brigade Levy		**703**	702
Donations, contributions and assistance to other organisations (Section 356)		**371**	409
Total other		**2,033**	2,142
Total other expenses		**1,998**	2,957

B4 Gains or losses

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

$ '000	Notes	2025	2024
Gain (or loss) on disposal of property (excl. investment property)	C1-7		
Proceeds from disposal – property		**6**	–
Less: carrying amount of property assets sold/written off		**(590)**	–
Gain (or loss) on disposal		**(584)**	–
Gain (or loss) on disposal of plant and equipment	C1-7		
Proceeds from disposal – plant and equipment		**1,522**	1,187
Less: carrying amount of plant and equipment assets sold/written off		**(2,154)**	(1,295)
Gain (or loss) on disposal		**(632)**	(108)
Gain (or loss) on disposal of infrastructure	C1-7		
Proceeds from disposal – infrastructure		**–**	–
Less: carrying amount of infrastructure assets sold/written off		**(8,865)**	(45,278)
Gain (or loss) on disposal		**(8,865)**	(45,278)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		**21,637**	7,569
Less: carrying amount of investments sold/redeemed/matured		**(21,637)**	(7,569)
Gain (or loss) on disposal		**–**	–
Gain (or loss) on disposal of term deposits	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		**49,000**	32,000
Less: carrying amount of term deposits sold/redeemed/matured		**(49,000)**	(32,000)
Gain (or loss) on disposal		**–**	–
Net gain (or loss) from disposal of assets		**(10,081)**	(45,386)

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 24 June 2024 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

$ '000	2025 Budget	2025 Actual	2025 -------- Variance --------		
Revenues					
Rates and annual charges	**83,946**	**82,801**	**(1,145)**	**(1)%**	**U**
User charges and fees	**31,845**	**36,975**	**5,130**	**16%**	**F**
Council received additional income from the Livestock Marketing Centre and Wagga Airport due to increased numbers at both facilities throughout the 2024/25 financial year.					
Other revenues	**3,841**	**5,190**	**1,349**	**35%**	**F**
Council received unbudgeted income for its Gregadoo Waste Management Centre as well as receiving income for a claim against a previous contractor. This was partially offset by reduced Traffic Parking Fines income being received for the financial year.					
Operating grants and contributions	**15,367**	**16,079**	**712**	**5%**	**F**
Capital grants and contributions	**28,284**	**46,031**	**17,747**	**63%**	**F**
Council's variance to budget for 2024/25 was mainly due to the recognition of non-cash contributions for developer constructed infrastructure assets dedicated to Council.					
Interest and investment revenue	**7,350**	**12,754**	**5,404**	**74%**	**F**
Councils interest on investments significantly outperformed the originally predicted budget for the 2024/25 financial year. For the 2024/25 financial year, Council's investment portfolio returned 4.26% as Council was able to take advantage of higher investment rates as they were on offer.					
Other income	**1,714**	**2,913**	**1,199**	**70%**	**F**
Other income exceeded budget due to a significant increase in the value of Council's investment properties being realised during the 2024/25 financial year.					

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B5-1 Material budget variations (continued)

$ '000	2025 Budget	2025 Actual	2025 -------- Variance --------		
Expenses					
Employee benefits and on-costs	59,833	55,969	3,864	6%	F
Materials and services	45,560	50,609	(5,049)	(11)%	U
Council experienced additional unbudgeted expenses for materials and services due to increased costs for it's roads, livestock marketing centre, solid waste and sewer operations as well as the expenditure of grants and contributions that were secured during the year.					
Borrowing costs	2,979	3,220	(241)	(8)%	U
Depreciation, amortisation and impairment of non-financial assets	48,713	52,042	(3,329)	(7)%	U
Other expenses	2,231	1,998	233	10%	F
Council experienced a reduction in expenditure on emergency services and section 356 donations compared to the original budget for the financial year.					
Net losses from disposal of assets	–	10,081	(10,081)	∞	U
Statement of cash flows					
Cash flows from operating activities	63,467	78,375	14,908	23%	F
During the 2024/25 financial year, Council received additional income from user fees and charges and interest which resulted in Council receiving additional cash from operating activities, when compared to budget.					
Cash flows from investing activities	(59,325)	(68,506)	(9,181)	15%	U
During the 2024/25 financial year, Council acquired additional investment products, such as term deposits, which were not originally budgeted for. This resulted from an increase in the value of cash and investments held by Council during the financial year.					
Cash flows from financing activities	3,606	(6,817)	(10,423)	(289)%	U
Council's 2024/25 Long Term Financial Plan identified a significant external borrowings program for the financial year. Due to delays in the commencement and completion of a number of projects that are utilising loan borrowings as a funding source, Council was not required to drawdown on these funds during 2024/25.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

$ '000	2025	2024
Cash assets		
Cash on hand and at bank	**83,622**	80,981
Cash equivalent assets		
– Deposits at call	**10,125**	9,714
Total cash and cash equivalents	**93,747**	90,695
Reconciliation of cash and cash equivalents		
Total cash and cash equivalents per Statement of Financial Position	**93,747**	90,695
Balance as per the Statement of Cash Flows	**93,747**	90,695

C1-2 Financial investments

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Financial assets at fair value through the profit and loss				
Managed funds	**–**	**2,322**	–	2,065
Floating rate notes	**–**	**42,038**	12,844	38,357
Fixed rate bonds	**–**	**7,982**	–	4,467
Total	**–**	**52,342**	12,844	44,889
Debt securities at amortised cost				
Long term deposits	**77,000**	**73,000**	57,000	68,000
Government and semi-government bonds	**7,000**	**6,000**	3,000	13,000
Total	**84,000**	**79,000**	60,000	81,000
Total financial investments	**84,000**	**131,342**	72,844	125,889
Total cash assets, cash equivalents and investments	**177,747**	**131,342**	163,539	125,889

Material accounting policy information

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

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

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

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C1-2 Financial investments (continued)

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

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

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

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

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments of floating rate notes, fixed rate bonds and managed funds in the Statement of Financial Position.

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

$ '000	2025	2024
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	**309,089**	289,428
Less: Externally restricted cash, cash equivalents and investments	**(218,842)**	(199,716)
Cash, cash equivalents and investments not subject to external restrictions	**90,247**	89,712
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	**59,385**	57,031
Employee leave – sewer and waste	**1,101**	650
External restrictions – included in liabilities	**60,486**	57,681
External restrictions – other		
Developer contributions – general	**45,514**	44,961
Sewer fund	**60,826**	52,286
Sewerage services – unexpended contributions	**28**	83
Domestic waste management	**34,703**	31,531
Stormwater management	**5,711**	5,506
Other unexpended contributions	**5,343**	1,437
Special rate variation – Levee bank	**6,231**	6,231
External restrictions – other	**158,356**	142,035
Total external restrictions	**218,842**	199,716

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

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

$ '000	2025	2024
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	**90,247**	89,712
Less: Internally restricted cash, cash equivalents and investments	**(75,803)**	(78,286)
Unrestricted and unallocated cash, cash equivalents and investments	**14,444**	11,426
Internal allocations		
Additional Special Variation (ASV)	**–**	935
Airport	**–**	–
Bridge	**1,272**	278
Building	**3,873**	3,387
CCTV	**16**	35
Cemetery	**1,406**	1,378
Civic theatre	**95**	95
Civil infrastructure	**13,478**	11,521
Council election	**27**	428
Economic development	**719**	362
Emergency events	**338**	253
Employees leave entitlement	**3,987**	3,607
Environmental conservation	**117**	117
Event attraction	**491**	962
Financial Assistance Grants in advance	**6,770**	10,947
Grant Co-Funding	**313**	500
Gravel pit	**648**	790
Information services	**3,723**	2,388
Insurance savings	**50**	50
Internal loans	**9,201**	7,842
Lake Albert	**728**	742
Library	**633**	401
Livestock marketing centre	**8,155**	8,324
Net zero emissions	**337**	262
Oasis	**1,216**	1,202
Other operational	**119**	94
Parks and recreation	**2,754**	2,520
Parks water	**9**	180
Planning legals	**42**	62
Plant	**7,235**	6,383
Project carryovers	**4,295**	8,549
Public art	**188**	225
Service review	**200**	100
Stormwater drainage	**110**	110
Strategic real property	**1,944**	1,949
Subdivision tree planting	**637**	517
Unexpended external loans	**506**	603
Visitor economy	**33**	33
Workers compensation	**138**	155
Total internal allocations	**75,803**	78,286

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

C1-4 Receivables

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Rates and annual charges	**4,412**	**–**	4,018	–
Interest and extra charges	**481**	**–**	412	–
User charges and fees	**5,781**	**–**	5,059	–
Accrued revenues				
– Interest on investments	**3,239**	**–**	2,368	–
– Other income accruals	**205**	**–**	82	–
Deferred debtors	**–**	**1,533**	–	1,533
Government grants and subsidies	**1,144**	**–**	1,517	–
Net GST receivable	**1,098**	**–**	1,141	–
Other debtors	**765**	**–**	1,494	–
Total	**17,125**	**1,533**	16,091	1,533
Less: provision for impairment				
User charges and fees	**(118)**	**–**	(182)	–
Total provision for impairment – receivables	**(118)**	**–**	(182)	–
Total net receivables	**17,007**	**1,533**	15,909	1,533

$ '000	2025	2024
Movement in provision for impairment of receivables		
Balance at the beginning of the year	**182**	200
+ new provisions recognised during the year	**9**	–
– amounts already provided for and written off this year	**(7)**	–
– amounts provided for but recovered during the year	**(66)**	–
– previous impairment losses reversed	**–**	(18)
Balance at the end of the year	**118**	182

Material accounting policy information

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

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

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

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

When considering the ECL for rates and annual charges debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

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

Council writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

C1-5 Inventories

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Inventories at cost				
Stores and materials	**1,929**	**–**	2,262	–
Trading stock	**148**	**–**	124	–
Total inventories at cost	**2,077**	**–**	2,386	–
Total inventories	**2,077**	**–**	2,386	–

Material accounting policy information

Raw materials and stores, work in progress and finished goods
Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

C1-6 Contract assets and Contract cost assets

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Contract assets	**4,555**	**–**	3,854	–
Total contract assets and contract cost assets	**4,555**	**–**	3,854	–

Contract assets

Capital grants and contributions to be received	**3,021**	**–**	3,119	–
Operating grants and contributions to be received	**1,534**	**–**	735	–
Total contract assets	**4,555**	**–**	3,854	–

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2024			Asset movements during the reporting period								At 30 June 2025		
$ '000	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	11,655	–	11,655	12,006	2,935	(2,389)	–	(6,535)	–	–	–	17,672	–	17,672
Plant and equipment	37,034	(15,306)	21,728	5,003	2,364	(2,211)	(3,359)	188	2,030	–	–	45,967	(20,224)	25,743
Office equipment	4,157	(3,580)	577	6	145	–	(394)	24	1,199	–	–	5,996	(4,439)	1,557
Furniture and fittings	2,384	(2,255)	129	6	25	–	(18)	–	–	–	–	2,414	(2,274)	140
Land:														
– Operational land	134,486	–	134,486	–	405	(591)	–	–	–	–	–	134,300	–	134,300
– Community land	172,546	–	172,546	–	264	–	–	–	–	–	–	172,810	–	172,810
– Land under roads	11,233	–	11,233	–	30	–	–	–	–	–	–	11,263	–	11,263
Infrastructure:														
– Buildings	219,138	(64,251)	154,887	5,997	783	(668)	(3,699)	2,079	–	–	8,369	239,055	(71,308)	167,747
– Other structures	66,281	(16,486)	49,795	1,205	1,166	(90)	(1,824)	704	–	–	989	70,573	(18,627)	51,946
– Roads	1,085,415	(328,652)	756,763	15,782	7,222	(4,188)	(20,677)	882	–	–	20,121	1,128,122	(352,216)	775,906
– Bridges	114,901	(42,060)	72,841	683	–	(146)	(1,061)	12	–	–	1,895	118,391	(44,167)	74,224
– Footpaths	76,539	(30,219)	46,320	70	1,899	(37)	(1,288)	126	–	–	1,234	80,625	(32,302)	48,323
– Stormwater drainage	374,366	(118,767)	255,599	187	7,330	(696)	(3,741)	721	(95)	–	166,386	557,262	(131,573)	425,689
– Sewerage network	502,984	(140,413)	362,571	112	6,091	(37)	(7,264)	249	–	–	9,043	522,048	(151,283)	370,765
– Swimming pools	6,086	(2,421)	3,665	–	–	–	(122)	–	–	–	69	6,205	(2,592)	3,613
– Other open space/recreational assets	54,417	(20,547)	33,870	2,105	2,924	(213)	(2,095)	1,245	(1,935)	–	696	55,731	(19,133)	36,598
– Airport infrastructure (leasehold improvements)	101,735	(97,681)	4,054	136	–	–	(4,042)	–	–	–	4,818	103,700	(98,734)	4,966
– Rail infrastructure	15,744	(677)	15,067	–	–	–	(286)	–	–	–	287	16,050	(982)	15,068
Other assets:														
– Artworks	6,430	–	6,430	–	104	–	–	–	–	–	–	6,534	–	6,534
– Library books	2,733	(620)	2,113	–	362	(253)	(100)	–	–	(48)	–	2,700	(626)	2,074
– Other	38,345	(14,246)	24,099	418	429	(343)	(1,143)	305	(1,199)	–	438	38,048	(15,044)	23,004
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):														
– Quarry assets	1,172	(591)	581	–	–	–	(42)	–	(437)	–	–	736	(633)	103
– Tip assets	1,747	(580)	1,167	–	–	–	(23)	–	(49)	–	–	1,698	(603)	1,095
– Other remediation assets	1,402	(701)	701	–	–	–	(701)	–	–	–	–	–	–	–
Total infrastructure, property, plant and equipment	3,042,930	(900,053)	2,142,877	43,716	34,478	(11,862)	(51,879)	–	(486)	(48)	214,345	3,337,900	(966,760)	2,371,140

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

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C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period							At 30 June 2024		
$ '000	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	54,070	–	54,070	7,204	4,941	(32,840)	–	(21,721)	–	–	11,655	–	11,655
Plant and equipment	35,025	(13,943)	21,082	3,091	1,239	(1,296)	(2,391)	4	–	–	37,034	(15,306)	21,728
Office equipment	4,056	(3,318)	738	–	101	–	(261)	–	–	–	4,157	(3,580)	577
Furniture and fittings	2,373	(2,237)	136	–	11	–	(19)	–	–	–	2,384	(2,255)	129
Land:													
– Operational land	121,093	–	121,093	–	–	–	–	6,018	–	7,375	134,486	–	134,486
– Community land	163,453	–	163,453	–	151	–	–	1	–	8,940	172,546	–	172,546
– Land under roads (post 30/6/08)	11,259	–	11,259	–	–	(26)	–	–	–	–	11,233	–	11,233
Infrastructure:													
– Buildings	203,776	(57,450)	146,326	876	531	(991)	(3,395)	1,134	342	10,065	219,138	(64,251)	154,887
– Other structures	63,262	(14,737)	48,525	750	416	(1,365)	(1,705)	1,345	–	1,827	66,281	(16,486)	49,795
– Roads	1,003,019	(302,956)	700,063	28,166	5,547	(7,594)	(19,258)	7,758	–	42,081	1,085,415	(328,652)	756,763
– Bridges	113,097	(44,902)	68,195	–	90	–	(1,134)	619	–	5,071	114,901	(42,060)	72,841
– Footpaths	70,436	(27,533)	42,903	285	1,355	(168)	(1,168)	724	–	2,389	76,539	(30,219)	46,320
– Stormwater drainage	352,378	(109,427)	242,951	454	1,740	(476)	(3,734)	2,331	–	12,334	374,366	(118,767)	255,599
– Sewerage network	475,547	(126,909)	348,638	601	1,595	(249)	(6,879)	1,369	–	17,495	502,984	(140,413)	362,571
– Swimming pools	5,863	(2,214)	3,649	–	–	–	(118)	–	–	135	6,086	(2,421)	3,665
– Other open space/recreational assets	52,952	(17,978)	34,974	398	562	(993)	(2,482)	18	151	1,243	54,417	(20,547)	33,870
– Airport infrastructure (leasehold improvements)	97,927	(89,376)	8,551	70	–	–	(4,721)	4	–	149	101,735	(97,681)	4,054
– Rail infrastructure	15,167	(376)	14,791	–	–	–	(276)	–	–	553	15,744	(677)	15,067
Other assets:													
– Library books	377	–	377	–	776	–	(115)	–	–	1,075	2,733	(620)	2,113
– Artworks	6,260	–	6,260	–	170	–	–	–	–	–	6,430	–	6,430
– Other	36,910	(12,719)	24,191	288	401	(575)	(1,268)	396	(493)	1,160	38,345	(14,246)	24,099
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):													
– Tip assets	1,794	(555)	1,239	–	–	–	(25)	–	(47)	–	1,747	(580)	1,167
– Quarry assets	1,290	(541)	749	–	–	–	(50)	–	(118)	–	1,172	(591)	581
– Other remediation assets	1,402	–	1,402	–	–	–	(701)	–	–	–	1,402	(701)	701
Total infrastructure, property, plant and equipment	2,892,786	(827,171)	2,065,615	42,183	19,626	(46,573)	(49,700)	–	(165)	111,892	3,042,930	(900,053)	2,142,877

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

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C1-7 Infrastructure, property, plant and equipment (continued)

Material accounting policy information

Initial recognition of infrastructure, property, plant and equipment (IPPE)
IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

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

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

	Useful lives (years)
Equipment, furniture and fittings	1 to 100
Infrastructure:	
– Buildings and other structures	1 to 195
– Roads, bridges and footpaths	10 to 150
– Stormwater drainage	40 to 125
– Sewerage network	5 to 210
– Open space/recreational assets	1 to 50
– Airport infrastructure	3 to 40
– Rail infrastructure	20 to 100
Other assets	1 to 50
Tip, quarry and other remediation assets	1 to 50

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. During the 2024/25 financial year, Council undertook a comprehensive revaluation of it's Stormwater drainage asset category. As part of this, the assets useful lives were updated from the prior year comparative useful life range of 25 to 100 years.

Revaluation model
Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Climate Change, Energy, the Environment and Water (DCCEEW).

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

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C1-7 Infrastructure, property, plant and equipment (continued)

Land under roads

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

Council has elected to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051. Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 - Property, Plant and Equipment.

Council has utilised the Englobo method to value its land under roads. The Englobo valuation method utilises a discount factor of 90% to the market price of the land across the local government area.

Crown reserves

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

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

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Council has assessed that they do not contol the firefighting equipment associated with the Rural Fure Service and as such has not recognised these assets within these financial statements.

Council has recognised, and will continue to recognise, rural fire service buildings that are built on Council owned or managed land.

C1-8 Investment properties

$ '000	2025	2024
Owned investment property		
Investment property on hand at fair value	**5,440**	4,870
Total owned investment property	**5,440**	4,870

Owned investment property

At fair value		
Opening balance at 1 July	**4,870**	4,540
Net gain/(loss) from fair value adjustments	**570**	330
Closing balance at 30 June	**5,440**	4,870

Material accounting policy information
Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

C1-9 Other

Other assets

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Prepayments	**2,489**	**–**	1,137	–
Total other assets	**2,489**	**–**	1,137	–

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land and waste collection vehicles. Information relating to the leases in place and associated balances and transactions is provided below.

Land and Buildings

Council leases land at Forest Hill for the operation of the Wagga Airport. This lease is for a 30 year period and does not include a renewal option. Council recently accepted a one (1) year extension to this lease.

Council recently entered into a licence agreement in relation to the use of building facilties for community purposes. This agreement is for a 20 year period and does not include any renewal or extension options.

Plant and Equipment

Council is currently a party to a waste collection contract in which Council directs the use of the collection vehicles. Under this agreement, Council has a right-of-use asset for 10 dedicated collection vehicles with the contract running for a period of 7 years, with 3 x 1 year options.

Extension options

Council has options for lease extensions in its waste collection contract to provide certainty to Council operations. The extension options in Council's waste collection contract are at Council's discretion.

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

Council has included the potential future lease extension options within its lease liability for the waste collection contract.

(a) Right of use assets

$ '000	Land	Plant and Equipment	Buildings	Total
2025				
Opening balance at 1 July	**22**	**1,245**	**949**	**2,216**
Adjustments to right-of-use assets due to re-measurement of lease liability	**23**	**–**	**–**	**23**
Depreciation charge	**(22)**	**(331)**	**(50)**	**(403)**
Balance at 30 June	**22**	**914**	**899**	**1,835**
2024				
Opening balance at 1 July	43	1,577	999	2,619
Depreciation charge	(21)	(332)	(50)	(403)
Balance at 30 June	22	1,245	949	2,216

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C2-1 Council as a lessee (continued)

(b) Lease liabilities

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Lease liabilities	**375**	**640**	365	991
Total lease liabilities	**375**	**640**	365	991

(c) The maturity analysis

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

$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2025					
Cash flows	**399**	**656**	**–**	**1,055**	**1,015**
2024					
Cash flows	399	1,031	–	1,430	1,356

(d) Income Statement

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

$ '000	2025	2024
Interest on lease liabilities	**33**	45
Variable lease payments based on usage not included in the measurement of lease liabilities	**221**	196
Income from sub-leasing right of use assets	**(312)**	(289)
Depreciation of right of use assets	**404**	404
Expenses relating to Peppercorn leases	**3**	3
	349	359

(e) Statement of Cash Flows

Income from sub-leasing right-of-use assets	**(312)**	(289)
Interest payments on lease liabilities	**34**	44
Variable lease payments	**221**	196
Expenses relating to Peppercorn leases	**3**	3
Lease Liability Payments	**365**	355
	311	309

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C2-1 Council as a lessee (continued)

(f) Leases at significantly below market value – concessionary/peppercorn leases

Council has one lease at significantly below market value for the land on which the Museum of the Riverina is located. This lease is a 25 year lease, with renewal option of 25 years and requires a payment of $2,500 per year. Council has recently taken up the renewal option for this lease.

The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

Material accounting policy information

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

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

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

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

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

Leases at significantly below market value/Concessionary leases
Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to community groups and other organisations; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property and/or IPP&E in the Statement of Financial Position.

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

$ '000	2025	2024
(i) Assets held as investment property		
Investment property operating leases relate to Council owned buildings at 36-40 Gurwood St and 99 Peter St, that are currently leased out by Council.		
The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:		
Lease income (excluding variable lease payments not dependent on an index or rate)	**450**	461
Total income relating to operating leases for investment property assets	**450**	461
Operating lease expenses		
Investment Property		
Direct operating expenses that generated rental income	**107**	69
Total expenses relating to operating leases	**107**	69
(ii) Assets held as property, plant and equipment		
Council provides operating leases on some Council owned buildings, as well as entering into leaseback arrangements with some staff for use of Council owned vehicles. The table below relates to operating leases on assets disclosed in C1-7.		
Lease income (excluding variable lease payments not dependent on an index or rate)	**1,296**	1,201
Total income relating to operating leases for Council assets	**1,296**	1,201
Operating lease expenses		
Land and Property		
Direct operating expenses that generated rental income	**138**	149
Other leased assets expenses		
Leaseback vehicle expenses	**107**	133
Total expenses relating to other leases assets	**245**	282

(iii) Maturity analysis of contractual lease income

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	**640**	592
1–2 years	**418**	422
2–3 years	**222**	256
3–4 years	**171**	89
4–5 years	**87**	67
> 5 years	**57**	115
Total undiscounted lease payments to be received	**1,595**	1,541

C3 Liabilities of Council

C3-1 Payables

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Goods and services – operating expenditure	**6,227**	**–**	4,506	–
Goods and services – capital expenditure	**4,802**	**–**	1,870	–
Accrued expenses:				
– Interest on loans	**193**	**–**	212	–
– Interest on leases	**1**	**–**	2	–
– Salaries and wages	**873**	**–**	1,209	–
– Other expenditure accruals	**78**	**–**	81	–
Security bonds, deposits and retentions	**5,191**	**–**	5,000	–
Prepaid rates	**3,391**	**–**	3,203	–
Other	**916**	**–**	382	–
Total payables	**21,672**	**–**	16,465	–

Material accounting policy information

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

Payables

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

C3-2 Contract Liabilities

$ '000	Notes	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	**57,466**	**–**	52,427	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	**1,231**	**–**	1,400	–
Unexpended capital contributions (to construct Council controlled assets)	(i)	**4,156**	**–**	410	–
Unexpended operating contributions (received prior to performance obligation being satisfied)	(ii)	**19**	**–**	22	–
Total grants received in advance		**62,872**	**–**	54,259	–
User fees and charges received in advance:					
Upfront fees – leisure centre	(iii)	**287**	**–**	111	–
Property leases and licences		**–**	**–**	112	–
Planning applications		**283**	**–**	86	–
Wagga Civic Theatre ticketing	(iv)	**432**	**–**	346	–
Other		**165**	**–**	236	–
Total user fees and charges received in advance		**1,167**	**–**	891	–
Total contract liabilities		**64,039**	**–**	55,150	–

Notes

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

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

(iii) Upfront membership fees for the Leisure Centre do not meet the definition of a performance obligation and therefore the funds received are recorded as a contract liability on receipt and recognised as revenue over the expected membership life.

(iv) Upfront ticket payments for theatre shows do not meet the definition of a performance obligation and therefore the funds received are recorded as a contract liability on receipt and recognised as revenue once the performance has occurred.

Significant changes in contract liabilities

During the 2024/25 financial year, Council held a significant amount of grant funding that has been received in advance including $53.1M received for the development of Southern and Northern Growth Areas under the Accelerated Infrastructure Funding grant program.

C3-3 Borrowings

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Loans – secured [1]	**6,142**	**40,091**	6,453	46,233
Total borrowings	**6,142**	**40,091**	6,453	46,233

(1) Loans are secured over the general rating income of Council.
Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

(a) Changes in liabilities arising from financing activities

$ '000	2024 Opening Balance	Cash flows	Non-cash movements Acquisitions	Fair value changes	Other non-cash movement	2025 Closing balance
Loans – secured	52,686	**(6,453)**	**–**	**–**	**–**	**46,233**
Lease liability (Note C2-1)	1,356	**(364)**	**23**	**–**	**–**	**1,015**
Total liabilities from financing activities	54,042	**(6,817)**	**23**	**–**	**–**	**47,248**

$ '000	2023 Opening Balance	Cash flows	Non-cash movements Acquisitions	Fair value changes	Other non-cash movement	2024 Closing balance
Loans – secured	57,775	(6,272)	1,183	–	–	52,686
Lease liability (Note C2-1)	1,711	(355)	–	–	–	1,356
Total liabilities from financing activities	59,486	(6,627)	1,183	–	–	54,042

(b) Financing arrangements

$ '000	2025	2024
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities [1]	**500**	500
Credit cards/purchase cards	**500**	500
Bank guarantees	**75**	75
Total financing arrangements	**1,075**	1,075
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Bank guarantees	**73**	73
Total drawn financing arrangements	**73**	73
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	**500**	500
– Credit cards/purchase cards	**500**	500
– Bank guarantees	**2**	2
Total undrawn financing arrangements	**1,002**	1,002

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

C3-4 Employee benefit provisions

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Annual leave	**4,842**	**–**	4,429	–
Long service leave	**9,077**	**667**	7,951	500
Other leave – TOIL	**154**	**–**	142	–
Other leave – RDO	**12**	**–**	13	–
Total employee benefit provisions	**14,085**	**667**	12,535	500

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

$ '000	2025	2024
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	**9,341**	8,254
	9,341	8,254

Material accounting policy information

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

C3-5 Provisions

$ '000	2025 Current	2025 Non-Current	2024 Current	2024 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	**1,513**	**1,089**	2,353	1,434
Sub-total – asset remediation/restoration	**1,513**	**1,089**	2,353	1,434
Total provisions	**1,513**	**1,089**	2,353	1,434

Description of and movements in provisions

$ '000	Other provisions Asset remediation	Total
2025		
At beginning of year	**3,787**	**3,787**
Amounts used (payments)	**(561)**	**(561)**
Remeasurement effects	**(357)**	**(357)**
Unused amounts reversed	**(267)**	**(267)**
Total other provisions at end of year	**2,602**	**2,602**
2024		
At beginning of year	4,396	4,396
Amounts used (payments)	(574)	(574)
Remeasurement effects	(35)	(35)
Total other provisions at end of year	3,787	3,787

Nature and purpose of provisions

Asset remediation
The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the Council tip, quarries and sewerage treatment works as a result of past operations.

Material accounting policy information

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

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

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

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C3-5 Provisions (continued)

Provisions for close-down and restoration, and environmental clean-up costs – tips, quarries and treatment works

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation Surplus

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

D Council structure

D1 Results by fund

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

D1-1 Income Statement by fund

$ '000	General [1] 2025	Sewer 2025
Income from continuing operations		
Rates and annual charges	64,683	18,118
User charges and fees	31,480	5,495
Interest and investment revenue	9,992	2,762
Other revenues	4,335	855
Grants and contributions provided for operating purposes	16,034	45
Grants and contributions provided for capital purposes	37,595	8,436
Other income	2,913	–
Total income from continuing operations	167,032	35,711
Expenses from continuing operations		
Employee benefits and on-costs	51,584	4,385
Materials and services	40,514	10,095
Borrowing costs	1,304	1,916
Other expenses	1,991	7
Net losses from the disposal of assets	10,033	48
Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	105,426	16,451
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	61,606	19,260
Depreciation, amortisation and impairment of non-financial assets	44,764	7,278
Operating result from continuing operations	16,842	11,982
Net operating result for the year	16,842	11,982
Net operating result attributable to each council fund	16,842	11,982
Net operating result for the year before grants and contributions provided for capital purposes	**(20,753)**	**3,546**

(1) General fund refers to all of Council's activities except for its sewer activities which are listed separately.

D1-2 Statement of Financial Position by fund

$ '000	General [1] 2025	Sewer 2025
ASSETS		
Current assets		
Cash and cash equivalents	46,215	47,532
Investments	84,000	–
Receivables	14,381	2,626
Inventories	2,077	–
Contract assets and contract cost assets	4,555	–
Other	2,424	65
Total current assets	153,652	50,223
Non-current assets		
Investments	96,219	35,123
Receivables	1,533	–
Infrastructure, property, plant and equipment	1,988,445	382,695
Investment property	5,440	–
Right of use assets	1,835	–
Total non-current assets	2,093,472	417,818
Total assets	2,247,124	468,041
LIABILITIES		
Current liabilities		
Payables	20,655	1,017
Contract liabilities	42,858	21,181
Lease liabilities	375	–
Borrowings	4,709	1,433
Employee benefit provision	13,263	822
Provisions	1,513	–
Total current liabilities	83,373	24,453
Non-current liabilities		
Lease liabilities	640	–
Borrowings	15,218	24,873
Employee benefit provision	595	72
Provisions	1,089	–
Total non-current liabilities	17,542	24,945
Total liabilities	100,915	49,398
Net assets	2,146,209	418,643
EQUITY		
Accumulated surplus	1,010,597	104,125
IPPE revaluation surplus	1,135,612	314,518
Council equity interest	2,146,209	418,643
Total equity	2,146,209	418,643

(1) General fund refers to all of Council's activities except for its sewer activities which are listed separately.

D1-3 Details of internal loans

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

Details of individual internal loans	Internal Loan 1
Borrower (by purpose)	General Fund
Lender (by purpose)	Sewer Fund
Date of Minister's approval	03/06/2020
Date raised	30/06/2020
Term years	15 years
Dates of maturity	30/06/2035
Amount originally approved	$12,300,000
Rate of interest (%)	4.24%
Total repaid during year (principal and interest)	$55,065
Principal outstanding at end of year	$1,298,704

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio with the assistance of independent advisors. Council has an investment policy which complies with the s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

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

Financial risk management is carried out by the finance team under policies approved by the Councillors.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

$ '000	**Carrying value 2025**	Carrying value 2024	**Fair value 2025**	Fair value 2024
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	**93,747**	90,695	**93,747**	90,695
Receivables [1]	**17,442**	16,301	**17,442**	16,301
Investments				
– Debt securities at amortised cost	**163,000**	141,000	**163,000**	141,000
Fair value through profit and loss				
Investments				
– Held for trading	**52,342**	57,733	**52,342**	57,733
Total financial assets	**326,531**	305,729	**326,531**	305,729
Financial liabilities				
Payables	**21,672**	16,465	**21,672**	16,465
Loans/advances	**46,233**	52,686	**46,233**	52,686
Lease liabilities	**1,014**	1,356	**1,014**	1,356
Total financial liabilities	**68,919**	70,507	**68,919**	70,507

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables – are estimated to be the carrying value that approximates market value.
- Borrowings and measure at amortised cost investments – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) at fair value through profit and loss or (ii) at fair value through other comprehensive income – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

The risks associated with the financial instruments held are:

- Market risk – interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due.
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to the Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers before placing any cash and investments.

(1) As per AASB7, Receivables does not include statutory receivables (Net GST Receivable).

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

(a) Market risk – interest rate and price risk

$ '000	2025	2024
The impact on the result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	**2,867**	2,249
Impact of a 1% movement in price of investments		
– Equity / Income Statement	**523**	577

(b) Credit risk

Council's major receivables comprise rates, annual charges, user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

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

There are no significant concentrations of credit risk other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

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

$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
2025				
Gross carrying amount	**–**	**4,359**	**53**	**4,412**
2024				
Gross carrying amount	–	3,983	35	4,018

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

Receivables - non-rates and annual charges

Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

$ '000	Not yet overdue	Overdue debts 0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	Total
2025						
Gross carrying amount	**16,449**	**686**	**358**	**43**	**1,265**	**18,801**
Expected loss rate (%)	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**9.36%**	**0.63%**
ECL provision	**–**	**–**	**–**	**–**	**118**	**118**
2024						
Gross carrying amount	14,418	433	145	319	2,145	17,460
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	8.48%	1.04%
ECL provision	–	–	–	–	182	182

(c) Liquidity risk

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

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk; the risk that movements in interest rates could adversely affect funding costs. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

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

The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

$ '000	Weighted average interest rate	Subject to no maturity	payable in: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2025							
Payables	**0.00%**	**5,191**	**16,484**	**–**	**–**	**21,675**	**21,672**
Borrowings	**5.49%**	**–**	**8,593**	**26,235**	**27,834**	**62,662**	**46,233**
Lease liabilities	**2.83%**	**–**	**399**	**656**	**–**	**1,055**	**1,014**
Total financial liabilities		**5,191**	**25,476**	**26,891**	**27,834**	**85,392**	**68,919**
2024							
Payables	0.00%	5,000	11,465	–	–	16,465	16,465
Borrowings	5.28%	–	9,146	29,902	32,760	71,808	52,686
Lease liabilities	2.83%	–	399	1,031	–	1,430	1,356
Total financial liabilities		5,000	21,010	30,933	32,760	89,703	70,507

E2-1 Fair value measurement

The Council measures the following asset classes at fair value on a recurring basis:
– Infrastructure, property, plant and equipment
– Investment property
– Financial assets

Fair value hierarchy
All assets and liabilities measured at fair value are assigned to a level in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by Council:

		Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
$ '000	Notes	2025	2024	2025	2024	2025	2024
Recurring fair value measurements							
Financial assets							
Financial investments	C1-2						
At fair value through profit or loss – designated at fair value on initial recognition		**52,342**	57,733	**–**	–	**52,342**	57,733
Amortised Cost		**163,000**	141,000	**–**	–	**163,000**	141,000
Total financial assets		**215,342**	198,733	**–**	–	**215,342**	198,733
Investment property	C1-8						
Commercial property		**5,440**	4,870	**–**	–	**5,440**	4,870
Total investment property		**5,440**	4,870	**–**	–	**5,440**	4,870

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E2-1 Fair value measurement (continued)

		Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
$ '000	Notes	2025	2024	2025	2024	2025	2024
Infrastructure, property, plant and equipment	C1-7						
Plant and equipment		**24,115**	21,728	**1,628**	–	**25,743**	21,728
Office equipment		**398**	577	**1,158**	–	**1,556**	577
Furniture and fittings		**–**	–	**140**	129	**140**	129
Operational land		**83,164**	83,755	**51,136**	50,731	**134,300**	134,486
Community land		**26,881**	26,881	**145,928**	145,664	**172,809**	172,545
Land under roads		**–**	–	**11,263**	11,233	**11,263**	11,233
Buildings		**159**	154	**167,588**	154,733	**167,747**	154,887
Other structures		**–**	–	**51,945**	49,795	**51,945**	49,795
Roads		**–**	–	**775,906**	756,763	**775,906**	756,763
Bridges		**–**	–	**74,224**	72,841	**74,224**	72,841
Footpaths		**–**	–	**48,323**	46,320	**48,323**	46,320
Stormwater drainage		**–**	–	**425,689**	255,599	**425,689**	255,599
Sewerage network		**–**	–	**370,765**	362,571	**370,765**	362,571
Swimming pools		**–**	–	**3,612**	3,665	**3,612**	3,665
Other open space/recreational assets		**–**	–	**36,598**	33,870	**36,598**	33,870
Airport infrastructure		**–**	–	**4,966**	4,054	**4,966**	4,054
Rail infrastructure		**–**	–	**15,068**	15,067	**15,068**	15,067
Artworks		**6,534**	6,430	**–**	–	**6,534**	6,430
Book collection		**–**	–	**2,074**	2,113	**2,074**	2,113
Other assets		**–**	–	**23,005**	24,099	**23,005**	24,099
Tip remediation assets		**–**	–	**1,095**	1,167	**1,095**	1,167
Quarry assets		**–**	–	**103**	581	**103**	581
Other remediation assets		**–**	–	**–**	701	**–**	701
Total infrastructure, property, plant and equipment		**141,251**	139,525	**2,212,214**	1,991,696	**2,353,465**	2,131,221

Valuation techniques

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

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

Financial assets

Wagga Wagga City Council receives monthly valuations and statements from the financial institutions that hold investments on behalf of Council.

There have been no change in valuation techniques during the reporting year.

Investment property

Council currently holds 2 investment properties:

• 36-40 Gurwood Street, Wagga Wagga
• 99 Peter Street, Wagga Wagga

An independent full valuation is undertaken on Council's investment properties on an annual basis, at the end of the financial year. The figure listed in the financial statements are the most up to date valuation.

The properties have been valued using the Market Approach for 2024/25. These properties were valued as at 30/06/2025 by Opteon (Southern Inland NSW), AAPI Certified Practising Valuers.

There have been no change in valuation techniques during the reporting year.

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E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment

Council's Plant & Equipment, Furniture & Fittings and Office Equipment includes:

• Major Plant - Trucks, street sweepers, graders
• Fleet Vehicles - Cars, Vans, Utes
• Minor Plant - Chainsaws, brushcutters, mowers
• Oasis Aquatic Centre - Filtration equipment
• Furniture & Fittings - Desks, chairs, kitchen appliances, furniture
• Office Equipment - Computers, Monitors, Projectors

Plant & equipment, office equipment and furniture & fittings are valued internally using depreciated replacement cost.

Council values Plant & Equipment using Level 2 and Level 3 inputs. The unobservable Level 2 and Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition
• Residual Value

There has been no change to the valuation process during the reporting period.

Roads

This asset class includes sealed and unsealed roads, carparks, culverts, kerb and gutter and bus and taxi shelters. Council uses the cost approach to value the roads and associated assets, and has componentised a number of the assets into multiple components.

This asset class was revalued as part of Council's transport assets revaluation, with components of this valuation undertaken both externally and internally during the 2022/23 financial year.

Council values Roads and associated assets using Level 3 inputs. The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

Footpaths

The footpath asset class includes all footways (footpaths, shared paths and cycleways) sealed or unsealed, and has been valued using the cost approach.

This asset class was revalued as part of Council's transport assets revaluation, undertaken externally during the 2022/23 financial year.

Council values Footpaths using Level 3 inputs. The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

Bridges

The bridges asset class consists of all pedestrian, vehicle access and rail bridges and have been valued using the cost approach.

This asset class was revalued externally during the 2023/24 financial year.

Council values Bridges using Level 3 inputs. The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition
• Asset Age

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

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E2-1 Fair value measurement (continued)

Operational Land
Council's Operational Land was valued externally by APV Valuers & Asset Management during 2021/22 using both the market value and cost approaches. The valuation took into account only the land component and excluded the added value of any existing structures.

Operational Land has been valued using Level 2 and Level 3 inputs. The unobservable Level 2 input used is the unit rate per square metre or hectare.

There has been no change to the valuation process during the reporting period.

Community Land
Council's Community Land was valued externally by APV Valuers & Asset Management during 2021/22 using both the market value and cost approaches. The valuation took into account the available market evidence for identical and comparable assets and included applying a discount factor to land parcels where a restriction over the use of the land may be applicable.

Community Land has been valued using Level 2 and Level 3 inputs. The unobservable Level 2 input used is the unit rate per square metre or hectare.

There has been no change to the valuation process during the reporting period.

Land under Roads
Land Under Roads was valued internally during 2021/22 using the Englobo method. The value is calculated using the road reserve area of the LGA, the total LGA area and total LGA land site value.

There has been no change to the valuation process during the reporting period.

Buildings
Council's Buildings were valued externally by APV Valuers & Asset Management during 2021/22 using the cost and market approaches. The valuation took into account the components of each individual building.

Council values Buildings using Level 2 and 3 inputs. The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Asset Condition
• Useful Life
• Components

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

Other Structures
Council's Other Structures include fences, shelters, shade sails and Livestock Marketing Centre assets.

Other Structures were revalued internally in 2020/21 using the cost approach and Level 3 inputs.

The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

Other Assets
Council's Other Assets include fountains, memorials, monuments, lighting, public art, cemetery and solid waste assets.

Other Assets were revalued internally in 2020/21 using the cost approach and Level 3 inputs.

The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

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E2-1 Fair value measurement (continued)

Airport Infrastructure
Council's Airport Infrastructure include runways, aprons, taxiways, buildings and other associated assets located at the Wagga Airport. These assets are leasehold improvements on land leased by Council.

Airport Infrastructure were revalued internally in the 2024/25 financial year using the cost approach and Level 3 inputs.

The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

There has been no change to the valuation process during the reporting period.

Stormwater Drainage
The Stormwater Drainage asset class includes stormwater pits, stormwater pipes, channels, detention basins, levee banks, flood gates, gross pollutant traps and stormwater pump stations.

Stormwater Drainage assets were revalued externally in the 2024/25 financial year using the cost approach and Level 3 inputs.

The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

There has been no change to the valuation process during the reporting period.

Sewerage Network
The Sewerage Network asset class includes sewer mains, sewer nodes, pump stations and sewerage treatments plants.

Council's Sewerage network assets were revalued externally in 2021/22 using the cost approach and Level 3 inputs.

The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Remaining life estimate
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

Swimming Pools
Swimming pools includes only the outside 50m pool and the dive pool. The indoor swimming pools are valued in the buildings class with the Aquatic Centre.

Swimming Pools were revalued internally during 2021/22 using the cost approach and Level 3 inputs.

The unobservable Level 3 inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

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E2-1 Fair value measurement (continued)

Other Open Space/Recreational Assets
Council's Other Open Space/Recreational Assets class includes playgrounds, irrigation, sports equipment, BBQs, bins, seats, boat ramps and Oasis Regional Aquatic centre assets.

Council's Other Open Space/Recreational Assets were revalued internally in 2020/21 using the cost approach and Level 3 inputs.

The Level 3 unobservable inputs used include:

• Gross Replacement Cost
• Estimated useful life of the Asset
• Asset Condition

Council has applied indexation to the fair value of these assets for the 2024/25 financial year.

Artworks
Council's Artworks were externally valued in 2020/21 by Helen Maxwell using market value. The asset class is valued using Level 2 inputs such as comparable market prices and values.

The Artworks asset class includes glass works, prints, paintings, photography, ceramics, books, textiles, drawings and sculptures.

There has been no change to the valuation process during the reporting period.

Quarry Assets
Council utilised an external consultant, GHD Pty Ltd, to produce the remediation cost estimates for the Quarry Assets for 2021/22. This was then reviewed and updated internally by Council staff for the 2024/25 financial year. The majority of Council operated quarries are situated on private land, with two located on Council owned land.

The remediation cost estimates include:

• Mobilisation Costs
• Project Management Costs
• Monitoring Costs

There has been no change to the valuation process during the reporting period.

Tip Remediation Assets
Council utilised an external consultant, GHD Pty Ltd, to produce the remediation cost estimates for the Tip Assets for 2021/22. This was then reviewed and updated internally by Council staff for the 2024/25 financial year. Council currently only operates a landfill at it's Gregadoo waste management facility that will need future remediation.

The remediation cost estimates include:

• Mobilisation Costs
• Project Management Costs
• Monitoring Costs

There has been no change to the valuation process during the reporting period.

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E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

	Community land		Buildings		Other structures		Roads	
$ '000	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	**145,664**	138,145	**154,733**	146,179	**49,795**	48,525	**756,763**	700,063
Other movements								
Disposals (WDV)	**–**	–	**(668)**	(991)	**(90)**	(1,365)	**(4,188)**	(7,594)
Transfers from/(to) another asset class	**–**	–	**–**	342	**–**	–	**–**	–
Purchases (GBV)	**264**	152	**8,859**	2,541	**3,076**	2,512	**23,887**	41,471
Depreciation and impairment	**–**	–	**(3,697)**	(3,395)	**(1,824)**	(1,705)	**(20,677)**	(19,258)
Other movement (revaluation)	**–**	7,367	**8,361**	10,057	**988**	1,828	**20,121**	42,081
Closing balance	**145,928**	145,664	**167,588**	154,733	**51,945**	49,795	**775,906**	756,763

	Bridges		Footpaths		Stormwater drainage		Sewerage network	
$ '000	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	**72,841**	68,195	**46,320**	42,903	**255,599**	242,951	**362,571**	348,638
Other movements								
Disposals (WDV)	**(146)**	–	**(37)**	(168)	**(696)**	(476)	**(37)**	(249)
Transfers from/(to) another asset class	**–**	–	**–**	–	**(95)**	–	**–**	–
Purchases (GBV)	**695**	709	**2,095**	2,364	**8,237**	4,525	**6,452**	3,565
Depreciation and impairment	**(1,061)**	(1,134)	**(1,288)**	(1,168)	**(3,741)**	(3,734)	**(7,264)**	(6,879)
Other movement (revaluation)	**1,895**	5,071	**1,233**	2,389	**166,385**	12,333	**9,043**	17,496
Closing balance	**74,224**	72,841	**48,323**	46,320	**425,689**	255,599	**370,765**	362,571

	Swimming pools		Other open space/rec assets		Airport infrastructure		Other assets	
$ '000	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	**3,665**	3,649	**33,870**	34,974	**4,054**	8,552	**24,099**	24,191
Other movements								
Disposals (WDV)	**–**	–	**(213)**	(993)	**–**	–	**(343)**	(575)
Transfers from/(to) another asset class	**–**	–	**(1,935)**	151	**–**	–	**(1,198)**	(493)
Purchases (GBV)	**–**	–	**6,274**	978	**136**	74	**1,152**	1,085
Depreciation and impairment	**(121)**	(118)	**(2,095)**	(2,482)	**(4,042)**	(4,721)	**(1,143)**	(1,268)
Other movement (revaluation)	**69**	134	**697**	1,242	**4,818**	149	**438**	1,159
Closing balance	**3,613**	3,665	**36,598**	33,870	**4,966**	4,054	**23,005**	24,099

	Tip assets		Quarry assets		Furniture and fittings		Operational Land	
$ '000	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	**1,167**	1,239	**581**	749	**129**	135	**50,731**	47,922
Other movements								
Purchases (GBV)	**–**	–	**–**	–	**30**	12	**405**	–
Depreciation and impairment	**(23)**	(25)	**(42)**	(50)	**(19)**	(18)	**–**	–
Other movement (revaluation)	**–**	–	**–**	–	**–**	–	**–**	2,809
Adjustments and transfers	**(49)**	(47)	**(436)**	(118)	**–**	–	**–**	–
Closing balance	**1,095**	1,167	**103**	581	**140**	129	**51,136**	50,731

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E2-1 Fair value measurement (continued)

$ '000	Land under Roads 2025	Land under Roads 2024	Rail infrastructure 2025	Rail infrastructure 2024	Book collection 2025	Book collection 2024	Other remediation assets 2025	Other remediation assets 2024
Opening balance	**11,233**	11,258	**15,067**	14,790	**2,113**	377	**701**	1,402
Other movements								
Disposals (WDV)	**–**	(25)	**–**	–	**(253)**	–	**–**	–
Purchases (GBV)	**30**	–	**–**	–	**362**	776	**–**	–
Depreciation and impairment	**–**	–	**(286)**	(276)	**(100)**	(115)	**(701)**	(701)
Other movement (revaluation)	**–**	–	**287**	553	**(48)**	1,075	**–**	–
Closing balance	**11,263**	11,233	**15,068**	15,067	**2,074**	2,113	**–**	701

$ '000	Plant and equipment 2025	Plant and equipment 2024	Office equipment 2025	Office equipment 2024	Total 2025	Total 2024
Opening balance	**–**	–	**–**	–	**1,991,696**	1,884,837
Disposals (WDV)	**(59)**	–	**–**	–	**(6,730)**	(12,436)
Transfers from/(to) another asset class	**2,030**	–	**1,198**	–	**–**	–
Purchases (GBV)	**59**	–	**128**	–	**62,141**	60,764
Depreciation and impairment	**(402)**	–	**(168)**	–	**(48,694)**	(47,047)
Other movement (revaluation)	**–**	–	**–**	–	**214,287**	105,743
Adjustments and transfers	**–**	–	**–**	–	**(485)**	(165)
Closing balance	**1,628**	–	**1,158**	–	**2,212,215**	**1,991,696**

Highest and best use

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

E3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

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

– Assets are not segregated within the sub-group according to the employees of each sponsoring employer.

– The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.

– Benefits for employees of all sponsoring employers are determined according to the same formula and without regard to the sponsoring employer.

– The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

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

Description of the funding arrangements.

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

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

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

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

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

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

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

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

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

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

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

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E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2025 was $235,691.38. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2024.

Council's expected contribution to the plan for the next annual reporting period is $25,425.60.

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

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

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

The share of this deficit that is broadly attributed to the Council is estimated to be 0.81% as at 30 June 2025.

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

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

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

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

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

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

(iv) Other guarantees

Council has provided no guarantees other than those listed above.

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E3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

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

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

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

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

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

(iii) Potential land remediation

Council has identified a number of land parcels that it may be required to remediate in the future.

Due to this intrinsic high risk involved in remediation projects, there may be associated costs with groundwater and other contamination issues that may not have been apparent at the completion of the project.

Council, to date, has not made any provision in relation to the above issues, that may or may not occur in the future. Provision for these costs will be made, if deemed necessary in the future.

(iv) Sewerage Treatment Plants future remediation

Council has identified that it has a future requirement to close and remediate the land on which its Sewerage Treatment Plants operate.

Due to the uncertainty regarding the timing of these requirements, Council, to date, has not made any provision for this closure and remediation. Provision for these costs will be made when deemed necessary in the future.

ASSETS NOT RECOGNISED

(i) Infringement notices/fines

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

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

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

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

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

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

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

$ '000	2025	2024
Compensation:		
Short-term benefits	**2,587**	2,445
Post-employment benefits	**218**	205
Other long-term benefits	**87**	38
Termination benefits	**175**	–
Total	**3,067**	2,688

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction $ '000	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
2025						
Fees and Charges Income	1	**76**	**6**	30 day debtor account	**–**	**–**
Lease/Rental Income	2	**8**	**–**	30 day debtor account	**–**	**–**
Reimbursements for Council related expenses		**4**	**–**	30 day creditor payment terms	**–**	**–**
Payment for goods/services received		**224**	**30**	30 day creditor payment terms	**–**	**–**
Refund of fees (no longer required)		**8**	**–**	30 day creditor payment terms	**–**	**–**

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F1-1 Key management personnel (KMP) (continued)

Nature of the transaction $ '000	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
2024						
Fees and Charges Income	1	55	9	30 day debtor account	–	–
Lease/Rental Income	2	12	–	30 day debtor account	–	–
Reimbursements for Council related expenses		5	–	30 day creditor payment terms	–	–
Payment for goods/services received		9	–	30 day creditor payment terms	–	–
Grants and other assistance provided		3	–	30 day creditor payment terms	–	–
Refund of fees (no longer required)		1	–	30 day creditor payment terms	–	–

1 Charged in accordance with Council's adopted Fees & Charges
2 Charged in accordance with Council approved annual lease agreements

F1-2 Councillor and Mayoral fees and associated expenses

$ '000	2025	2024
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	**61**	64
Councillors' fees	**226**	214
Superannuation	**33**	31
Conferences and seminars	**16**	19
Information Technology expenses	**4**	4
Travelling	**27**	–
Telephone and Communication	**3**	3
Total	**370**	335

F2 Other relationships

F2-1 Audit fees

$ '000	2025	2024
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	**140**	158
Remuneration for audit and other assurance services	**140**	158
Total Auditor-General remuneration	**140**	158
Total audit fees	**140**	158

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of Operating Result

$ '000	2025	2024
Net operating result from Income Statement	**28,824**	(2,668)
Add / (less) non-cash items:		
Depreciation and amortisation	**52,042**	49,752
(Gain) / loss on disposal of assets	**10,081**	45,386
Non-cash capital grants and contributions	**(20,259)**	(5,625)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as 'at fair value' or 'held for trading'	**(597)**	(580)
– Investment property	**(570)**	(330)
Share of net (profits)/losses of associates/joint ventures using the equity method	**–**	831
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	**(1,034)**	594
Increase / (decrease) in provision for impairment of receivables	**(64)**	(18)
(Increase) / decrease of inventories	**309**	(396)
(Increase) / decrease of other current assets	**(1,352)**	(255)
(Increase) / decrease of contract asset	**(701)**	2,112
Increase / (decrease) in payables	**1,721**	(610)
Increase / (decrease) in accrued interest payable	**(20)**	(9)
Increase / (decrease) in other accrued expenses payable	**(339)**	21
Increase / (decrease) in other liabilities	**913**	680
Increase / (decrease) in contract liabilities	**8,889**	43,543
Increase / (decrease) in employee benefit provision	**1,717**	145
Increase / (decrease) in other provisions	**(1,185)**	(609)
Net cash flows from operating activities	**78,375**	131,964

(b) Non-cash investing and financing activities

Dedications (other than by s7.11)	**20,192**	5,481
Artworks donated	**67**	144
Total non-cash investing and financing activities	**20,259**	5,625

G2-1 Commitments

Capital commitments (exclusive of GST)

$ '000	2025	2024
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	**222**	769
Plant and equipment	**2,224**	2,428
Parks and sportsgrounds	**956**	1,865
Sewerage infrastructure	**1,141**	2,448
Waste management services	**6,098**	196
Infrastructure	**2,437**	16,860
RiFL Stages 2 and 3	**–**	378
Other	**45**	65
Total commitments	**13,123**	25,009

G3-1 Events occurring after the reporting date

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

G4 Statement of developer contributions

G4-1 Summary of developer contributions

$ '000	Opening balance at 1 July 2024	Contributions received during the year: Cash	Contributions received during the year: Non-cash Land	Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
Drainage	101	–	–	–	–	–	–	101	–
Community facilities	87	–	–	–	–	(16)	–	71	–
Plan Management	(25)	–	–	–	–	–	–	(25)	–
Transport and Traffic Works	17,652	2,094	–	–	–	(920)	–	18,826	–
Planning Studies	130	53	–	–	–	–	–	183	–
Community Facilities - Recoupment	256	63	–	–	–	–	–	319	–
2006-2019 Plan - Hudson Drive	(25)	–	–	–	–	(13)	–	(38)	–
Transport and Traffic Works - Recoupment	421	29	–	–	–	–	–	450	–
Acquisition Open Space Land	4,465	56	–	–	–	–	–	4,521	–
Administration of Plan	265	189	–	–	1	(151)	–	304	–
Recreation and Open Space - Future Works	7,986	1,468	–	–	–	(4,371)	–	5,083	–
Borrowings - Low Interest Loans - Interest Cost	246	133	–	–	–	(70)	–	309	–
Recreation and Open Space - Recoupment	289	19	–	–	–	–	–	308	–
Borrowings - Ordinary Loans	1,490	364	–	–	–	–	–	1,854	–
Recoupment 2006-2019 Plan - Oasis Aquatic Centre	1,683	–	–	–	–	–	–	1,683	–
Recoupment 2006-2019 Plan - Civic Centre	100	–	–	–	–	–	–	100	–
Recoupment 2006-2019 Plan - Main Street (Baylis/Fitzmaurice St's) Wagga Wagga	159	–	–	–	–	–	–	159	–
2006-2019 Plan - Estella Open Space	15	–	–	–	–	(3)	–	12	–
2006-2019 Plan - Estella Bike Track	51	–	–	–	–	(16)	–	35	–
S7.11 contributions – under a plan	35,346	4,468	–	–	1	(5,560)	–	34,255	–
S7.12 levies – under a plan	850	904	–	–	–	(504)	–	1,250	–
Total S7.11 and S7.12 revenue under plans	36,196	5,372	–	–	1	(6,064)	–	35,505	–
S64 contributions	8,765	3,226	–	–	–	(1,982)	–	10,009	–
Total contributions	44,961	**8,598**	**–**	**–**	**1**	**(8,046)**	**–**	**45,514**	**–**

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G4-1 Summary of developer contributions (continued)

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

G4-2 Developer contributions by plan

$ '000	Opening balance at 1 July 2024	Contributions received during the year: Cash	Contributions received during the year: Non-cash Land	Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
S7.11 contributions – under a plan									
CONTRIBUTION PLAN – 1993 to 2004									
Drainage	101	–	–	–	–	–	–	101	–
Community facilities	87	–	–	–	–	(16)	–	71	–
Plan Management	(25)	–	–	–	–	–	–	(25)	–
Total	163	–	–	–	–	(16)	–	147	–
CONTRIBUTION PLAN – 2019 to 2034									
Transport and Traffic Works	17,652	2,094	–	–	–	(920)	–	18,826	–
Planning Studies	130	53	–	–	–	–	–	183	–
Recreation and Open Space - Future Works	7,986	1,468	–	–	–	(4,371)	–	5,083	–
Recreation and Open Space - Recoupment	289	19	–	–	–	–	–	308	–
Community Facilities - Recoupment	256	63	–	–	–	–	–	319	–
Transport and Traffic Works - Recoupment	421	29	–	–	–	–	–	450	–
Acquisition Open Space Land	4,465	56	–	–	–	–	–	4,521	–
Administration of Plan	265	189	–	–	1	(151)	–	304	–
Borrowings - Low Interest Loans - Interest Cost	246	133	–	–	–	(70)	–	309	–
Borrowings - Ordinary Loans	1,490	364	–	–	–	–	–	1,854	–
Recoupment 2006-2019 Plan - Oasis Aquatic Centre	1,683	–	–	–	–	–	–	1,683	–
Recoupment 2006-2019 Plan - Civic Centre	100	–	–	–	–	–	–	100	–
Recoupment 2006-2019 Plan - Main Street (Baylis/Fitzmaurice St's) Wagga Wagga	159	–	–	–	–	–	–	159	–
2006-2019 Plan - Estella Open Space	15	–	–	–	–	(3)	–	12	–
2006-2019 Plan - Estella Bike Track	51	–	–	–	–	(16)	–	35	–
2006-2019 Plan - Hudson Drive	(25)	–	–	–	–	(13)	–	(38)	–

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G4-2 Developer contributions by plan (continued)

Total	35,183	**4,468**	**–**	**–**	**1**	**(5,544)**	**–**	**34,108**	**–**

$ '000	Opening balance at 1 July 2024	Contributions received during the year: Cash	Non-cash Land	Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
S7.12 Levies – under a plan									
CONTRIBUTION PLAN – 2019 to 2034									
Section 7.12 levy	850	**904**	**–**	**–**	**–**	**(504)**	**–**	**1,250**	**–**
Total	850	**904**	**–**	**–**	**–**	**(504)**	**–**	**1,250**	**–**

G4-3 S64 contributions

CONTRIBUTION PLAN – STORMWATER 2007									
Stormwater Projects	8,765	**1,256**	**–**	**–**	**–**	**(12)**	**–**	**10,009**	**–**
Total	8,765	**1,256**	**–**	**–**	**–**	**(12)**	**–**	**10,009**	**–**
CONTRIBUTION PLAN – SEWER 2013									
Sewer Projects	–	**1,970**	**–**	**–**	**–**	**(1,970)**	**–**	**–**	**–**
Total	–	**1,970**	**–**	**–**	**–**	**(1,970)**	**–**	**–**	**–**

End of the audited financial statements

H1 Statement of performance measures

H1-1 Statement of performance measures – consolidated results

$ '000	Amounts 2025	Indicator 2025	Indicators 2024	2023	2022	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2] / Total continuing operating revenue excluding capital grants and contributions [1]	(8,328) / 155,545	(5.35)%	(4.63)%	1.43%	(4.76)%	> 0.00%
2. Own source operating revenue ratio						
Total continuing operating revenue excluding all grants and contributions [1] / Total continuing operating revenue [1]	139,466 / 201,576	69.19%	66.24%	61.70%	54.69%	> 60.00%
3. Unrestricted current ratio						
Current assets less all external restrictions / Current liabilities less specific purpose liabilities	111,145 / 32,821	3.39x	4.07x	3.27x	2.20x	> 1.50x
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation/impairment/amortisation [1] / Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	46,934 / 10,037	4.68x	4.63x	3.46x	3.51x	> 2.00x
5. Rates and annual charges outstanding percentage						
Rates and annual charges outstanding / Rates and annual charges collectable	4,893 / 87,734	5.58%	5.33%	5.17%	6.01%	< 10.00%
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits / Monthly payments from cash flow of operating and financing activities	243,747 / 10,666	22.85 months	21.63 months	15.92 months	12.84 months	> 3.00 months

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

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

H1-2 Statement of performance measures by fund

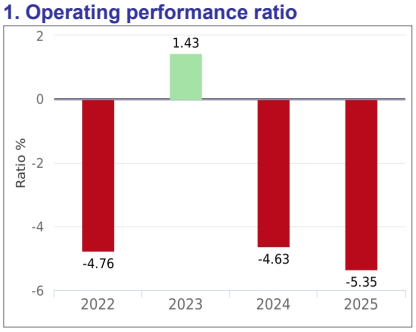
$ '000	General Indicators [3] 2025	General Indicators [3] 2024	Sewer Indicators 2025	Sewer Indicators 2024	Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2] / Total continuing operating revenue excluding capital grants and contributions [1]	**(9.29)%**	(8.09)%	**13.18%**	12.44%	> 0.00%
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions [1] / Total continuing operating revenue [1]	**67.67%**	62.67%	**76.25%**	87.65%	> 60.00%
3. Unrestricted current ratio					
Current assets less all external restrictions / Current liabilities less specific purpose liabilities	**3.39x**	4.07x	**2.11x**	1.87x	> 1.50x
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation [1] / Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	**5.04x**	5.10x	**3.92x**	3.65x	> 2.00x
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding / Rates and annual charges collectable	**5.69%**	5.47%	**5.18%**	4.85%	< 10.00%
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits / Monthly payments from cash flow of operating and financing activities	**21.38 months**	20.03 months	**31.92 months**	32.15 months	> 3.00 months

(1) - (2) Refer to Notes at Note H1-1 above.

(3) General fund refers to all of Council's activites except for its sewer activity which is listed separately.

H1-3 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2024/25 result

2024/25 ratio (5.35)%

Council's operating performance ratio has decreased slightly, down from -4.63% in 2023/24 to -5.35% for the 2024/25 financial year. This decrease is mainly attributable to a reduction in the advanced financial assistance grant payment reducing from 85% to 50% for the 2024/25 and 2025/26 advanced payments made.

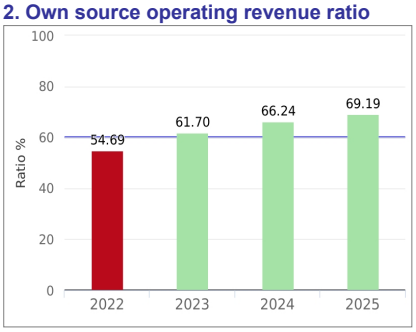
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2024/25 result

2024/25 ratio 69.19%

Council's own source operating revenue ratio has improved for 2024/25, up from 66.24% in 2023/24 to 69.19% in 2024/25. This improvement is a result of Council receiving increase user charges and fees and interest income for 2024/25, when compared to previous years.

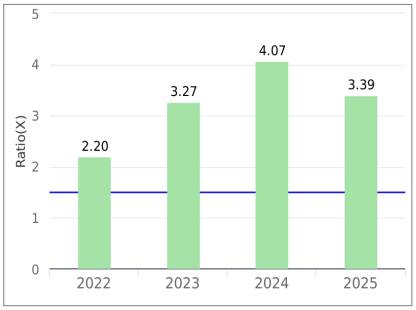
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2024/25 result

2024/25 ratio 3.39x

Council's unrestricted current ratio of 3.39x indicates that it continues to have sufficient unrestricted current assets available to service any short term liabilities as they arise. This result demonstrates Council's continued ability to satisfy its short term obligations as they arise.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

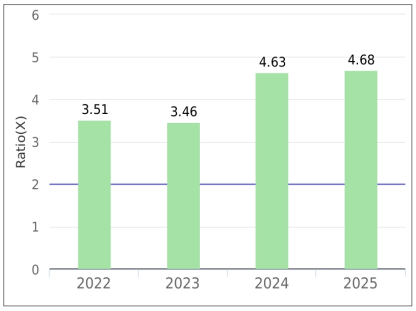
Ratio achieves benchmark

Ratio is outside benchmark

continued on next page ...

H1-3 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2024/25 result

2024/25 ratio 4.68x

Council's debt service cover ratio has increased slightly for 2024/25, up from 4.63x in 2023/24 to 4.68x. This result continues to demonstrate Council's ability to service its debt requirements as they arise.

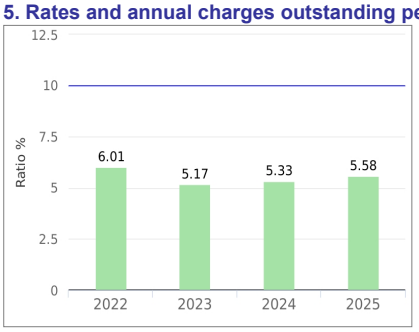
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2024/25 result

2024/25 ratio 5.58%

As at 30 June 2025, Council had 5.58% of it's rates and annual charges outstanding. This is a slight increase from the 5.33% outstanding at 30 June 2024. Council continues to be well below the benchmark of 10.00% for rural areas.

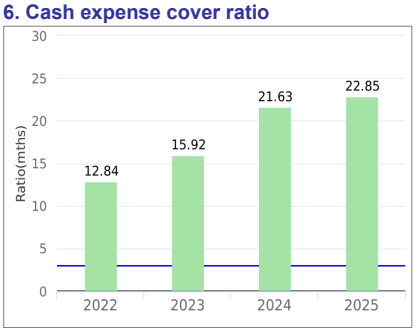
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2024/25 result

2024/25 ratio 22.85 months

Council's cash expense cover ratio result of 22.85 months indicates its continued ability to cover its immediate expenses without having to rely on additional cash flows.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-4 Council information and contact details

Principal place of business:
Cnr Baylis and Morrow Streets
Wagga Wagga NSW 2650

Contact details

Mailing Address:
PO Box 20
Wagga Wagga NSW 2650

Telephone: 1300 292 442
Facsimile: 02 6926 9199

Opening hours:
8:30am - 5:00pm
Monday to Friday

Internet: wagga.nsw.gov.au
Email: council@wagga.nsw.gov.au

Officers

General Manager
Peter Thompson

Responsible Accounting Officer
Zachary Wilson

Public Officer
David Galloway

Auditors
Audit Office of New South Wales
Level 19, Darling Park Tower 2
201 Sussex Street
Sydney NSW 2000

Elected members

Mayor
Dallas Tout

Councillors
Dallas Tout
Georgie Davies
Allana Condron
Richard Foley
Tim Koschel
Jenny McKinnon
Amelia Parkins
Karissa Subedi
Lindsay Tanner

Other information

ABN: 56 044 159 537

Wagga Wagga City Council

General Purpose Financial Statements

for the year ended 30 June 2025

Independent Auditor’s Reports:

On the Financial Statements (Sect 417 [2])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (opinion) for inclusion in the GPFS report (via the Home screen).

continued on next page ...

Wagga Wagga City Council

General Purpose Financial Statements

for the year ended 30 June 2025

Independent Auditor's Reports: (continued)

On the Financial Statements (Sect 417 [3])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (commentary) for inclusion in the GPFS report (via the Home screen).

Wagga Wagga City Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2025

"A thriving, innovative, connected community on the Murrumbidgee, rich in opportunity, choice, learning and environment, where paths cross, where people meet"

City of Wagga Wagga

Wagga Wagga City Council

Special Purpose Financial Statements

for the year ended 30 June 2025

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Background

i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.

ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

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

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

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

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

Wagga Wagga City Council

Special Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- the Division of Local Government Guidelines *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- the Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) *Regulatory and assurance framework for local water utilities, July 2022*

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

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

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

Signed in accordance with a resolution of Council made on 29 October 2025.

Dallas Tout
Mayor
29 October 2025

Georgie Davies
Councillor
29 October 2025

Peter Thompson
General Manager
29 October 2025

Zachary Wilson
Responsible Accounting Officer
29 October 2025

Wagga Wagga City Council

Income Statement of sewerage business activity

for the year ended 30 June 2025

$ '000	2025	2024
Income from continuing operations		
Access charges	**18,118**	17,285
User charges	**5,495**	5,577
Interest and investment income	**2,762**	1,246
Grants and contributions provided for operating purposes	**45**	42
Other income	**855**	211
Total income from continuing operations	**27,275**	24,361
Expenses from continuing operations		
Employee benefits and on-costs	**4,385**	3,403
Borrowing costs	**1,916**	1,997
Materials and services	**10,095**	9,039
Depreciation, amortisation and impairment	**7,278**	6,888
Loss on disposal of assets	**48**	2,455
Calculated taxation equivalents	**120**	120
Other expenses	**7**	3
Total expenses from continuing operations	**23,849**	23,905
Surplus (deficit) from continuing operations before capital amounts	**3,426**	456
Grants and contributions provided for capital purposes	**8,436**	3,384
Surplus (deficit) from continuing operations after capital amounts	**11,862**	3,840
Surplus (deficit) from all operations before tax	**11,862**	3,840
Less: corporate taxation equivalent (25%) [based on result before capital]	**(857)**	(114)
Surplus (deficit) after tax	**11,005**	3,726
Opening accumulated surplus	**93,562**	89,722
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	**120**	120
– Corporate taxation equivalent	**857**	114
Less:		
– Tax equivalent dividend paid	**(120)**	(120)
Closing accumulated surplus	**105,424**	93,562
Return on capital %	**1.4%**	0.7%
Subsidy from Council	**10,578**	13,509
Calculation of dividend payable:		
Surplus (deficit) after tax	**11,006**	3,726
Less: capital grants and contributions (excluding developer contributions)	**(3,181)**	(2,059)
Surplus for dividend calculation purposes	**7,825**	1,667
Potential dividend calculated from surplus	**3,912**	834

Wagga Wagga City Council

Income Statement – Livestock Marketing Centre

for the year ended 30 June 2025

$ '000	2025 Category 1	2024 Category 1
Income from continuing operations		
Fees	**9,709**	7,812
Interest and investment income	**249**	525
Other income	**104**	79
Total income from continuing operations	**10,062**	8,416
Expenses from continuing operations		
Employee benefits and on-costs	**1,348**	1,168
Borrowing costs	**15**	12
Materials and services	**3,692**	3,182
Depreciation, amortisation and impairment	**1,168**	1,044
Net loss from the disposal of assets	**156**	1,416
Calculated taxation equivalents	**69**	69
Total expenses from continuing operations	**6,448**	6,891
Surplus (deficit) from continuing operations before capital amounts	**3,614**	1,525
Grants and contributions provided for capital purposes	**833**	10
Surplus (deficit) from continuing operations after capital amounts	**4,447**	1,535
Surplus (deficit) from all operations before tax	**4,447**	1,535
Less: corporate taxation equivalent (25%) [based on result before capital]	**(904)**	(381)
Surplus (deficit) after tax	**3,543**	1,154
Opening accumulated surplus	**21,201**	20,088
Plus/less: other adjustments	**529**	362
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	**69**	69
– Corporate taxation equivalent	**904**	381
Less:		
– Dividend paid	**(1,060)**	(853)
Closing accumulated surplus	**25,186**	21,201
Return on capital %	**8.2%**	3.8%
Subsidy from Council	**–**	184
Calculation of dividend payable:		
Surplus (deficit) after tax	**3,544**	1,154
Less: capital grants and contributions (excluding developer contributions)	**(833)**	(10)
Surplus for dividend calculation purposes	**2,711**	1,144
Potential dividend calculated from surplus	**1,355**	572

Wagga Wagga City Council

Income Statement – Wagga Airport

for the year ended 30 June 2025

$ '000	2025 Category 1	2024 Category 1
Income from continuing operations		
Fees	**5,196**	4,603
Grants and contributions provided for operating purposes	**–**	200
Other income	**319**	297
Total income from continuing operations	**5,515**	5,100
Expenses from continuing operations		
Employee benefits and on-costs	**675**	661
Borrowing costs	**77**	110
Materials and services	**2,841**	2,604
Depreciation, amortisation and impairment	**4,064**	4,743
Net loss from the disposal of assets	**–**	118
Other expenses	**(1)**	1
Total expenses from continuing operations	**7,656**	8,237
Surplus (deficit) from continuing operations before capital amounts	**(2,141)**	(3,137)
Grants and contributions provided for capital purposes	**138**	22
Surplus (deficit) from continuing operations after capital amounts	**(2,003)**	(3,115)
Surplus (deficit) from all operations before tax	**(2,003)**	(3,115)
Surplus (deficit) after tax	**(2,003)**	(3,115)
Opening accumulated surplus	**(12,387)**	(9,218)
Plus/less: other adjustments	**(33)**	(54)
Closing accumulated surplus	**(14,423)**	(12,387)
Return on capital %	**(41.3)%**	(74.3)%
Subsidy from Council	**2,272**	3,202
Calculation of dividend payable:		
Surplus (deficit) after tax	**(2,003)**	(3,115)
Less: capital grants and contributions (excluding developer contributions)	**(138)**	(22)
Surplus for dividend calculation purposes	**–**	–
Potential dividend calculated from surplus	**–**	–

Wagga Wagga City Council

Statement of Financial Position of sewerage business activity

as at 30 June 2025

$ '000	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	**47,532**	42,403
Receivables	**3,925**	3,930
Inventories	**–**	20
Other	**65**	56
Total current assets	**51,522**	46,409
Non-current assets		
Investments	**35,123**	32,641
Infrastructure, property, plant and equipment	**382,695**	371,216
Total non-current assets	**417,818**	403,857
Total assets	**469,340**	450,266
LIABILITIES		
Current liabilities		
Payables	**1,017**	636
Contract liabilities	**21,181**	22,391
Borrowings	**1,433**	1,346
Employee benefit provisions	**822**	499
Total current liabilities	**24,453**	24,872
Non-current liabilities		
Borrowings	**24,873**	26,305
Employee benefit provisions	**72**	57
Total non-current liabilities	**24,945**	26,362
Total liabilities	**49,398**	51,234
Net assets	**419,942**	399,032
EQUITY		
Accumulated surplus	**105,424**	93,562
IPPE revaluation surplus	**314,518**	305,470
Total equity	**419,942**	399,032

Wagga Wagga City Council

Statement of Financial Position – Livestock Marketing Centre

as at 30 June 2025

$ '000	2025 Category 1	2024 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	**15,039**	13,578
Receivables	**3,822**	3,593
Other	**12**	10
Total current assets	**18,873**	17,181
Non-current assets		
Infrastructure, property, plant and equipment	**44,009**	40,022
Total non-current assets	**44,009**	40,022
Total assets	**62,882**	57,203
LIABILITIES		
Current liabilities		
Payables	**1,072**	184
Provisions	**479**	463
Total current liabilities	**1,551**	647
Non-current liabilities		
Provisions	**21**	17
Total non-current liabilities	**21**	17
Total liabilities	**1,572**	664
Net assets	**61,310**	56,539
EQUITY		
Accumulated surplus	**25,186**	21,201
Revaluation reserves	**36,124**	35,338
Total equity	**61,310**	56,539

Wagga Wagga City Council

Statement of Financial Position – Wagga Airport

as at 30 June 2025

$ '000	2025 Category 1	2024 Category 1
ASSETS		
Current assets		
Receivables	**1,173**	1,109
Total current assets	**1,173**	1,109
Non-current assets		
Right of use assets	**23**	21
Infrastructure, property, plant and equipment	**4,994**	4,075
Total non-current assets	**5,017**	4,096
Total assets	**6,190**	5,205
LIABILITIES		
Current liabilities		
Bank overdraft	**4,348**	4,192
Payables	**1,092**	760
Contract liabilities	**245**	409
Lease liabilities	**23**	23
Borrowings	**1,188**	2,386
Employee benefit provisions	**275**	267
Total current liabilities	**7,171**	8,037
Non-current liabilities		
Borrowings	**1,265**	2,192
Employee benefit provisions	**5**	9
Total non-current liabilities	**1,270**	2,201
Total liabilities	**8,441**	10,238
Net assets	**(2,251)**	(5,033)
EQUITY		
Accumulated surplus	**(14,423)**	(12,387)
Revaluation reserves	**12,172**	7,354
Total equity	**(2,251)**	(5,033)

Note – Material accounting policy information

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

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

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

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2022* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

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

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

National Competition Policy

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

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

Declared business activities

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

Category 1

(where gross operating turnover is over $2 million)

a. Sewerage Operations

Sewerage reticulation and treatment systems servicing the City of Wagga Wagga.

b. Livestock Marketing Centre

Council's Livestock Marketing Centre.

c. Wagga Airport

Wagga Wagga City Airport facility.

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose finanncial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **25%** (23/24 25%)

continued on next page ...

Note – Material accounting policy information (continued)

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

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

In accordance with DCCEEW's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to DCCEEW's regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed $3 per assessment.

Income tax

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

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

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

Local government rates and charges

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

Loan and debt guarantee fees

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

(i) Subsidies

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

(ii) Return on investments (rate of return)

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

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

The rate of return is calculated as follows:

$$\frac{\textbf{Operating result before capital income + interest expense}}{\textbf{Written down value of I,PP\&E as at 30 June}}$$

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

continued on next page ...

Note – Material accounting policy information (continued)

(iii) Dividends

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

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

In accordance with DCCEEW's regulatory and assurance framework, statement of compliance and statement of dividend payment, dividend payment form and unqualified independent financial audit report are submitted to DCCEEW.

Wagga Airport Business Operation

Council leases land at Forest Hill for the operation of the Wagga Airport. During the 2024/25 financial year, Council accepted a one (1) year extention to this lease, extending the lease end date to 30 June 2026.

Wagga Wagga City Council

Special Purpose Financial Statements

for the year ended 30 June 2025

Independent Auditor's Report

Please upift Council's Audit Report PDF (opinion) for inclusion in the SPFS report (via the Home screen).

Wagga Wagga City Council

SPECIAL SCHEDULES
for the year ended 30 June 2025

"A thriving, innovative, connected community on the Murrumbidgee, rich in opportunity, choice, learning and environment, where paths cross, where people meet"

City of Wagga Wagga

Wagga Wagga City Council

Special Schedules

for the year ended 30 June 2025

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Wagga Wagga City Council

Permissible income for general rates

$ '000	Notes	Calculation 2024/25	**Calculation 2025/26**
Notional general income calculation [1]			
Last year notional general income yield	a	49,785	**52,469**
Plus or minus adjustments [2]	b	152	**497**
Notional general income	c = a + b	**49,937**	**52,966**
Permissible income calculation			
Percentage increase	d	5.00%	**3.80%**
Less expiring special variation amount	e	–	**–**
Plus percentage increase amount [3]	f = d x (c + e)	2,497	**2,013**
Sub-total	g = (c + e + f)	**52,434**	**54,979**
Plus (or minus) last year's carry forward total	h	125	**90**
Less valuation objections claimed in the previous year	i	–	**–**
Sub-total	j = (h + i)	**125**	**90**
Total permissible income	k = g + j	52,559	**55,069**
Less notional general income yield	l	52,469	**55,001**
Catch-up or (excess) result	m = k – l	90	**68**
Plus income lost due to valuation objections claimed [4]	n	–	**–**
Carry forward to next year [6]	p = m + n + o	90	**68**

Notes

(1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.

(2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.

(3) The 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).

(4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.

(6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Permissible income for general rates

Permissible income for general rates: PLUS PDF inserted here

Council needs to uplift custom PDF here - please uplift via "PLUS PDF" choice in the Home/TOC screen

Wagga Wagga City Council

Report on infrastructure assets as at 30 June 2025

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard [a]	Estimated cost to bring to the agreed level of service set by Council [b]	2024/25 Required maintenance [c]	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		$ '000	$ '000	$ '000	$ '000	$ '000	$ '000	1	2	3	4	5
Buildings	Buildings	38,855	10,894	3,530	3,198	167,747	239,055	66.8%	27.7%	4.8%	0.7%	0.0%
	Sub-total	**38,855**	**10,894**	**3,530**	**3,198**	**167,747**	**239,055**	**66.8%**	**27.7%**	**4.8%**	**0.7%**	**0.0%**
Other structures	Fences	3,614	1,480	291	45	13,493	21,684	16.1%	67.3%	1.0%	4.9%	10.8%
	Shelters	1,827	692	61	–	8,961	13,201	27.5%	58.6%	8.5%	4.9%	0.5%
	Shade sails	342	336	–	–	1,165	1,891	25.6%	56.3%	15.7%	2.1%	0.3%
	Other	608	–	–	13	28,327	33,797	81.3%	16.9%	0.5%	1.3%	0.0%
	Sub-total	**6,391**	**2,508**	**352**	**58**	**51,946**	**70,573**	**49.7%**	**41.2%**	**2.6%**	**3.1%**	**3.4%**
Roads	Sealed roads surface	20,154	26,407	6,959	6,860	63,310	116,270	36.9%	19.5%	20.8%	18.7%	4.2%
	Sealed roads pavement	39,515	8,534	1,435	–	558,969	778,913	29.2%	49.6%	20.1%	1.1%	0.0%
	Unsealed roads	15,698	994	3,527	3,243	62,799	92,262	48.2%	34.7%	16.0%	0.9%	0.2%
	Bridges	13,602	4,504	1,110	108	74,224	118,391	6.2%	82.4%	7.7%	3.8%	0.0%
	Footpaths	37,609	2,806	506	445	48,323	80,626	22.6%	30.8%	43.2%	3.3%	0.2%
	Kerb & Gutter	13,989	7,249	–	205	50,865	70,687	14.3%	66.0%	19.7%	0.1%	0.0%
	Carparks	3,756	173	191	117	10,885	15,783	17.6%	58.6%	22.7%	1.1%	0.0%
	Culverts	34,607	10,148	958	401	28,617	53,216	7.1%	27.9%	46.0%	17.0%	2.1%
	Bus & Taxi Shelters	582	174	–	136	461	991	0.9%	40.4%	41.2%	10.0%	7.5%
	Sub-total	**179,512**	**60,989**	**14,686**	**11,515**	**898,453**	**1,327,139**	**26.9%**	**47.8%**	**21.2%**	**3.6%**	**0.5%**
Sewerage network	Sewer Mains	–	19,963	3,366	3,347	245,424	294,711	75.7%	23.7%	0.6%	0.0%	0.0%
	Sewer Nodes	–	10,266	–	–	40,384	65,471	55.6%	2.8%	41.6%	0.0%	0.0%
	Pumping Stations	1,482	5,019	42	1,466	18,147	36,016	13.6%	20.0%	62.3%	3.9%	0.2%
	Treatment Plants	8,248	3,590	1,312	5,050	66,810	125,850	1.1%	52.7%	39.6%	6.6%	0.0%
	Sub-total	**9,730**	**38,838**	**4,720**	**9,863**	**370,765**	**522,048**	**50.9%**	**27.8%**	**19.4%**	**1.8%**	**0.0%**
Stormwater drainage	Stormwater Pits & Pipes	8,503	24,053	1,346	702	271,949	367,726	39.6%	41.3%	12.6%	4.7%	1.8%
	Levee Banks	430	430	140	24	29,349	41,973	9.0%	78.0%	12.0%	1.0%	0.0%
	Open Drains, Channels, Flood Gates, Gross Pollutant Traps & Flood Pumps	28,895	28,895	–	125	124,391	147,564	16.3%	40.3%	23.9%	9.0%	10.6%
	Sub-total	**37,828**	**53,378**	**1,486**	**851**	**425,689**	**557,263**	**31.1%**	**43.8%**	**15.5%**	**5.6%**	**4.0%**

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Wagga Wagga City Council

Report on infrastructure assets as at 30 June 2025 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard [a] $ '000	Estimated cost to bring to the agreed level of service set by Council [b] $ '000	2024/25 Required maintenance [c] $ '000	2024/25 Actual maintenance $ '000	Net carrying amount $ '000	Gross replacement cost (GRC) $ '000	Assets in condition as a percentage of gross replacement cost 1	2	3	4	5
Open space / recreational assets	Swimming pools	–	–	161	153	3,613	6,204	0.0%	100.0%	0.0%	0.0%	0.0%
	Playgrounds	1,748	297	228	273	7,418	11,176	47.7%	36.7%	12.8%	2.2%	0.6%
	Irrigation	3,780	1,161	292	60	3,534	7,782	22.0%	29.4%	34.9%	7.2%	6.5%
	Park Accessories	1,394	496	539	251	3,885	6,668	34.4%	44.7%	13.5%	6.9%	0.5%
	Sporting Equipment	5,912	746	138	229	21,071	28,856	58.2%	21.4%	17.9%	1.9%	0.8%
	Other	250	–	–	–	690	1,250	0.0%	80.0%	20.0%	0.0%	0.0%
	Sub-total	**13,084**	**2,700**	**1,358**	**966**	**40,211**	**61,936**	**42.2%**	**36.7%**	**16.9%**	**2.9%**	**1.3%**
	Total – all assets	**285,400**	**169,307**	**26,132**	**26,451**	**1,954,811**	**2,778,014**	**36.6%**	**41.1%**	**17.8%**	**3.4%**	**1.1%**

(a) Estimated cost to bring assets to satisfactory standard is determined by considering both the condition and risk factors for each asset category

(b) Estimated cost to bring to the agreed level of service set out by Council is the amount required at a point in time to meet the levels of service identified in Council's asset management plans.

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

Infrastructure asset condition assessment 'key'

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

Wagga Wagga City Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (consolidated) *

$ '000	Amounts 2025	Indicator 2025	Indicators 2024	2023	2022	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals [1] / Depreciation, amortisation and impairment	32,540 / 41,771	**77.90%**	96.69%	65.21%	95.67%	> 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard / Net carrying amount of infrastructure assets	285,400 / 1,972,483	**14.47%**	15.98%	16.11%	18.91%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance / Required asset maintenance	26,451 / 26,132	**101.22%**	110.02%	96.72%	87.22%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council / Gross replacement cost	169,307 / 2,778,014	**6.09%**	6.27%	6.84%	15.99%	

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

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

Wagga Wagga City Council

General Purpose Financial Statements
for the year ended 30 June 2025

Statement by Councillors and Management

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 29 October 2025.

Dallas Tout
Mayor
29 October 2025

Georgie Davies
Councillor
29 October 2025

Peter Thompson
General Manager
29 October 2025

Zachary Wilson
Responsible Accounting Officer
29 October 2025

Wagga Wagga City Council

Special Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- the Division of Local Government Guidelines *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- the Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) *Regulatory and assurance framework for local water utilities, July 2022*

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

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

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

Signed in accordance with a resolution of Council made on 29 October 2025.

Dallas Tout **Mayor** 29 October 2025	Georgie Davies **Councillor** 29 October 2025
Peter Thompson **General Manager** 29 October 2025	Zachary Wilson **Responsible Accounting Officer** 29 October 2025