

**CITY OF COUNTRY**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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AASB 101.138(b)

The City of Country conducts the operations of a local government with the following community vision:

*The City will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.*

AASB 101.138(a)

Principal place of business:  
1 Main Street  
Country City

**CITY OF COUNTRY  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

*Local Government Act 1995  
Local Government (Financial Management) Regulations 1996*

**Statement by CEO**

The accompanying financial report of the City of Country has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the \_\_\_\_\_ day of \_\_\_\_\_ 2025

\_\_\_\_\_  
CEO

\_\_\_\_\_  
Name of CEO

AASB 101.5  
AASB 101.10(b),(ea),10A  
AASB 101.38  
AASB 101.51

**CITY OF COUNTRY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2025**

FM Reg 36(2)(c)

FM Reg 14  
AASB 101.82(a)  
AASB 101.99  
FM Reg 36(2)(c)  
FM Reg Schedule 1 Part 2  
AASB 101.113

AASB 16.49  
AASB 101.82(b)  
AASB 16.49

AASB 7.20(a)(i)

AASB 101.82(c)

AASB 101.81A(a)

AASB 101.85

AASB 101.82A(a)(i)

AASB 101.96

AASB 101.92  
AASB Interpretation 1.6(d)

AASB 101.82A(b)

AASB 101.81A(b)

AASB 101.81A(c)

Note	2025 Actual	2025 Budget	2024 Actual
	\$	\$	\$
2(a),30	37,662,797	37,578,489	36,868,923
2(a)	7,331,075	4,210,770	8,171,126
2(a)	19,216,934	18,689,885	18,336,718
2(a)	110,365	110,500	110,500
2(a)	862,293	749,843	777,577
2(a)	523,333	432,352	1,154,367
	65,706,797	61,771,839	65,419,211
2(b)	(25,798,619)	(26,016,189)	(25,248,758)
	(22,864,204)	(19,769,832)	(19,405,109)
	(1,965,880)	(1,853,085)	(1,770,653)
	(14,757,406)	(14,330,986)	(13,920,066)
2(b)	(547,846)	(545,230)	(578,906)
	(685,505)	(706,845)	(765,138)
2(b)	(1,478,516)	(687,610)	(796,759)
	(68,097,976)	(63,909,777)	(62,485,389)
	(2,391,179)	(2,137,938)	2,933,822
2(a)	14,742,296	9,782,221	18,810,754
	29,653	13,575	439,462
	(298,878)	(97,420)	(41,763)
4(b)	5,643	5,200	5,108
12	111,274	0	0
25(e)	9,234	1,000	(7,947)
9(a)	0	0	(102,356)
	14,599,222	9,704,576	19,103,258
29(b)	12,208,043	7,566,638	22,037,080
or loss			
19	1,517,580	0	(42,118,667)
18	30,500	0	0
19, 25(b),(c)	176	0	(568)
19	1,548,256	0	(42,119,235)
	13,756,299	7,566,638	(20,082,155)

This statement is to be read in conjunction with the accompanying notes.

AASB 101.5 **CITY OF COUNTRY**  
AASB 101.10(a)(ea) **STATEMENT OF FINANCIAL POSITION**  
AASB 101.10A **AS AT 30 JUNE 2025**  
AASB 101.38

		Note	2025 \$	2024 \$
AASB 101.60	<b>CURRENT ASSETS</b>			
AASB 101.54(i)	Cash and cash equivalents	3	24,562,679	19,641,775
AASB 101.54(h) AASB 7.8(c)	Trade and other receivables	5	2,538,396	1,932,632
AASB 101.54(d) AASB 7.8(f)	Other financial assets	4(a)	9,332,905	8,372,692
AASB 101.54(i)	Inventories	6	871,954	2,990,822
AASB 101.51	Other assets	7	910,757	695,592
AASB 101.54(j) AASB 5.38	Non-current assets classified as held for sale	7	653,000	0
AASB 101.55	<b>TOTAL CURRENT ASSETS</b>		38,869,691	33,633,513
AASB 101.60	<b>NON-CURRENT ASSETS</b>			
AASB 101.54(h) AASB 7.8(c)	Trade and other receivables	5	195,448	164,810
AASB 101.54(d) AASB 7.8(f)	Other financial assets	4(b)	2,381,240	541,440
AASB 101.54(g)	Inventories	6	3,530,361	1,320,960
AASB 101.54(e)	Investment in associate	25(a)	210,807	206,897
AASB 101.54(a)	Property, plant and equipment	8	156,988,525	149,023,555
AASB 101.54(a)	Infrastructure	9	399,393,226	400,520,344
AASB 16.47(a)	Right-of-use assets	11(a)	428,998	318,817
AASB 101.54(b)	Investment property	12	2,346,684	2,235,410
AASB 101.54(c)	Intangible assets	13	1,331,450	11,450
AASB 101.55	<b>TOTAL NON-CURRENT ASSETS</b>		566,806,739	554,343,683
AASB 101.55	<b>TOTAL ASSETS</b>		605,676,430	587,977,196
AASB 101.60	<b>CURRENT LIABILITIES</b>			
AASB 101.54(k)	Trade and other payables	14	4,169,296	3,688,810
AASB 101.55	Contract liabilities	15	1,718,955	403,499
AASB 101.55	Capital grant/contributions liabilities	15	4,169,847	2,538,658
AASB 16.47(b)	Lease liabilities	11(b)	205,134	127,670
AASB 101.54(m)	Borrowings	16	2,788,105	2,780,672
AASB 101.54(l)	Employee related provisions	17	5,262,089	4,374,895
AASB 101.54(l)	Other provisions	18	306,484	265,094
AASB 101.55	<b>TOTAL CURRENT LIABILITIES</b>		18,619,910	14,179,298
AASB 101.60	<b>NON-CURRENT LIABILITIES</b>			
AASB 101.55	Capital grant/contributions liabilities	15	307,010	481,437
AASB 16.47(b)	Lease liabilities	11(b)	302,743	241,166
AASB 101.54(m)	Borrowings	16	12,534,528	12,958,535
AASB 101.54(l)	Employee related provisions	17	735,698	689,941
AASB 101.54(l)	Other provisions	18	1,364,110	1,370,687
AASB 101.55	<b>TOTAL NON-CURRENT LIABILITIES</b>		15,244,089	15,741,766
AASB 101.55	<b>TOTAL LIABILITIES</b>		33,863,999	29,921,064
AASB 101.55	<b>NET ASSETS</b>		571,812,431	558,056,132
AASB 101.55	<b>EQUITY</b>			
AASB 101.54(r)	Retained surplus		432,253,662	422,241,633
AASB 101.54(r) AASB 1058.37(b)	Reserve accounts	33	18,120,032	15,924,018
AASB 101.54(r)	Revaluation surplus	19	121,438,737	119,890,481
AASB 101.55	<b>TOTAL EQUITY</b>		571,812,431	558,056,132

This statement is to be read in conjunction with the accompanying notes.

AASB 101.5  
AASB 101.10(c)(ea)  
AASB 101.10A  
AASB 101.38  
AASB 101.51  
AASB 101.106

**CITY OF COUNTRY  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2025**

		Note	Retained surplus \$	Reserve accounts \$	Revaluation surplus \$	Total equity \$
AASB 101.106(d)	<b>Balance as at 1 July 2023</b>		<b>400,585,766</b>	<b>15,542,805</b>	<b>162,009,716</b>	<b>578,138,287</b>
	Comprehensive income for the period					
AASB 101.106(d)(i)	Net result for the period		22,037,080	0	0	22,037,080
AASB 101.106(d)(ii)	Other comprehensive income for the period	19	0	0	(42,119,235)	(42,119,235)
AASB 101.106(a)	Total comprehensive income for the period		22,037,080	0	(42,119,235)	(20,082,155)
AASB 1058.37(b)	Transfers from reserve accounts	33	11,955,350	(11,955,350)	0	0
AASB 1058.37(b)	Transfers to reserve accounts	33	(12,336,563)	12,336,563	0	0
	<b>Balance as at 30 June 2024</b>		<b>422,241,633</b>	<b>15,924,018</b>	<b>119,890,481</b>	<b>558,056,132</b>
	Comprehensive income for the period					
AASB 101.106(d)(i)	Net result for the period		12,208,043	0	0	12,208,043
AASB 101.106(d)(ii)	Other comprehensive income for the period	19	0	0	1,548,256	1,548,256
AASB 101.106(a)	Total comprehensive income for the period		12,208,043	0	1,548,256	13,756,299
AASB 1058.37(b)	Transfers from reserve accounts	33	7,726,291	(7,726,291)	0	0
AASB 1058.37(b)	Transfers to reserve accounts	33	(9,922,305)	9,922,305	0	0
	<b>Balance as at 30 June 2025</b>		<b>432,253,662</b>	<b>18,120,032</b>	<b>121,438,737</b>	<b>571,812,431</b>

This statement is to be read in conjunction with the accompanying notes.

AASB 101.5  
AASB 101.10(d)(ea)  
AASB 101.38  
AASB 101.51  
AASB 101.113

**CITY OF COUNTRY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2025**

AASB 107.10  
AASB 107.18(a)  
AASB 107.14(a)  
FM Reg Schedule 1 Part 2

**CASH FLOWS FROM OPERATING ACTIVITIES**

**Receipts**

Rates	37,385,478	37,102,955
Grants, subsidies and contributions	8,704,591	7,739,997
Fees and charges	19,208,747	19,456,922
Service charges	110,365	110,500
Interest revenue	862,293	777,577
Goods and services tax received	188,655	632,603
Other revenue	523,333	1,154,367
	<b>66,983,462</b>	<b>66,974,921</b>

**Payments**

Employee costs	(24,976,590)	(25,525,584)
Materials and contracts	(23,736,595)	(20,580,217)
Utility charges	(1,965,880)	(1,770,653)
Finance costs	(545,521)	(578,906)
Insurance paid	(685,505)	(765,138)
Goods and services tax paid	(617,736)	(269,111)
Other expenditure	(205,290)	(170,283)
	<b>(52,733,117)</b>	<b>(49,659,892)</b>

**Net cash provided by operating activities**

20(b) 14,250,345 17,315,029

AASB 107.10  
AASB 107.21

**CASH FLOWS FROM INVESTING ACTIVITIES**

Payments for financial assets at amortised cost	(2,960,213)	0
Payments for investments in associates	0	(10,250)
Payments for purchase of property, plant & equipment	(8,625,389)	(13,014,698)
Payments for construction of infrastructure	(8,604,579)	(16,792,577)
Payments for investment property	12 0	(560,345)
Payments for intangible assets	13 (1,650,000)	0
Proceeds from capital grants, subsidies and contributions	12,327,980	18,158,368
Distributions from investments in associates	5,500	500
Proceeds from financial assets at amortised cost - self-supporting loans	165,843	161,630
Proceeds from sale of property, plant & equipment	591,200	1,374,912
<b>Net cash (used in) investing activities</b>	<b>(8,749,658)</b>	<b>(10,682,460)</b>

AASB 107.10  
AASB 107.21  
AASB 107.17(d)  
AASB 16.50(a)  
AASB 107.17(c)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayment of borrowings	32(a) (2,466,574)	(1,930,557)
Payments for principal portion of lease liabilities	32(d) (163,209)	(105,249)
Proceeds from new borrowings	32(a) 2,050,000	0
<b>Net cash (used in) financing activities</b>	<b>(579,783)</b>	<b>(2,035,806)</b>

**Net increase in cash held**

4,920,904 4,596,763

Cash at beginning of year

19,641,775 15,045,012

**Cash and cash equivalents at the end of the year**

20(a) 24,562,679 19,641,775

AASB 107.45

This statement is to be read in conjunction with the accompanying notes.

CITY OF COUNTRY  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2025

## OPERATING ACTIVITIES

## Revenue from operating activities

General rates	30	37,501,028	37,427,038	36,723,909
Rates excluding general rates	30	161,769	151,451	145,014
Grants, subsidies and contributions		7,331,075	4,210,770	8,171,126
Fees and charges		19,216,934	18,689,885	18,336,718
Service charges		110,365	110,500	110,500
Interest revenue		862,293	749,843	777,577
Other revenue		523,333	432,352	1,154,367
Profit on asset disposals		29,653	13,575	439,462
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	5,643	5,200	5,108
Fair value adjustments to investment property	12	111,274	0	0
Share of net profit of associates accounted for using the equity method	25(e)	9,234	1,000	(7,947)

### Expenditure from operating activities

Employee costs	(25,798,619)	(26,016,189)	(25,248,758)
Materials and contracts	(22,864,204)	(19,769,832)	(19,405,109)
Utility charges	(1,965,880)	(1,853,085)	(1,770,653)
Depreciation	(14,757,406)	(14,330,986)	(13,920,066)
Finance costs	(547,846)	(545,230)	(578,906)
Insurance	(685,505)	(706,845)	(765,138)
Other expenditure	(1,478,516)	(687,610)	(796,759)
Loss on asset disposals	(298,878)	(97,420)	(41,763)
Loss on revaluation of non-current assets	0	0	(102,356)
	(68,396,854)	(64,007,197)	(62,629,508)

Non-cash amounts excluded from operating activities

## Amount attributable to operating activities

## INVESTING ACTIVITIES

### Inflows from investing activities

Capital grants, subsidies and contributions	14,742,296	9,782,221	18,810,754
Proceeds from disposal of assets	591,200	1,239,561	1,374,912
Proceeds from financial assets at amortised cost - self-supporting loans	32(a) 165,843	165,843	161,630
Distributions from investments in associates	25(b),(c) 5,500	0	500
	15,504,839	11,187,625	20,347,796

### Outflows from investing activities

Payments for investments in associates	25(b),(c)	0	0	(10,250)
Right of use assets received - non cash	11(a)	(302,250)	(300,000)	(156,400)
Acquisition of property, plant and equipment	8(a)	(9,281,389)	(13,840,475)	(13,314,698)
Acquisition of infrastructure	9(a)	(11,882,645)	(11,604,000)	(16,792,577)
Payments for investment property	12	0	0	(560,345)
Payments for intangible assets	13	(1,650,000)	(1,000,000)	0
		(23,116,284)	(26,744,475)	(30,834,270)

Non-cash amounts excluded from investing activities

## Amount attributable to investing activities

## FINANCING ACTIVITIES

**Inflows from financing activities**

Proceeds from borrowings	32(a)	2,050,000	2,200,000	0
Proceeds from new leases - non cash	32(d)	302,250	300,000	156,400
Transfers from reserve accounts	33	7,726,291	5,415,739	11,955,350
		<u>10,078,541</u>	<u>7,915,739</u>	<u>12,111,750</u>

## Outflows from financing activities

Repayment of borrowings	32(a)	(2,466,574)	(2,274,123)	(1,930,557)
Payments for principal portion of lease liabilities	32(d)	(163,209)	(162,670)	(105,249)
Transfers to reserve accounts	33	(9,922,305)	(7,047,233)	(12,336,563)
		(12,552,088)	(9,484,026)	(14,372,369)

Non-cash amounts excluded from financing activities

## Amount attributable to financing activities

### MOVEMENT IN SURPLUS OR DEFICIT

Surplus or deficit at the start of the financial year

Amount attributable to operating activities	8,830,880	11,502,441	13,875,606
Amount attributable to investing activities	(7,370,634)	(15,906,850)	(10,590,374)
Amount attributable to financing activities	(2,775,797)	(1,868,287)	(2,417,019)
<b>Surplus or deficit after imposition of general rates</b>	<b>4,957,145</b>	<b>0</b>	<b>6,272,696</b>

This statement is to be read in conjunction with the accompanying notes.

**CITY OF COUNTRY**  
**FOR THE YEAR ENDED 30 JUNE 2025**  
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## 1. BASIS OF PREPARATION

AASB 1054.7

The financial report of the City of Country which is a Class 1 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

### Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Exclude paragraph where not applicable

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls ;

and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the City to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

AASB 108.13

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

### Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are 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 and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - Note 8
  - Infrastructure - Note 9
- Expected credit losses on financial assets - Note 5
- Assets held for sale - Note 7
- Impairment losses of non-financial assets - Note 8 and 9
- Investment property - Note 12
- Estimated useful life of intangible assets - Note 13
- Measurement of employee benefits - Note 17
- Measurement of provisions - Note 18

Fair value heirarchy information can be found in Note 28

AASB 101.122

AASB 101.125

### The local government reporting entity

All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 34 of the financial report.

### Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-1 *Amendments to Australian Accounting Standards*
  - *Classification of Liabilities as Current or Non-current*
- AASB 2022-5 *Amendments to Australian Accounting Standards*
  - *Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards*
  - *Non-current Liabilities with Covenants*
- AASB 2023-3 *Amendments to Australian Accounting Standards*
  - *Disclosure of Non-current Liabilities with Covenants: Tier 2*
- AASB 2024-1 *Amendments to Australian Accounting Standards*
  - *Supplier Finance Arrangements: Tier 2 Disclosures*
- AASB 2023-1 *Amendments to Australian Accounting Standards*
  - *Supplier Finance Arrangements*

These amendments are not expected to have any material impact on the financial report on initial application.

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

These amendment may result in changes to the fair value of certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

### New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 *Amendments to Australian Accounting Standards*
  - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2024-4b *Amendments to Australian Accounting Standards*
  - *Effective Date of Amendments to AASB 10 and AASB 128*  
[deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 *Amendments to Australian Accounting Standards*
  - *Insurance Contracts in the Public Sector*
- AASB 2023-5 *Amendments to Australian Accounting Standards*
  - *Lack of Exchangeability*
- AASB 18 (FP) *Presentation and Disclosure in Financial Statements*
  - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) *Presentation and Disclosure in Financial Statements*
  - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 *Amendments to Australian Accounting Standards*
  - *Classification and Measurement of Financial Instruments*
- AASB 2024-3 *Amendments to Australian Accounting Standards*
  - *Annual Improvements Volume 11*

These amendments are not expected to have any material impact on the financial report on initial application.

AASB 108.28

AASB 108.30

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

AASB 15.122, 126 (a)

Consideration from contracts with customers is included in the transaction price.

**Revenue recognition**

AASB 1058.36

Rate revenue was recognised from the rate record as soon as practicable after the City resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

AASB 15.113 (a)

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

**For the year ended 30 June 2025**

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
AASB 1058.28 Rates	0	0	37,662,797	0	37,662,797
AASB 15.114 Grants, subsidies and contributions	560,000	0	126,368	6,644,707	7,331,075
AASB 1058.28 Fees and charges	4,344,761	0	11,674,113	3,198,060	19,216,934
Service charges	0	0	110,365	0	110,365
AASB 1058.29(a)(i) Interest revenue	0	0	37,985	824,308	862,293
Other revenue	161,134	0	0	362,199	523,333
Capital grants, subsidies and contributions	0	11,280,954	2,648,711	812,631	14,742,296
<b>Total</b>	<b>5,065,895</b>	<b>11,280,954</b>	<b>52,260,339</b>	<b>11,841,905</b>	<b>80,449,093</b>

**For the year ended 30 June 2024**

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
AASB 1058.28 Rates	0	0	36,868,923	0	36,868,923
AASB 15.114 Grants, subsidies and contributions	106,549	0	0	8,064,577	8,171,126
AASB 1058.28 Fees and charges	4,136,571	0	10,264,787	3,935,360	18,336,718
Service charges	0	0	110,500	0	110,500
AASB 1058.29(a)(i) Interest revenue	0	0	35,687	741,890	777,577
Other revenue	346,540	0	0	807,827	1,154,367
Capital grants, subsidies and contributions	0	16,487,941	1,567,410	755,403	18,810,754
<b>Total</b>	<b>4,589,660</b>	<b>16,487,941</b>	<b>48,847,307</b>	<b>14,305,057</b>	<b>84,229,965</b>

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

		Note	2025 Actual \$	2024 Actual \$
AASB 1058.23	<b>Assets and services acquired below fair value</b>			
AASB 1058.26 (a)	Contributed assets		3,821,078	300,000
AASB 1058.26 (b)	Recognised volunteer services		255,350	0
			4,076,428	300,000
AASB 1058.27	The City utilises volunteer services at the fire station, library and beach lifeguards. When beach lifeguard volunteers are not available, the City employs paid beach lifeguards, and therefore the fair value of beach lifeguard volunteers can be reliably measured. All other volunteer services are not recognised as revenue as the fair value of the services cannot be reliably estimated.			
	<b>Interest revenue</b>			
	Financial assets at amortised cost - self-supporting loans		16,798	21,011
	Interest on reserve account		382,176	334,404
FM Reg 43 (b)	Trade and other receivables overdue interest		2,534	2,368
	Other interest revenue		460,785	419,794
			862,293	777,577
FM Reg 36(2)(d)	The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$2,500.			
	<b>Fees and charges relating to rates receivable</b>			
FM Reg 43 (c)(i)	Charges on instalment plan		73,164	70,850
FM Reg 36(2)(d)	The 2025 original budget estimate in relation to: Charges on instalment plan was \$71,500.			
	<b>(b) Expenses</b>			
AASB 1054.10	<b>Auditors remuneration</b>			
	- Audit of the Annual Financial Report		45,689	41,067
AASB 1054.11	- Other services – grant acquittals		3,674	3,168
			49,363	44,235
	<b>Employee Costs</b>			
AASB 101.97	Employee benefit costs		23,347,167	22,953,416
AASB 119.25	Other employee costs		2,451,452	2,295,342
			25,798,619	25,248,758
	<b>Finance costs</b>			
	Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss		545,521	578,906
AASB 7.20(b)	Provisions: unwinding of discount		2,325	0
AASB 137.60			547,846	578,906
	<b>Other expenditure</b>			
AASB 1058.29 (a) (ii)	Impairment losses on rates and statutory receivables		3,681	1,145
AASB 15.113 (b)	Impairment losses on trade receivables		4,897	1,317
AASB 15.113 (b)	Impairment losses on other receivables		1,980	1,659
AASB 15.113 (b)	Impairment losses on contract assets		8,740	0
AASB 136.126 (a)	Impairment losses on property, plant and equipment	8(a)	95,000	0
	Write down of inventories to net realisable value	6	1,162,609	623,500
	Sundry expenses		201,609	169,138
			1,478,516	796,759

AASB 15.118(c) The impairment loss on contract assets has been recognised in relation to expenditure incurred for a future event for which grant funding is yet to be received. This amount has been recognised as revenue as the City has satisfied the relevant performance obligations in the contract. The City has calculated the loss allowance to take into account the credit risk associated with the event being cancelled due to ongoing uncertainties.

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**3. CASH AND CASH EQUIVALENTS**

AASB 101.77

Cash at bank and on hand  
Term deposits  
**Total cash and cash equivalents**

Held as  
- Unrestricted cash and cash equivalents  
- Restricted cash and cash equivalents

AASB 101.117

**MATERIAL ACCOUNTING POLICIES**

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

AASB 107.6  
AASB 107.7  
AASB 107.46

Note	2025 \$	2024 \$
	4,137,864	8,187,302
	20,424,815	11,454,473
20(a)	24,562,679	19,641,775
	9,329,223	8,826,765
20(a)	15,233,456	10,815,010
	24,562,679	19,641,775

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

AASB 1058.37

**4. OTHER FINANCIAL ASSETS**

AASB 7.6  
AASB 101.77  
AASB 7.8(f)

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Self-supporting loans receivable  
Term deposits  
Treasury bonds

Held as  
- Unrestricted other financial assets at amortised cost  
- Restricted other financial assets at amortised cost

AASB 7.31  
AASB 7.8(f)  
AASB 7.8(a)

**(b) Non-current assets**

Financial assets at amortised cost  
Financial assets at fair value through profit or loss

**Financial assets at amortised cost**

Self-supporting loans receivable  
Term deposits

**Financial assets at fair value through profit or loss**

Units in Local Government House Trust - opening balance  
Movement attributable to fair value increment  
Units in Local Government House Trust - closing balance

AASB 101.77

Note	2025 \$	2024 \$
	9,332,905	8,372,692
	9,332,905	8,372,692
	165,843	165,843
31(d)	7,167,062	7,106,849
	2,000,000	1,100,000
	9,332,905	8,372,692
	165,843	165,843
20(a)	9,167,062	8,206,849
	9,332,905	8,372,692
	2,358,080	523,923
	23,160	17,517
	2,381,240	541,440
	358,080	523,923
	2,000,000	0
	2,358,080	523,923
	17,517	12,409
	5,643	5,108
	23,160	17,517

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 32(a) as self-supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

AASB 101.117

**MATERIAL ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

The City classifies financial assets at amortised cost if both of the following criteria are met:  
- the asset is held within a business model whose objective is to collect the contractual cashflows; and  
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 28 (i)) due to the observable market rates.

AASB 107.33

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

**Financial assets at fair value through profit or loss**

The City classifies the following financial assets at fair value through profit or loss:  
- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.  
- equity investments which the City has elected to recognise as fair value gains and losses through profit or loss.

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 26.

AASB 9.4.1.5

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

AASB 101.10(e)(ea)  
AASB 101.38

**5. TRADE AND OTHER RECEIVABLES**

AASB 101.66  
AASB 101.77  
AASB 101.78(b)  
AASB 9.5.1.3, 9.5.2.1  
AASB 1058.29(a)  
AASB 15.116 (a)  
AASB 9.5.1.3, 9.5.2.1  
Interpretation 1031  
AASB 9.5.1.3  
AASB 9.5.5.1  
AASB 9.5.5.1  
AASB 9.5.5.1  
AASB 101.66,77  
AASB 9.5.1.1, 5.2.1

**Current**

	Note	2025 \$	2024 \$
Rates and statutory receivables		999,070	756,897
Trade receivables		619,220	763,909
Other receivables		406,531	331,212
GST receivable		504,760	75,679
Receivables for employee related provisions	17	25,034	20,253
Allowance for credit losses of rates and statutory receivables		(1,568)	(2,332)
Allowance for credit losses of trade receivables	26(b)	(12,347)	(11,030)
Allowance for credit losses of other receivables	26(b)	(2,304)	(1,956)
		2,538,396	1,932,632
<b>Non-current</b>			
Rates and statutory receivables		195,448	164,810
		195,448	164,810

AASB 7.42D(a)-(c),(e)  
AASB 9.B4.1.3

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the City of Country has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the City of Country, therefore the City continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 16. The City considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

AASB 15.116(a)

**Disclosure of opening and closing balances related to contracts with customers**

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:

	Note	30 June 2025 Actual \$	30 June 2024 Actual \$	1 July 2023 Actual \$
Trade and other receivables from contracts with customers		478,071	525,274	538,382
Contract assets	7	124,954	23,000	12,560
Allowance for credit losses of trade receivables	5	(12,347)	(11,030)	(11,546)
Allowance for impairment of contract assets	7	(8,740)	0	0
Total trade and other receivables from contracts with customers		581,938	537,244	539,396

AASB 15.116(a)

AASB 101.117

**MATERIAL ACCOUNTING POLICIES**

**Rates and statutory receivables**

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

AASB 9.C6

AASB 9.C7

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

**Trade receivables**

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

**Other receivables**

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

**Measurement**

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

AASB 9.5.1.3  
AASB 7.21

**Classification and subsequent measurement**

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

AASB 101.66

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the City measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

AASB 7.25,29(a)

AASB 13.97,93(b),(d)

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 26.

AASB 13.31.43(c)

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**6. INVENTORIES**

		Note	2025	2024
AASB 101.77	<b>Current</b>		\$	\$
AASB 102.36(b)	Fuel and materials		568,974	473,684
AASB 101.78(c)	Visitor centre stock		126,840	80,654
	Land held for resale			
	Cost of acquisition		10,656	79,500
	Development costs		165,484	2,356,984
			871,954	2,990,822
	<b>Non-current</b>			
	Land held for resale			
	Cost of acquisition		56,040	56,040
	Development costs		3,474,321	1,264,920
			3,530,361	1,320,960
The following movements in inventories occurred during the year:				
	<b>Balance at beginning of year</b>		4,311,782	3,936,999
AASB 102.36(d)	Inventories expensed during the year		(997,735)	(567,401)
AASB 102.36(e)	Write down of inventories to net realisable value	2(b)	(1,162,609)	(623,500)
	Additions to inventory		2,250,877	1,565,684
AASB 102.36(b)	<b>Balance at end of year</b>		4,402,315	4,311,782

AASB 101.117(b)	<b>MATERIAL ACCOUNTING POLICIES</b>
AASB 102	<b>General</b>
AASB 102.9	Inventories are measured at the lower of cost and net realisable value.
AASB 102.36(a)	Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
	<b>Land held for resale</b>
AASB 102.9	Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.
AASB 102.10	
AASB 102.36(a)	

**Land held for resale (Continued)**  
Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the City's intentions to release for sale.

AASB 101.10(e)(ea)  
AASB 101.38

# CITY OF COUNTRY NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

## 7. OTHER ASSETS

		2025	2024
		\$	\$
<b>Other assets - current</b>			
AASB 101.77,78(b)	Prepayments	505,684	566,051
	Accrued income	288,859	106,541
AASB 15.116(a)	Contract assets	124,954	23,000
AASB 15.113(b)	Allowance for impairment of contract assets	(8,740)	0
		910,757	695,592
<b>Non-current assets held for sale</b>			
AASB 5.38	Land	653,000	0
		653,000	0

### Land classified as non-current assets held for sale

AASB 5.41(a),(b),(c) During the year council elected to dispose of vacant land on Main Street. The land is currently being marketed for sale. The property is to be disposed of by public auction in August 2024, with a number of parties having already shown an interest in the property.

### MATERIAL ACCOUNTING POLICIES

#### Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

#### Contract assets

AASB 15.117 Contract assets primarily relate to the City's right to . consideration for work completed but not billed at the end of the period.

AASB 15.118 (c) Impairment of assets associated with contracts with customers are detailed at Note 2(b).

#### Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable. Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value heirachy set out in Note 28(i).

AASB 5.6 to 12A

AASB 5.15

AASB 13.91(a)

AASB 13.93(b),(d)

AASB 5.41(c)

## 8. PROPERTY, PLANT AND EQUIPMENT

### (a) Movements in balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

AASB 16.95	Note	Assets not subject to operating lease		Assets subject to operating lease		Total property				Plant and equipment		Total property, plant and equipment
		Land	Buildings	Land	Buildings	Land	Buildings	Work in progress	Total property	Furniture and equipment	Plant and equipment	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		64,119,340	57,664,893	10,657	563,138	64,129,997	58,228,031	3,404,707	125,762,735	4,204,094	8,790,546	138,757,375
AASB 116.73(e)(i)	Balance at 1 July 2023											
	Additions*	0	8,413,491	0	0	0	8,413,491	1,508,964	9,922,455	45,311	3,346,932	13,314,698
AASB 116.73(e)(ix)	Disposals	0	(236,541)	0	0	0	(236,541)	0	(236,541)	0	(740,672)	(977,213)
AASB 116.73(e)(vii)	Depreciation	0	(868,480)	0	(6,435)	0	(874,915)	0	(874,915)	(342,141)	(854,249)	(2,071,305)
	Transfers	0	2,567,097	0	0	0	2,567,097	(2,567,097)	0	0	0	0
	Balance at 30 June 2024	64,119,340	67,540,460	10,657	556,703	64,129,997	68,097,163	2,346,574	134,573,734	3,907,264	10,542,557	149,023,555
	Comprises:											
AASB 116.73(d)	Gross balance amount at 30 June 2024	64,119,340	71,688,550	10,657	563,138	64,129,997	72,251,688	2,346,574	138,728,259	4,904,276	13,266,977	156,899,512
AASB 116.73(d)	Accumulated depreciation at 30 June 2024	0	(3,592,090)	0	(6,435)	0	(3,598,525)	0	(3,598,525)	(997,012)	(2,724,420)	(7,319,957)
AASB 116.73(d)	Accumulated impairment loss at 30 June 2024	0	(556,000)	0	0	0	(556,000)	0	(556,000)	0	0	(556,000)
	Balance at 30 June 2024	64,119,340	67,540,460	10,657	556,703	64,129,997	68,097,163	2,346,574	134,573,734	3,907,264	10,542,557	149,023,555
AASB 116.73(e)(i)	Additions*	0	3,723,171	0	0	0	3,723,171	2,227,620	5,950,791	704,665	2,625,933	9,281,389
AASB 116.73(e)(ix)	Disposals	(135,000)	0	0	0	(135,000)	0	0	(135,000)	0	(725,425)	(860,425)
AASB 116.73(e)(iv)	Revaluation increments / (decrements) transferred to revaluation surplus	243,156	2,280,113	0	0	243,156	2,280,113	0	2,523,269	0	0	2,523,269
	Assets classified as held for sale	(653,000)	0	0	0	(653,000)	0	0	(653,000)	0	0	(653,000)
	Impairment (losses) / reversals**	0	0	0	0	0	0	0	0	0	(95,000)	(95,000)
AASB 116.73(e)(vii)	Depreciation	0	(966,304)	0	(6,435)	0	(972,739)	0	(972,739)	(352,641)	(905,883)	(2,231,263)
	Transfers	0	3,589,071	0	0	0	3,589,071	(3,589,071)	0	0	0	0
	Balance at 30 June 2025	63,574,496	76,166,511	10,657	550,268	63,585,153	76,716,779	985,123	141,287,055	4,259,288	11,442,182	156,988,525
	Comprises:											
AASB 116.73(d)	Gross balance amount at 30 June 2025	63,574,496	81,280,905	10,657	563,138	63,585,153	81,844,043	985,123	146,414,319	5,608,941	15,167,485	167,190,745
AASB 116.73(d)	Accumulated depreciation at 30 June 2025	0	(4,558,394)	0	(12,870)	0	(4,571,264)	0	(4,571,264)	(1,349,653)	(3,630,303)	(9,551,220)
AASB 116.73(d)	Accumulated impairment loss at 30 June 2025	0	(556,000)	0	0	0	(556,000)	0	(556,000)	0	(95,000)	(651,000)
AASB 101.77	Balance at 30 June 2025	63,574,496	76,166,511	10,657	550,268	63,585,153	76,716,779	985,123	141,287,055	4,259,288	11,442,182	156,988,525

AASB 107.43 \* Asset additions included non-cash additions. Refer to note 20(c).

AASB 136.130(a) \*\* The impairment loss relates to a grader damaged in an accident. The whole amount was recognised as other expense in profit or loss, as there was no amount included in the asset revaluation surplus relating to plant and equipment. Refer Note 2(b).

AASB 116.74A(a) An amount of \$90,000 (nil in prior year) was received from an insurance company as compensation for the damage to the grader.



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AASB 101.10(e)(ea)  
AASB 101.38

**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

AASB 13.91

**(b) Carrying amount measurements**

AASB 116.77

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair value - as determined at the last valuation date</b>								
<b>Land and buildings</b>								
Land - market value		11,037,997	64,129,997	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2025	Price per square metre
Land - subject to useage restrictions		52,547,156	0	3	Market approach using recent observable market data for similar properties	Management valuation	June 2025	Price per square metre, discounted due to useage restrictions
Total land	8(a)	63,585,153	64,129,997					
Buildings - non specialised		3,864,406	3,351,869	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2025	Price per square metre
Buildings - specialised		72,852,373	64,745,294	3	Cost approach using current replacement cost	Management valuation	June 2025	Construction costs and current condition, residual values and remaining useful life assessments inputs
Total buildings	8(a)	76,716,779	68,097,163					

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

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**9. INFRASTRUCTURE**

**(a) Movements in balances**

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

		Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - landfill assets	Total infrastructure
		\$	\$	\$	\$	\$	\$	\$
AASB 116.73(e)	<b>Balance at 1 July 2023</b>	240,069,153	42,220,433	51,597,970	32,918,805	68,939,140	1,873,467	437,618,968
AASB 116.73(e)(i)	Additions*	8,168,464	668,430	478,354	940,951	6,536,378	0	16,792,577
AASB 116.73(e)(iv)	Revaluation increments / (decrements) transferred to revaluation surplus	(5,541,368)	(17,545,047)	0	(3,548,140)	(15,484,112)	0	(42,118,667)
AASB 116.73(e)(v),(vi)	Revaluation (loss) / reversals transferred to profit or loss	0	0	(102,356)	0	0	0	(102,356)
AASB 116.73(e)(vii)	Depreciation	(7,094,251)	(756,134)	(876,345)	(635,643)	(2,222,125)	(85,680)	(11,670,178)
	<b>Balance at 30 June 2024</b>	235,601,998	24,587,682	51,097,623	29,675,973	57,769,281	1,787,787	400,520,344
	<b>Comprises:</b>							
AASB 116.73(d)	Gross balance at 30 June 2024	367,597,754	31,377,775	85,800,436	47,242,811	83,794,399	2,656,070	618,469,245
AASB 116.73(d)	Accumulated depreciation at 30 June 2024	(131,995,756)	(6,790,093)	(34,702,813)	(17,566,838)	(26,025,118)	(868,283)	(217,948,901)
AASB 116.73(e)	<b>Balance at 30 June 2024</b>	235,601,998	24,587,682	51,097,623	29,675,973	57,769,281	1,787,787	400,520,344
AASB 116.73(e)(i)	Additions *	3,512,905	608,634	1,800,736	1,803,564	3,968,818	187,988	11,882,645
	Impairment (losses) / reversals **	(1,005,689)	0	0	0	0	0	(1,005,689)
AASB 116.73(e)(vii)	Depreciation	(7,118,392)	(770,801)	(986,628)	(659,910)	(2,379,808)	(88,535)	(12,004,074)
	<b>Balance at 30 June 2025</b>	230,990,822	24,425,515	51,911,731	30,819,627	59,358,291	1,887,240	399,393,226
	<b>Comprises:</b>							
AASB 116.73(d)	Gross balance at 30 June 2025	371,110,659	31,986,409	87,601,172	49,046,375	87,763,217	2,844,058	630,351,890
AASB 116.73(d)	Accumulated depreciation at 30 June 2025	(139,114,148)	(7,560,894)	(35,689,441)	(18,226,748)	(28,404,926)	(956,818)	(229,952,975)
AASB 116.73(d)	Accumulated impairment loss at 30 June 2025	(1,005,689)	0	0	0	0	0	(1,005,689)
AASB 101.77	<b>Balance at 30 June 2025</b>	230,990,822	24,425,515	51,911,731	30,819,627	59,358,291	1,887,240	399,393,226

AASB 107.43 \* Asset additions included non-cash additions. Refer to note 20(c).

AASB 136.130(a) \*\* The impairment loss relates to assets damaged by a flood event. The whole amount was recognised in the asset revaluation surplus relating to the relevant asset class. Refer to Note 19.

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AASB 101.10(e)(ea)

AASB 101.38

**9. INFRASTRUCTURE (Continued)**

AASB 13.91

**(b) Carrying amount measurements**

AASB 116.77

AASB 116.Aus77.1

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair value - as determined at the last valuation date</b>					
Infrastructure - roads	3	Cost approach using current replacement cost	Management valuation	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Management valuation	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - drainage	3	Cost approach using current replacement cost	Management valuation	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Management valuation	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using current replacement cost	Management valuation	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - landfill assets	3	Cost approach using current replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

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## 10. FIXED ASSETS

### (a) Depreciation

AASB 101.117

#### Depreciation rates

AASB 116.73(c)

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Landfill assets	30 years
Right-of-use (buildings)	Based on the remaining lease term
Right-of-use (plant and equipment)	Based on the remaining lease term

AASB 108.39

#### Revision of useful lives of plant and equipment

AASB 116.76

During the year the estimated total useful lives of certain items of plant and equipment used in the maintenance of road infrastructure were revised. The net effect of the change is a net increase in depreciation of \$97,475.

### (b) Temporarily idle or retired from use assets

AASB 116.79(a),(c)

The carrying amount of assets held by the City which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	2025	2024
	\$	\$
Buildings - specialised	456,045	452,350
Furniture and equipment	113,036	111,042
Plant and equipment	26,034	35,024
	595,115	598,416

### (c) Fully depreciated assets in use

AASB 116.79(b)

The gross carrying amount of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

Furniture and equipment	124,647	121,098
Plant and equipment	212,093	210,345
	336,740	331,443

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**10. FIXED ASSETS (Continued)**

AASB 101.117 AASB 116 AASB 116.15	<p><b>MATERIAL ACCOUNTING POLICIES</b></p> <p><b>Initial recognition</b></p> <p>An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.</p> <p>Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.</p>	
AASB 116.Aus15.1	Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with <i>Local Government (Financial Management) Regulation 17A(5)</i> . These assets are expensed immediately.	
FM Reg 17A(5)	Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.	
	Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the City's revaluation policy, are recognised at cost and disclosed as being at reportable value.	
FM Reg 17A(2)(b), (c)	<p><b>Measurement after recognition</b></p> <p>Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under <i>Local Government (Financial Management) Regulation 17A(2)</i>. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.</p>	
AASB 116.30		
FM Reg 17A(4) FM Reg 17A(2)(a)	<p><b>Reportable value</b></p> <p>In accordance with <i>Local Government (Financial Management) Regulation 17A(2)</i>, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.</p>	
FM Reg 17A(4)	Reportable value is for the purpose of <i>Local Government (Financial Management) Regulation 17A(4)</i> is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.	
FM Reg 17A(4A)	<p><b>Revaluation</b></p> <p>Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the City.</p>	
FM Reg 17A(4B)(b)	Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the City to revalue earlier if it chooses to do so.	
AASB 116.Aus39.1	For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.	
	Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.	
	Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.	
	<p><b>Depreciation</b></p> <p>The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.</p> <p>The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.</p> <p><b>Depreciation on revaluation</b></p> <p>When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:</p> <p>(i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or</p> <p>(ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.</p> <p><b>Impairment</b></p> <p>In accordance with <i>Local Government (Financial Management) Regulations 17A(4C)</i>, the City is not required to comply with <i>AASB 136 Impairment of Assets</i> to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.</p> <p>In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.</p> <p><b>Gains or losses on disposal</b></p> <p>Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.</p>	<p>AASB 116.73(b) AASB 116.50</p> <p>AASB 116.51</p> <p>AASB 116.35</p> <p>AASB 136.59 FM Reg 17A(4C)</p>

**CITY OF COUNTRY**  
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**11. LEASES**

**(a) Right-of-use assets**

		Right-of-use assets - land and buildings	Right-of-use assets - plant and equipment	Total right-of-use assets
	Note	\$	\$	\$
AASB 16.54	Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.			
	<b>Balance at 1 July 2023</b>	285,000	0	285,000
	Additions*	0	156,400	156,400
	Depreciation	(90,000)	(32,583)	(122,583)
	<b>Balance at 30 June 2024</b>	195,000	123,817	318,817
AASB 116.73 (d)	Gross balance amount at 30 June 2024	360,000	156,400	516,400
AASB 116.73 (d)	Accumulated depreciation at 30 June 2024	(165,000)	(32,583)	(197,583)
	<b>Balance at 30 June 2024</b>	195,000	123,817	318,817
AASB 16.53 (h)	Additions*	0	302,250	302,250
AASB 16.53 (a)	Depreciation	(90,000)	(102,069)	(192,069)
AASB 16.53 (j)	<b>Balance at 30 June 2025</b>	105,000	323,998	428,998
AASB 116.73 (d)	Gross balance amount at 30 June 2025	360,000	458,650	818,650
AASB 116.73 (d)	Accumulated depreciation at 30 June 2025	(255,000)	(134,652)	(389,652)
	<b>Balance at 30 June 2025</b>	105,000	323,998	428,998

AASB107.43 \* Right of use asset additions are non-cash additions. Refer to note 20(c).

		2025 Actual \$	2024 Actual \$
AASB 16.54	The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the City is the lessee:		
AASB 16.53 (a)	Depreciation on right-of-use assets	(192,069)	(122,583)
AASB 16.53 (b)	Finance charge on lease liabilities	(17,092)	(13,102)
AASB 16.53 (c)	Short-term lease payments recognised as expense	(3,000)	(3,200)
AASB 16.53 (d)	Low-value asset lease payments recognised as expense	(5,000)	(4,500)
AASB 16.53 (e)	Expenses for variable lease payment not recognised as a liability	(2,000)	(2,000)
	<b>Total amount recognised in the statement of comprehensive income</b>	(219,161)	(145,385)
AASB 16.53 (g)	Total cash outflow from leases	(180,301)	(118,351)
AASB 16.47 (b)	<b>(b) Lease liabilities</b>		
	Current	205,134	127,670
	Non-current	302,743	241,166
		32(d) 507,877	368,836

AASB 16.59 The City has two leases relating to plant and equipment. The lease term for both leases is 4 years. One of the leases has variable lease payments. The measurement of lease liabilities does not include variable lease payments and any future cash outflows associated with leases not yet commenced to which the City is committed. The land and building lease has a term of 4 years with an extension option of 4 years and a termination option of 6 months. Refer to Note 32(d) for details of lease liabilities.

**Secured liabilities and assets pledged as security**

AASB 7.7 Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements  
AASB 7.14(b) revert to the lessor in the event of default.

**MATERIAL ACCOUNTING POLICIES**

**Leases**

AASB 16.9 At inception of a contract, the City assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified for a period of time in exchange for consideration.

AASB 16.22 At the commencement date, a right-of-use asset is recognised  
AASB 16.26 at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

AASB 16.5 All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 32(d).

**Right-of-use assets - measurement**

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

**Right-of-use assets - depreciation**

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the City anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

AASB 16.32

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**11. LEASES (Continued)**

**(c) Lessor - property, plant and equipment subject to lease**

		<b>2025 Actual</b>	<b>2024 Actual</b>
		<b>\$</b>	<b>\$</b>
AASB 16.97	The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.		
	Less than 1 year	6,000	6,000
	1 to 2 years	6,000	6,000
	2 to 3 years	6,000	6,000
	3 to 4 years	6,000	6,000
	4 to 5 years	6,000	6,000
	> 5 years	24,000	30,000
		<b>54,000</b>	<b>60,000</b>
	<b>Amounts recognised in profit or loss for property, plant and equipment subject to lease</b>		
AASB 16.90(b)	Rental income	5,590	5,500

The City leases houses to staff and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

AASB 16.92 Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Refer to Note 12 for details of leased investment property.

AASB 16.61	<b>MATERIAL ACCOUNTING POLICIES</b> <b>The City as lessor</b> Upon entering into each contract as a lessor, the City assesses if the lease is a finance or operating lease.	Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.	AASB 16.83
AASB 16.62	The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.	When a contract is determined to include lease and non-lease components, the City applies AASB 15 <i>Revenue from Contracts with Customers</i> to allocate the consideration under the contract to each component.	
AASB 16.81			

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AASB 101.10(e)(ea)  
AASB 101.38

**12. INVESTMENT PROPERTY**

FM Reg 17A(2)(a)(ii)  
AASB 140.76  
AASB 140.76(a)  
AASB 140.76(d)  
AASB 140.76

**Non-current assets - at reportable value**

Carrying balance at 1 July

Acquisitions

Net gain/(loss) from fair value adjustment

Closing balance at 30 June

AASB 140.75(f)  
AASB 140.75(f)(i)

**Amounts recognised in profit or loss for investment properties**

Rental income

Direct operating expenses from property that generated rental income

Direct operating expenses from property that did not generate rental income

Fair value gain recognised in profit or loss

AASB 16.97

**Leasing arrangements**

Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

> 5 years

AASB 16.92

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the City is a lessor is recognised in income on a straightline basis over the lease term.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

AASB 140.75(h)

Refer to Note 22 for disclosure of contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Refer to Note 11 for details of leased property, plant and equipment not classified as investment property

AASB 101.117  
AASB 140  
AASB 140.33  
AASB 140.35,75(a), (c)

**MATERIAL ACCOUNTING POLICIES**

**Investment properties**

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City.

FM Reg 17A(2)(a)

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are investment properties, are shown at their reportable value.

FM Reg 17A(4)

Reportable value for the purposes of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date.

2025 Actual	2025 Budget	2024 Actual
\$	\$	\$
2,235,410		1,675,065
0		560,345
111,274		0
2,346,684		2,235,410
425,664	415,000	325,238
(72,358)	(69,870)	(53,885)
(48,239)	(49,235)	(46,727)
111,274	0	0
176,868	176,868	173,400
234,709	234,709	230,107
234,709	234,709	230,107
234,709	234,709	230,107
234,710	234,710	230,107
402,348	402,348	597,625
1,518,053	1,518,053	1,691,453

**Revaluation**

In accordance with the regulatory framework, investment properties are required to be revalued whenever required by AASB 140 and, in any event, every five years.

**Fair value of investment properties**

A management valuation was performed to determine the fair value of investment properties. The main Level 3 inputs used in the valuation were discount rates, yields, expected vacancy rates and rental growth rates estimated by management based on comparable transactions and industry data.

FM Reg 17A(4A)(a)

AASB 140.75(e)



**CITY OF COUNTRY**  
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**13. INTANGIBLE ASSETS**

		2025 Actual \$	2024 Actual \$
	<b>Intangible assets</b>		
	<b>Non-current</b>		
AASB 138.118(c)	Computer software development	1,950,450	300,450
	Less: Accumulated amortisation	(619,000)	(289,000)
		1,331,450	11,450
AASB 138.118(e)	Movements in balances of computer software during the financial year are shown as follows:		
	<b>Balance at 1 July</b>	11,450	67,450
	Recognition of computer software	1,650,000	0
	Amortisation	(330,000)	(56,000)
	<b>Balance at 30 June</b>	1,331,450	11,450
	<b>TOTAL INTANGIBLE ASSETS</b>	1,331,450	11,450

**Amortisation**

AASB 138.118 (d) The estimated useful life of intangible assets is 5 years for the current and prior years.

**MATERIAL ACCOUNTING POLICIES**

**Computer software**

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the the City are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

**Computer software (continued)**

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

**Amortisation**

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income.

AASB 138.118(a), (b)

AASB 138.57, 66, 74, 97

CITY OF COUNTRY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors  
Prepaid rates  
Accrued payroll liabilities  
Statutory liabilities  
Bonds and deposits held

2025	2024
\$	\$
3,250,616	2,662,161
15,000	19,508
703,680	365,401
115,640	564,841
84,360	76,899
4,169,296	3,688,810

AASB 101.117

AASB 7.B5

AASB 9(3.3.1)

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the City becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises income for the prepaid rates that have not been refunded.

AASB 101.17(c)

AASB 1058.29(b)

**CITY OF COUNTRY**  
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AASB 101.10(e)(ea)

AASB 101.38

**15. OTHER LIABILITIES**

		2025	2024
		\$	\$
	<b>Current</b>		
AASB 15.106	Contract liabilities	1,718,955	403,499
AASB 1058.16	Capital grant/contributions liabilities	4,169,847	2,538,658
		5,888,802	2,942,157
	<b>Non-current</b>		
AASB 1058.16	Capital grant/contributions liabilities	307,010	481,437
		307,010	481,437
AASB 15.116(a)	<b>Reconciliation of changes in contract liabilities</b>		
	Opening balance	403,499	309,715
	Additions	1,718,955	403,499
	Revenue from contracts with customers included as a contract liability at the start of the period	(403,499)	(309,715)
AASB 15.116(b)		1,718,955	403,499
AASB 15.120(a)	The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$2,000,000 (\$650,000 in prior year)		
AASB 15.120(b)	The City expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
	<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
	Opening balance	3,020,095	856,131
	Additions	3,995,420	2,653,009
AASB 1058.31	Revenue from capital grant/contributions held as a liability at the start of the period	(2,538,658)	(489,045)
		4,476,857	3,020,095
AASB 1058.33(a)	<b>Expected satisfaction of capital grant/contribution liabilities</b>		
	Less than 1 year	4,169,847	174,427
	1 to 2 years	257,010	2,538,658
	2 to 3 years	0	257,010
	3 to 4 years	30,000	0
	4 to 5 years	0	30,000
	> 5 years	20,000	20,000
		4,476,857	3,020,095

AASB 1058.32 Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**MATERIAL ACCOUNTING POLICIES**

**Contract liabilities**

Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

AASB 15.117

**Capital grant/contribution liabilities**

Capital grant/contribution liabilities represent the City's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the City which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

AASB 1058.35

AASB 101.10(e)(ea)  
AASB 101.38

CITY OF COUNTRY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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16. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Bank loans		248,311	257,229	505,540	239,701	505,540	745,241
Debentures		1,975,696	12,277,299	14,252,995	1,834,422	12,452,995	14,287,417
Other loans		564,098	0	564,098	706,549	0	706,549
<b>Total secured borrowings</b>	32(a)	2,788,105	12,534,528	15,322,633	2,780,672	12,958,535	15,739,207

**Secured liabilities and assets pledged as security**

AASB 7.7  
AASB 7.14(b)  
Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the City of Country.  
Other loans relate to transferred receivables. Refer to Note 5.

AASB 101.135(d)  
The City of Country has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 years.

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

AASB 123.8  
AASB 123.Aus8.1  
The City has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

AASB 7.25,29(a)  
Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

AASB 13.97,93(b),(d)  
Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 28(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 26.  
Details of individual borrowings required by regulations are provided at Note 32(a).

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**17. EMPLOYEE RELATED PROVISIONS**

**Employee related provisions**

**Current provisions**

**Employee benefit provisions**

Annual leave  
Long service leave  
Other employee leave provisions

**Employee related other provisions**

Employment on-costs

**Total current employee related provisions**

**Non-current provisions**

**Employee benefit provisions**

Long service leave

**Employee related other provisions**

Employment on-costs

**Total non-current employee related provisions**

**Total employee related provisions**

	2025	2024
	\$	\$
Annual leave	1,482,964	1,086,712
Long service leave	2,533,875	2,134,942
Other employee leave provisions	482,246	562,630
	4,499,085	3,784,284
Employment on-costs	763,004	590,611
	763,004	590,611
<b>Total current employee related provisions</b>	<b>5,262,089</b>	<b>4,374,895</b>
Long service leave	629,022	596,799
	629,022	596,799
Employment on-costs	106,676	93,142
	106,676	93,142
<b>Total non-current employee related provisions</b>	<b>735,698</b>	<b>689,941</b>
<b>Total employee related provisions</b>	<b>5,997,787</b>	<b>5,064,836</b>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

**Amounts are expected to be settled on the following basis:**

Less than 12 months after the reporting date  
More than 12 months from reporting date

Note	2025	2024
	\$	\$
	3,045,764	2,556,743
	2,952,023	2,508,093
	5,997,787	5,064,836

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

5	(25,034)	(20,253)
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**MATERIAL ACCOUNTING POLICIES**

**Employee benefits**

The City's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

**Short-term employee benefits**

Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The City's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

AASB 119.156

AASB 101.10(e)(ea)

AASB 101.38

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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AASB 137.84

## 18. OTHER PROVISIONS

	Make good provisions	Total
	\$	\$
AASB 137.84 (a) <b>Opening balance at 1 July 2024</b>		
Current provisions	265,094	265,094
Non-current provisions	1,370,687	1,370,687
	<u>1,635,781</u>	<u>1,635,781</u>
AASB 137.84(b) Additional provision	112,988	112,988
AASB 137.84(c) Amounts used	(50,000)	(50,000)
AASB 137.84(d) Unused amounts reversed	(30,500)	(30,500)
AASB 137.84(e) Charged to profit or loss		
- unwinding of discount	2,325	2,325
AASB 137.84(a) <b>Balance at 30 June 2025</b>	<u>1,670,594</u>	<u>1,670,594</u>
<b>Comprises</b>		
Current	306,484	306,484
Non-current	1,364,110	1,364,110
	<u>1,670,594</u>	<u>1,670,594</u>

### Other provisions

AASB 137.85(a)

AASB 137.85(b)

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

### Make good provisions

Under the licence for the operation of the Country City waste landfill site, the City has a legal obligation to restore the site and continue to monitor the site for contamination.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation and continued monitoring of the site at the reporting date. Expected future remediation costs are reviewed annually and any changes in the estimate are reflected in the remediation provision at each reporting date.

Additional provision was recognised in relation to the make good costs associated with the clearing of a new landfill area.

An unused amount of the provision arising from a reduction in the estimated cost of the remediation of the existing landfill area. The reversal of the provision was transferred to the revaluation surplus - Infrastructure landfill assets. Refer note 19.

The make good provision is reassessed annually whilst the fair value of the related landfill asset is only required to be assessed every 5 years.

AASB 107.43

Non-cash investing activities have occurred due to movements in make good provisions. Refer note 20(c).

### MATERIAL ACCOUNTING POLICIES

#### Provisions

AASB 137.14

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

AASB 137.36

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**19. REVALUATION SURPLUS**

AASB 116.Aus39.1  
AASB 116.Aus40.1

	2025 Opening balance \$	Total Movement on revaluation \$	2025 Closing balance \$	2024 Opening balance \$	Total Movement on revaluation \$	2024 Closing balance \$
Revaluation surplus - Land	19,203,298	243,156	19,446,454	19,203,298	0	19,203,298
Revaluation surplus - Buildings	400,544	2,280,113	2,680,657	400,544	0	400,544
Revaluation surplus - Infrastructure - roads	68,842,166	(1,005,689)	67,836,477	74,383,534	(5,541,368)	68,842,166
Revaluation surplus - Infrastructure - footpaths	11,059,784	0	11,059,784	28,604,831	(17,545,047)	11,059,784
Revaluation surplus - Infrastructure - drainage	11,073,327	0	11,073,327	11,073,327	0	11,073,327
Revaluation surplus - Infrastructure - parks and ovals	3,422,205	0	3,422,205	6,970,345	(3,548,140)	3,422,205
Revaluation surplus - Infrastructure - other	1,239,718	0	1,239,718	16,723,830	(15,484,112)	1,239,718
Revaluation surplus - Infrastructure - landfill assets	4,644,871	30,500	4,675,371	4,644,871	0	4,644,871
	119,885,913	1,548,080	121,433,993	162,004,580	(42,118,667)	119,885,913
Revaluation surplus - Share from investments in associates	4,568	176	4,744	5,136	(568)	4,568
	119,890,481	1,548,256	121,438,737	162,009,716	(42,119,235)	119,890,481

The movement in the revaluation surplus for infrastructure roads relates to an impairment loss as a result of a flood event. Refer to Note 9(a).

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**20. NOTES TO THE STATEMENT OF CASH FLOWS**

AASB 1054.16  
AASB 107.45

**(a) Reconciliation of cash**

For the purposes of the Statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2025 Actual \$	2024 Actual \$
Cash and cash equivalents	3	24,562,679	19,641,775
<b>Restrictions</b>			
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	15,233,456	10,815,010
- Financial assets at amortised cost	4	9,167,062	8,206,849
		24,400,518	19,021,859
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	33	18,120,032	15,924,018
Contract liabilities	15	1,718,955	403,499
Capital grant liabilities	15	4,169,847	2,538,658
Unspent loans	32(c)	391,684	155,684
<b>Total restricted financial assets</b>		24,400,518	19,021,859
<b>(b) Reconciliation of net result to net cash provided by operating activities</b>			
Net result		12,208,043	22,037,080
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(5,643)	(5,108)
Adjustments to fair value of investment property		(111,274)	0
Depreciation/amortisation		14,757,406	13,920,066
(Profit)/loss on sale of asset		269,225	(397,699)
Share of profits of associates		(9,234)	7,947
Loss on revaluation of fixed assets		0	102,356
Impairment of plant and equipment		95,000	0
Assets received for substantially less than fair value		(3,821,078)	(300,000)
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(636,402)	1,775,260
(Increase)/decrease in other assets		(215,165)	(46,561)
(Increase)/decrease in inventories		(90,533)	(374,783)
Increase/(decrease) in trade and other payables		480,486	(510,890)
Increase/(decrease) in employee related provisions		932,951	103,800
Increase/(decrease) in other provisions		(47,675)	4,015
Increase/(decrease) in other liabilities		2,772,218	(842,086)
Capital grants, subsidies and contributions		(12,327,980)	(18,158,368)
Net cash provided by/(used in) operating activities		14,250,345	17,315,029
<b>(c) Non-cash investing and financing activities</b>			
Acquisition of property plant and equipment below fair value	8(a)	656,000	300,000
Acquisition of infrastructure below fair value	9(a)	3,165,078	0
Acquisition of Infrastructure by assuming directly related liabilities	18	112,988	0
Movement in other provision through revaluation surplus	18	(30,500)	0
Acquisition of right of use assets by means of a lease	11(a)	302,250	156,400
<b>(d) Undrawn borrowing facilities</b>			
<b>Credit standby arrangements</b>			
Bank overdraft limit		500,000	500,000
Bank overdraft at balance date		0	0
Credit card limit		55,000	55,000
Credit card balance at balance date		(16,581)	(2,684)
<b>Total amount of credit unused</b>		538,419	552,316
<b>Loan facilities</b>			
Loan facilities - current		2,788,105	2,780,672
Loan facilities - non-current		12,534,528	12,958,535
<b>Total facilities in use at balance date</b>		15,322,633	15,739,207
<b>Unused loan facilities at balance date</b>		NIL	NIL

AASB 107.43

AASB 107.8

AASB 107.8

AASB 107.50(a)

AASB 101.69



AASB 101.10(e)(ea)  
AASB 101.38

CITY OF COUNTRY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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21. CONTINGENT LIABILITIES

AASB 137.86

In compliance with the *Contaminated Sites Act 2003*, the City has listed sites to be possible sources of contamination. Details of those sites are:

- Somewhere City Airport
- Somewhere City Depot

AASB 137.91

Until the City conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the City is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

22. CAPITAL COMMITMENTS

AASB 116.74(c)

- Contracted for:
- capital expenditure projects
  - plant & equipment purchases

AASB 140.75(h)

- investment property

Payable:

- not later than one year

2025	2024
\$	\$
3,210,066	7,988,379
350,147	165,894
56,080	31,650
3,616,293	8,185,923
3,616,293	8,185,923

The capital expenditure projects outstanding at the end of the current reporting period represent the construction of the new recreation centre and purchase of a new grader (the prior year commitment was for the construction of the new recreation centre and a truck).

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**23. RELATED PARTY TRANSACTIONS**

FM Reg 44  
FM Reg 36(3)(d)

**(a) Council member remuneration**

Fees, expenses and allowances to be paid or reimbursed to council members.

Mayor's annual allowance  
Mayor's meeting attendance fees  
Mayor's annual allowance for ICT expenses  
Mayor's travel and accommodation expenses

Deputy Mayor's annual allowance  
Deputy Mayor's meeting attendance fees  
Deputy Mayor's annual allowance for ICT expenses  
Deputy Mayor's travel and accommodation expenses

All other council member's meeting attendance fees  
All other council member's annual allowance for ICT expenses  
All other council member's travel and accommodation expenses

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
	53,216	53,216	50,364
	28,670	28,670	28,560
	550	550	545
	4,561	4,500	4,782
	86,997	86,936	84,251
	13,304	13,304	12,591
	28,670	28,670	28,560
	550	550	545
	3,562	3,200	3,384
	46,086	45,724	45,080
	86,010	86,010	85,680
	1,650	1,650	1,635
	8,790	8,400	9,307
	96,450	96,060	96,622
23(b)	229,533	228,720	225,953

**(b) Key management personnel (KMP) compensation**

The total of compensation paid to KMP of the City during the year are as follows:

Short-term employee benefits  
Post-employment benefits  
Employee - other long-term benefits  
Employee - termination benefits  
Council member costs

	1,165,891	1,246,081
	110,658	101,985
	165,904	168,410
	0	15,674
23(a)	229,533	225,953
	1,671,986	1,758,103

**Short-term employee benefits**

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

**Post-employment benefits**

These amounts are the current-year's cost of the City's superannuation contributions made during the year.

**Other long-term benefits**

These amounts represent annual leave and long service leave entitlements accruing during the year.

**Termination benefits**

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

**Council member costs**

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

AASB 124.17(a)  
AASB 124.17(b)  
AASB 124.17(c)  
AASB 124.17(d)

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**23. RELATED PARTY TRANSACTIONS (Continued)**

**(c) Transactions with related parties**

Transactions between related parties and the City are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	<b>2025 Actual \$</b>	<b>2024 Actual \$</b>
Sale of goods and services	13,032	11,068
Purchase of goods and services	265,941	369,871
Short term employee benefits - other related parties	85,612	84,306
Distribution of equity by associate	5,500	500
Contribution to equity in associate	0	10,250
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	13,540	5,684
<b>Amounts payable to related parties:</b>		
Trade and other payables	25,601	32,564

AASB 124.9

**(d) Related parties**

**The City's main related parties are as follows:**

*i. Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the City, directly or indirectly, including any council member, are considered key management personnel.

*ii. Other Related Parties*

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the City's procurement process.

The contract involved roadworks in the City, and amounted to \$265,941 in the current year (\$369,871 in the prior year).

The City provides finance and governance services to its associate, the value of these services amounted to \$13,032 in the current year (\$11,068 in the prior year).

Short-term employee benefits related to an associate person of the CEO who was employed by the City under normal employment terms and conditions.

Outside of normal citizen type transactions with the City, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

*iii. Entities subject to significant influence by the City*

Joint arrangements detailed in Note 24 and associates detailed in Note 25.

## CITY OF COUNTRY NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

### 24. JOINT ARRANGEMENTS

AASB 12.1(a)  
AASB 12.2(a)  
AASB 12.21(a)(iii)

#### Share of joint operations

The City has an agreement with the Department of Communities for the provision of community housing on Town Street, Country Town. This arrangement constitutes a joint arrangement as unanimous decisions are required by the parties to the agreement amounting to joint control. The arrangement has been determined to be a joint arrangement.

AASB 12.21(a)(ii)  
AASB 12.21(a)(i)  
AASB 12.2(b)(ii)

The assets held under the agreement by both parties are land and 6 x 2 bedroom units. The ownership of the joint operation being the Country Town Aged Houses, is defined in the agreement including the percentage of each party's proportionate interest in the assets of the joint operation. Surplus funds are held in the Aged Persons unit reserve account for future building maintenance.

The City manages the property and tenancy of the joint operation and the effects of its interest in the joint operations are as follows:

AASB 12.1(b)  
AASB 12.20(a)  
AASB 12.21(a)(iv)

#### Statement of financial position

Cash and cash equivalents  
Land and buildings (6 x 2 bedroom units) @ 25%  
Less: accumulated depreciation  
**Total assets**

Reserve accounts  
**Total equity**

AASB 12.1(b)

#### Statement of comprehensive income

Other revenue  
Depreciation  
Other expense  
**Profit/(loss) for the period**  
Other comprehensive income  
**Total comprehensive income for the period**

AASB 12.1(b)

#### Statement of cash flows

Other revenue  
Other expense  
**Net cash provided by (used in) operating activities**

	2025 Actual	2024 Actual
	\$	\$
Cash and cash equivalents	12,650	10,650
Land and buildings (6 x 2 bedroom units) @ 25%	300,000	300,000
Less: accumulated depreciation	(97,500)	(90,000)
<b>Total assets</b>	<b>215,150</b>	<b>220,650</b>
Reserve accounts	12,650	10,650
<b>Total equity</b>	<b>12,650</b>	<b>10,650</b>
Other revenue	3,000	3,000
Depreciation	(7,500)	(7,500)
Other expense	(1,000)	(750)
<b>Profit/(loss) for the period</b>	<b>(5,500)</b>	<b>(5,250)</b>
Other comprehensive income	0	0
<b>Total comprehensive income for the period</b>	<b>(5,500)</b>	<b>(5,250)</b>
Other revenue	3,000	3,000
Other expense	(1,000)	(750)
<b>Net cash provided by (used in) operating activities</b>	<b>2,000</b>	<b>2,250</b>

#### MATERIAL ACCOUNTING POLICIES

##### Joint operations

AASB 11.15

A joint operation is a joint arrangement where the City has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

AASB 11.21

Assets, liabilities, revenues and expenses relating to the City's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standards.

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**25. INVESTMENT IN ASSOCIATES**

**(a) Investment in associates**

Set out in the table below are the associates of the City. All associates are measured using the equity method. Western Australia is the principal place of business for all associates.

Name of entity	% of ownership interest 2025	interest 2024	2025 Actual \$	2024 Actual \$
Country Regional Council (Refer to Note 25(b))	16.67%	16.67%	204,331	200,777
Immaterial investments in associates (Refer to Note 25(c))			6,476	6,120
<b>Total equity-accounted investments</b>			<b>210,807</b>	<b>206,897</b>

**(b) Share of investment in Country Regional Council**

AASB 12.21 The City has a 1/6th interest in Country Regional Council. The Regional Council was formed to manage the development and sale of land at Country Town Estate on behalf of six local governments.

AASB 12.9(e) The City has determined it has significant influence over the Regional Council despite holding less than 20 percent of the voting rights as the City has representation on council and participates in policy-making decisions including the decisions regarding contributions and distributions.

AASB 12.21(b)(i)  
AASB 12.B14 The tables below reflect the summarised financial information of the material investments in associates based on the audited results of the Country Regional Council. This does not reflect the City's share of those amounts. They have been amended to reflect adjustments made by the City when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	Note	2025 Actual \$	2024 Actual \$
<b>Summarised statement of comprehensive income</b>			
Revenue		756,789	680,562
Interest revenue		561	697
Finance cost		(244,841)	(199,348)
Depreciation		(353,165)	(293,744)
Profit/(loss) from continuing operations		50,268	(55,336)
Profit/(loss) from discontinued operations		0	0
Profit/(loss) for the period		50,268	(55,336)
Other comprehensive income		1,056	0
<b>Total comprehensive income for the period</b>		<b>51,324</b>	<b>(55,336)</b>
<b>Summarised statement of financial position</b>			
Cash and cash equivalents		3,583,124	3,005,799
Other current assets		32,089	12,168
<b>Total current assets</b>		<b>3,615,213</b>	<b>3,017,967</b>
Non-current assets		7,848,100	6,527,642
<b>Total assets</b>		<b>11,463,313</b>	<b>9,545,609</b>
Current financial liabilities		1,543,987	2,678,923
Other current liabilities		12,564	13,698
<b>Total current liabilities</b>		<b>1,556,551</b>	<b>2,692,621</b>
Non-current financial liabilities		8,657,718	5,627,259
Other non-current liabilities		23,056	21,065
<b>Total non-current liabilities</b>		<b>8,680,774</b>	<b>5,648,324</b>
<b>Total liabilities</b>		<b>10,237,325</b>	<b>8,340,945</b>
<b>Net assets</b>		<b>1,225,988</b>	<b>1,204,664</b>
<b>Reconciliation to carrying amounts</b>			
Opening net assets 1 July		1,204,664	1,200,000
Changes in members contributions		(30,000)	60,000
Profit/(Loss) for the period		50,268	(55,336)
Other comprehensive income		1,056	0
<b>Closing net assets 30 June</b>		<b>1,225,988</b>	<b>1,204,664</b>
<b>Carrying amount at 1 July</b>		<b>200,777</b>	<b>200,000</b>
- Share of associates net profit/(loss) for the period	25(e)	8,378	(9,223)
- Share of associates other comprehensive income arising during the period		176	0
- Distribution of equity by associate		(5,000)	0
- Contribution to equity in associate		0	10,000
<b>Carrying amount at 30 June (Refer to Note 25(a))</b>		<b>204,331</b>	<b>200,777</b>

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**25. INVESTMENT IN ASSOCIATES (Continued)**

**(c) Immaterial investments in associates**

Aggregate carrying amount of interests in individually immaterial associates accounted for using the equity method are reflected in the table below.

		Note	2025 Actual \$	2024 Actual \$
AASB 12.B16(a)	- Share of associates net profit for the period	25(e)	856	1,276
AASB 12.B16(c)	- Share of associates other comprehensive income arising during the period		0	(568)
	- Distribution of equity by associates		(500)	(500)
	- Contribution to equity in associates		0	250
AASB 12.B16(d)	- Share of associates total comprehensive income arising during the period		356	458
	<b>Carrying amount at 1 July</b>		6,120	5,662
	- Share of associates total comprehensive income arising during the period		356	458
	<b>Carrying amount at 30 June (Refer to Note 25(a))</b>		6,476	6,120
	<b>(d) Contingent liabilities from investments in associates</b>			
AASB 12.23(b)	Contingent liabilities - associates			
	Share of contingent liabilities incurred jointly with other investors of the associate		783,000	205,000
	Contingent liabilities relating to liabilities of the associate for which the City is severally liable		150,000	150,000
			933,000	355,000

AASB 101.117

**MATERIAL ACCOUNTING POLICIES**  
**Investments in associates**

AASB 128.3

An associate is an entity over which the City has significant influence, that is it has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

AASB 128.16

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

**(e) Share of associates net profit/(loss) for the period**

Investment in Country Regional Council (Refer to Note 25(b))  
Immaterial investments in associates (Refer to Note 25(c))

	2025 Actual \$	2024 Actual \$
	8,378	(9,223)
	856	1,276
	9,234	(7,947)

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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AASB 101.10(e)(ea)  
AASB 101.38

**26. FINANCIAL RISK MANAGEMENT**

AASB 7

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

AASB 7.31,32,33

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
<b>Market risk - interest rates</b>	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
<b>Credit risk</b>	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
<b>Liquidity risk</b>	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

AASB7.31,34(c)

The City 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 department under policies approved by the council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

**(a) Interest rate risk**

**Cash and cash equivalents**

AASB 7.22A(a),(b)  
AASB 7.33(a),(b)

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

AASB 7.22A(c)  
AASB 7.34(a)

	<b>Weighted average interest rate</b>	<b>Carrying amounts</b>	<b>Fixed interest rate</b>	<b>Variable interest rate</b>	<b>Non interest bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2025</b>					
Cash and cash equivalents	2.40%	24,562,679	20,424,815	3,981,383	156,481
Financial assets at amortised cost - term deposits	2.51%	9,167,062	9,167,062	0	0
Financial assets at amortised cost - Treasury bonds	2.60%	2,000,000	2,000,000	0	0
<b>2024</b>					
Cash and cash equivalents	1.93%	19,641,775	11,454,473	7,918,843	268,459
Financial assets at amortised cost - term deposits	1.91%	7,106,849	7,106,849	0	0
Financial assets at amortised cost - Treasury bonds	1.96%	1,100,000	1,100,000	0	0

**Sensitivity**

AASB 7.40

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on profit or loss and equity*	39,814	79,188

\* Holding all other variables constant

**Borrowings**

AASB 7.22A(a),(b)  
AASB 7.33(a),(b)

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 32(a).

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

AASB 101.10(e)(ea)  
AASB 101.38

AASB 7

**26. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

**Trade and other receivables**

The City's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies.

The level of outstanding receivables is reported to council monthly and benchmarks are set and monitored for acceptable collection performance.

AASB 101.117 The City applies the AASB 9 Financial Instruments simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

AASB 7.35G The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2024 or 1 July 2025 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows for trade and other receivables.

		Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	<b>30 June 2025</b>					
	<b>Trade receivables</b>					
	Expected credit loss	0.99%	2.15%	4.88%	8.88%	
AASB 7.35K(a),(6)	Gross carrying amount	406,122	115,647	70,660	26,791	619,220
	Loss allowance	4,034	2,486	3,448	2,379	12,347
	<b>Other receivables</b>					
	Expected credit loss	0.25%	0.00%	0.00%	3.56%	
AASB 7.35K(a),(6)	Gross carrying amount	367,080	0	0	39,451	406,531
	Loss allowance	900	0	0	1,404	2,304
	<b>30 June 2024</b>					
	<b>Trade receivables</b>					
	Expected credit loss	0.95%	1.54%	3.64%	4.67%	
AASB 7.35K(a),(6)	Gross carrying amount	507,863	156,037	85,641	14,368	763,909
	Loss allowance	4,839	2,403	3,117	671	11,030
	<b>Other receivables</b>					
	Expected credit loss	0.14%	0.00%	3.76%	5.07%	
AASB 7.35K(a),(6)	Gross carrying amount	297,941	0	10,463	22,808	331,212
	Loss allowance	407	0	393	1,156	1,956



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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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AASB 101.10(e)(ea)  
AASB 101.38

AASB 7

**26. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk (Continued)**

AASB7(35H)(b)(iii)

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

		Trade receivables		Other receivables		Contract assets	
		2025 Actual	2024 Actual	2025 Actual	2024 Actual	2025 Actual	2024 Actual
		\$	\$	\$	\$	\$	\$
AASB 15.113(b)	Opening loss allowance as at 1 July	11,030	16,324	2,304	1,056	0	0
	Increase in loss allowance recognised in profit or loss during the year	4,897	1,317	1,980	1,659	8,740	0
AASB7(35I)(c)	Receivables written off during the year as uncollectible	(3,985)	(6,611)	(1,632)	0	0	0
AASB7(35I)(c)	Unused amount reversed	405	0	(348)	(759)	0	0
	<b>Closing loss allowance at 30 June</b>	<b>12,347</b>	<b>11,030</b>	<b>2,304</b>	<b>1,956</b>	<b>8,740</b>	<b>0</b>

AASB7(35F)(e)

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Contract assets**

AASB 15.118(b)

The City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The City applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

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AASB 101.10(e)(ea)

AASB 101.38

AASB 7

**26. FINANCIAL RISK MANAGEMENT (Continued)**

AASB 7.39

**(c) Liquidity risk**

**Payables and borrowings**

AASB 7.34(a)

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 20(d).

AASB 7(B11D)

The contractual undiscounted cash flows of the City's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant.

AASB 7.39(a),(b)

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying amount
<u>2025</u>	\$	\$	\$	\$	\$
Trade and other payables	4,169,296	0	0	4,169,296	4,169,296
Borrowings	3,272,841	9,677,335	4,230,472	17,180,648	15,322,633
Lease liabilities	221,134	316,127	0	537,261	507,877
	<u>7,663,271</u>	<u>9,993,462</u>	<u>4,230,472</u>	<u>21,887,205</u>	<u>19,999,806</u>

AASB 16.58

2024

Trade and other payables	3,688,810	0	0	3,688,810	3,688,810
Borrowings	3,202,910	9,274,566	5,324,355	17,801,831	15,739,207
Lease liabilities	139,471	251,450	0	390,921	368,836
	<u>7,031,191</u>	<u>9,526,016</u>	<u>5,324,355</u>	<u>21,881,562</u>	<u>19,796,853</u>

**CITY OF COUNTRY**  
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**27. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

Following the end of the financial year the City's administration building was significantly damaged by fire. The exact extent of the damage is yet to be quantified. The City maintains fire insurance cover and does not expect to incur significant financial loss as a result. Operations are expected to be disrupted for a period of six to nine months as repairs are undertaken.

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AASB 101.10(e)

AASB 101.38

AASB 101.17(b)

**28. OTHER MATERIAL ACCOUNTING POLICIES**

Interpretation 1031

**a) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

**b) Current and non-current classification**

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the City's intentions to release for sale.

**c) Rounding off figures**

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

**d) Comparative figures**

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

**e) Budget comparative figures**

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

**f) Superannuation**

The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

**g) Fair value of assets and liabilities**

Fair value is the price that the City would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

**h) Interest revenue**

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**i) Fair value hierarchy**

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

**Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**Valuation techniques**

The City selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the City are consistent with one or more of the following valuation approaches:

**Market approach**

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

**Income approach**

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

**Cost approach**

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the City gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**j) Impairment of assets**

In accordance with Australian Accounting Standards the City's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

AASB 13.93

AASB 13.93(d)

AASB 13.B5

AASB 13.B10

AASB 13.B8

AASB 136.9.12

FM Reg 17A(4C)

## CITY OF COUNTRY NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

### 29. FUNCTION AND ACTIVITY

#### (a) Service objectives and descriptions

City operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
<b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting council members and ratepayers on matters which do not concern specific local government services.
<b>General purpose funding</b> To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
<b>Law, order, public safety</b> To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<b>Health</b> To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
<b>Education and welfare</b> To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home care programs and youth services.
<b>Housing</b> To provide and maintain elderly residents housing.	Provision and maintenance of elderly residents housing.
<b>Community amenities</b> To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
<b>Recreation and culture</b> To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
<b>Transport</b> To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
<b>Economic services</b> To help promote the local government and its economic wellbeing.	Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.
<b>Other property and services</b> To monitor and control operating accounts.	Private works operation, plant repair and costs.

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**29. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

		<b>2025 Actual</b>	<b>2024 Actual</b>
		<b>\$</b>	<b>\$</b>
AASB 1052.11(b)(i)	<b>Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
	Governance	52,436	30,423
	General purpose funding	36,221,641	36,180,021
	Law, order, public safety	504,849	135,641
	Health	139,638	126,897
	Education and welfare	1,110,530	1,195,673
	Housing	1,684,130	1,670,441
	Community amenities	8,906,876	8,959,124
	Recreation and culture	2,244,328	2,267,646
	Transport	2,522,999	2,426,865
	Economic services	3,050,412	2,709,144
	Other property and services	2,093,687	1,990,780
		<b>58,531,526</b>	<b>57,692,655</b>
AASB 1052.11(b)(i)	<b>Grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
	General purpose funding	3,956,415	5,938,541
	Law, order, public safety	397,718	2,186,648
	Health	56,841	34,658
	Education and welfare	129,564	139,424
	Community amenities	671,000	36,874
	Recreation and culture	5,202,661	13,289,599
	Transport	7,985,476	4,823,307
	Economic services	3,640,025	506,282
	Other property and services	33,671	26,547
		<b>22,073,371</b>	<b>26,981,880</b>
	<b>Total income</b>	<b>80,604,897</b>	<b>84,674,535</b>
AASB 1052.11(b)(ii)	<b>Expenses</b>		
	Governance	(2,034,318)	(2,428,676)
	General purpose funding	(1,729,898)	(1,764,540)
	Law, order, public safety	(2,438,136)	(1,825,048)
	Health	(857,038)	(825,304)
	Education and welfare	(760,239)	(703,910)
	Housing	(1,692,346)	(1,650,743)
	Community amenities	(8,234,026)	(8,247,547)
	Recreation and culture	(15,299,118)	(14,346,764)
	Transport	(29,425,631)	(24,431,078)
	Economic services	(5,847,510)	(6,343,297)
	Other property and services	(78,594)	(70,548)
	<b>Total expenses</b>	<b>(68,396,854)</b>	<b>(62,637,455)</b>
AASB 1052.12	<b>Net result for the period</b>	<b>12,208,043</b>	<b>22,037,080</b>
AASB 1052.11(a)(ii)	<b>(c) Assets</b>		
	Governance	17,835,480	16,598,431
	General purpose funding	760,380	763,459
	Law, order, public safety	6,570,118	5,077,613
	Health	354,032	330,654
	Education and welfare	805,643	765,084
	Housing	5,322,480	7,306,584
	Community amenities	38,914,213	34,641,376
	Recreation and culture	113,467,811	109,137,155
	Transport	320,605,704	322,472,675
	Economic services	20,659,440	19,384,163
	Other property and services	72,651,348	70,659,841
	Unallocated	7,729,781	840,161
	<b>Total assets</b>	<b>605,676,430</b>	<b>587,977,196</b>

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

AASB 101.10(e)(ea)  
AASB 101.38

**30. RATING INFORMATION**

FM Reg 39(a)-(d)  
FM Reg 36(2)(d)

**(a) General rates**

**RATE TYPE**  
**Rate description**                      **Basis of valuation**

Residential                      Gross rental valuation  
Comm/Industrial                Gross rental valuation  
Rural                              Unimproved valuation  
Mining                            Unimproved valuation

**Total general rates**

**Minimum payment**

Residential                      Gross rental valuation  
Comm/Industrial                Gross rental valuation  
Rural                              Unimproved valuation  
Mining                            Unimproved valuation

**Total minimum payments**

**Total general rates and minimum payments**

**Specified area rates**

Country Water Scheme                Unimproved valuation

**Ex-gratia rates**

Rural                              Unimproved valuation

**Total amount raised from rates (excluding general rates)**

Discounts

Concessions

**Total rates**

**(b) Rates related information**

Rates instalment interest  
Rates instalment plan charges  
Rates overdue interest  
Rates written off

\*Rateable Value at time of raising of rate.

Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
9.6541	15,266	312,710,691	30,189,403	171,841	30,361,244	31,117,502	165,000	31,282,502	30,702,874
9.7661	2,106	22,275,990	2,175,495	0	2,175,495	1,151,024	0	1,151,024	1,149,688
0.4331	1,180	631,068,181	2,733,156	0	2,733,156	2,733,156	0	2,733,156	2,651,161
0.8662	5	325,674	2,821	0	2,821	2,821	0	2,821	2,793
	18,557	966,380,536	35,100,875	171,841	35,272,716	35,004,503	165,000	35,169,503	34,506,516
<b>Minimum payment \$</b>									
992	2,064	15,678,414	2,047,488	0	2,047,488	2,047,488	0	2,047,488	2,000,140
992	1,032	6,864,621	1,023,744	0	1,023,744	1,023,744	0	1,023,744	999,100
1,070	168	25,346,841	179,760	0	179,760	179,760	0	179,760	176,400
1,070	2	156,781	2,140	0	2,140	2,140	0	2,140	2,100
	3,266	48,046,657	3,253,132	0	3,253,132	3,253,132	0	3,253,132	3,177,740
	21,823	1,014,427,193	38,354,007	171,841	38,525,848	38,257,635	165,000	38,422,635	37,684,256
<b>Rate in \$</b>									
0.3000	17	42,039,333	126,118	250	126,368	126,050	0	126,050	123,434
0.4331	3	8,173,863	35,401	0	35,401	25,401	0	25,401	21,580
	20	50,213,196	161,519	250	161,769	151,451	0	151,451	145,014
					(866,480)			(836,797)	(807,546)
					(158,340)			(158,800)	(152,801)
					37,662,797			37,578,489	36,868,923
					142,613			143,000	140,560
					2,590			2,750	2,460
					195,035			160,000	174,756
					10,398			11,000	6,890

AASB 1058.B28

FM Reg 42(2)(a)

FM Reg 42(2)(c)

FM Reg 43(c)(ii)

AASB 1058.29(a) (i)

FM Reg 43(c)(i)

FM Reg 43(a)

FM Reg 42(d)

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**31. DETERMINATION OF SURPLUS OR DEFICIT**

Note	2024/25 (30 June 2025 carried forward) \$	2024/25 Budget (30 June 2025 carried forward) \$	2023/24 (30 June 2024 carried forward) \$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	(29,653)	(13,575)	(439,462)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(5,643)	(5,200)	(5,108)
Less: Share of net profit of associates and joint ventures accounted for using the equity method	(9,234)	(1,000)	7,947
Add: Loss on disposal of assets	298,878	97,420	41,763
Add: Loss on revaluation of fixed assets	9(a) 0	0	102,356
Add: Impairment of Plant and Equipment	8(a) 95,000	0	0
Add: Depreciation	10(a) 14,757,406	14,330,986	13,920,066
Non-cash movements in non-current assets and liabilities:			
Financial assets at amortised cost	(2,000,000)	0	0
Investment property	12 (111,274)	0	0
Pensioner deferred rates	(30,638)	30,080	0
Assets held for sale	7 653,000	0	0
Employee benefit provisions	45,757	0	(33,975)
Other provisions	(89,065)	0	90,456
Contract liabilities	0	650,000	(3,158,263)
Inventory	(2,209,401)	(1,370,687)	123,500
<b>Non-cash amounts excluded from operating activities</b>	<b>11,365,133</b>	<b>13,718,024</b>	<b>10,649,280</b>
<b>(b) Non-cash amounts excluded from investing activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to investing activities</b>			
Movement in non-current capital grant/contribution liability	(174,427)	(650,000)	(260,300)
Property, plant and equipment received for substantially less than fair value	8(a) 656,000	0	300,000
Infrastructure received for substantially less than fair value	9(a) 3,165,078	0	0
Acquisition of infrastructure by assuming directly related liabilities	112,988	0	0
Non cash capital grants, subsidies and contributions	(3,821,078)	0	(300,000)
Right of use assets received - non cash	11(a) 302,250	300,000	156,400
<b>Non-cash amounts excluded from investing activities</b>	<b>240,811</b>	<b>(350,000)</b>	<b>(103,900)</b>
<b>(c) Non-cash amounts excluded from financing activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to financing activities</b>			
Non cash proceeds from new leases	32(d) (302,250)	(300,000)	(156,400)
<b>Non-cash amounts excluded from financing activities</b>	<b>(302,250)</b>	<b>(300,000)</b>	<b>(156,400)</b>
<b>(d) Surplus or deficit after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	33 (18,120,032)	(17,555,512)	(15,924,018)
Less: Financial assets at amortised cost - self-supporting loans	4(a) (165,843)	(165,843)	(165,843)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	16 2,788,105	2,788,105	2,780,672
- Current portion of lease liabilities	11(b) 205,134	205,134	127,670
<b>Total adjustments to net current assets</b>	<b>(15,292,636)</b>	<b>(14,728,116)</b>	<b>(13,181,519)</b>
<b>Net current assets used in the Statement of financial activity</b>			
Total current assets	38,869,691	28,053,107	33,633,513
Less: Total current liabilities	(18,619,910)	(13,324,991)	(14,179,298)
Less: Total adjustments to net current assets	(15,292,636)	(14,728,116)	(13,181,519)
<b>Surplus or deficit after imposition of general rates</b>	<b>4,957,145</b>	<b>0</b>	<b>6,272,696</b>



**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**32. BORROWING AND LEASE LIABILITIES**

**(a) Borrowings**

FM Reg 48(f)  
 FM Reg 36(2)(d)

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024
		\$	\$	\$	\$	\$	\$	\$	\$
Library extensions		0	0	0	0	1,800,000	(76,851)	1,723,149	0
Oval lighting		966,723	0	(109,333)	857,390	0	(117,754)	739,636	857,390
Country Recreation Centre		6,941,785	0	(731,297)	6,210,488	0	(752,658)	5,457,830	6,210,488
Airport upgrades		6,404,155	0	(616,883)	5,787,272	0	(638,662)	5,148,610	5,787,272
Saleyard upgrades		976,632	0	(231,391)	745,241	0	(239,701)	505,540	745,241
Admin building roof		822,524	0	(80,023)	742,501	0	(82,654)	659,847	742,501
Factored Receivables		706,549	0	0	706,549	250,000	(392,451)	564,098	706,549
<b>Total</b>		16,818,368	0	(1,768,927)	15,049,441	2,050,000	(2,300,731)	14,798,710	15,049,441
<b>Self-supporting loans</b>									
DFES Headquarters		851,396	0	(161,630)	689,766	0	(165,843)	523,923	689,766
<b>Total self-supporting loans</b>		851,396	0	(161,630)	689,766	0	(165,843)	523,923	689,766
<b>Total borrowings</b>	16	17,669,764	0	(1,930,557)	15,739,207	2,050,000	(2,466,574)	15,322,633	15,739,207

FM Reg 48(f) (v)  
 FM Reg 48(f) (v)

Self-supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost.  
 All other loan repayments were financed by general purpose revenue.

**Borrowing finance cost payments**

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
					\$	\$	\$
Library extensions	259	WATC*	3.26%	30/03/2043	(29,340)	(29,340)	0
Oval lighting	256	WATC*	7.56%	20/04/2028	(62,635)	(62,635)	(71,056)
Country Recreation Centre	257	WATC*	2.90%	31/07/2029	(174,687)	(174,687)	(196,048)
Airport upgrades	252	WATC*	3.50%	30/08/2030	(197,015)	(197,015)	(218,794)
Saleyard upgrades	258	Bank	3.56%	1/02/2025	(24,417)	(24,417)	(32,727)
Admin building roof	254	WATC*	3.26%	28/02/2028	(23,537)	(23,537)	(26,168)
<b>Total</b>					(511,631)	(511,631)	(544,793)
<b>Self-supporting loans finance cost payments</b>							
DFES Headquarters	252	WATC*	2.59%		(16,798)	(16,798)	(21,011)
<b>Total self-supporting loans finance cost payments</b>					(16,798)	(16,798)	(21,011)
<b>Total finance cost payments</b>					(528,429)	(528,429)	(565,804)

\* WA Treasury Corporation

AASB 101.10(e)(ea)  
AASB 101.38

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

AASB 101.51

**32. BORROWING AND LEASE LIABILITIES (Continued)**

FM Reg 48(d)  
FM Reg 36(2)(d)

**(b) New borrowings - 2024/25**

Particulars/purpose	Institution	Loan type	Term years	Interest rate	Amount borrowed		Amount (used)		Total interest and charges	Actual balance unspent
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
				%	\$	\$	\$	\$	\$	\$
Library extensions	WATC*	Debenture	10	3.26%	1,800,000	2,000,000	(1,564,000)	(2,000,000)	293,400	236,000
					1,800,000	2,000,000	(1,564,000)	(2,000,000)	293,400	236,000

\* WA Treasury Corporation

FM Reg 48(a)

**(c) Unspent borrowings**

Particulars	Institution	Date Borrowed	Unspent balance 1 July 2024	Borrowed during 2024-25	Expended during 2024-25	Unspent balance 30 June 2025
			\$	\$	\$	\$
Country Recreation Centre	WATC*	1/10/2015	155,684	0	0	155,684
Library extensions	WATC*	30/09/2019	0	1,800,000	(1,564,000)	236,000
			155,684	1,800,000	(1,564,000)	391,684

\* WA Treasury Corporation

AASB 101.112

**(d) Lease liabilities**

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New leases during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024
		\$	\$	\$	\$	\$	\$	\$	\$
Ranger vehicles		0	156,400	(18,384)	138,016	0	(37,738)	100,278	138,016
Heavy plant		0	0	0	0	302,250	(35,539)	266,711	0
Land and building lease		317,685	0	(86,865)	230,820	0	(89,932)	140,888	230,820
<b>Total lease liabilities</b>	11(b)	317,685	156,400	(105,249)	368,836	302,250	(163,209)	507,877	368,836

**Lease finance cost payments**

Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Lease term
					\$	\$	\$	
Ranger vehicles	98341	Vehicle Leasing	3.50%	1/09/2027	(4,503)	(4,503)	(2,737)	48 months
Heavy plant	96353	Vehicle Leasing	3.50%	31/08/2028	(5,291)	(7,298)	0	48 months
Land and building lease	96354	Simple Leasing	3.50%	31/10/2026	(7,298)	(5,000)	(10,365)	48 months
<b>Total finance cost payments</b>					(17,092)	(16,801)	(13,102)	

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

FM Reg 36(1)(a)  
FM Reg 36(2)(d)  
FM Reg 38.1 (b-e)

**33. RESERVE ACCOUNTS**

**Restricted by legislation/agreement**

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance
	\$	\$	\$	\$
(a) Sewerage rate reserve	56,840	0	(10,654)	46,186
(b) Developer contributions reserve	664,810	1,356,840	0	2,021,650
(c) Aged persons unit reserve	10,650	2,000	0	12,650
(d) Payment in lieu of parking plan reserve	2,144,635	97,922	0	2,242,557
	2,876,935	1,456,762	(10,654)	4,323,043

**Restricted by council**

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance
	\$	\$	\$	\$
(e) Leave reserve	150,522	624	0	151,146
(f) Building reserve	4,301,443	2,525,065	(4,301,443)	2,525,065
(g) Airport reserve	2,190,421	2,242,959	(2,148,051)	2,285,329
(h) Waste management reserve	2,990,856	3,078,909	(466,143)	5,603,622
(i) Plant replacement reserve	1,772,154	132,532	(500,000)	1,404,686
(j) Asset management reserve	1,641,687	485,454	(300,000)	1,827,141
	13,047,083	8,465,543	(7,715,637)	13,796,989
	15,924,018	9,922,305	(7,726,291)	18,120,032

	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$
	56,840	0	0	56,840	56,840	0	0	56,840
	664,810	1,500,000	0	2,164,810	164,140	500,670	0	664,810
	10,650	2,000	0	12,650	8,400	2,250	0	10,650
	2,144,635	26,501	0	2,171,136	2,108,095	36,540	0	2,144,635
	2,876,935	1,528,501	0	4,405,436	2,337,475	539,460	0	2,876,935
	150,522	624	0	151,146	149,898	624	0	150,522
	4,301,443	0	(2,725,422)	1,576,021	10,641,967	1,376,855	(7,717,379)	4,301,443
	2,190,421	2,970,205	(1,019,571)	4,141,055	1,972,536	2,768,964	(2,551,079)	2,190,421
	2,990,856	2,322,700	(604,086)	4,709,470	1,379,579	3,087,434	(1,476,157)	2,990,856
	1,772,154	132,532	(801,060)	1,103,626	758,421	1,049,468	(35,735)	1,772,154
	1,641,687	92,671	(265,600)	1,468,758	(1,697,071)	3,513,758	(175,000)	1,641,687
	13,047,083	5,518,732	(5,415,739)	13,150,076	13,205,330	11,797,103	(11,955,350)	13,047,083
	15,924,018	7,047,233	(5,415,739)	17,555,512	15,542,805	12,336,563	(11,955,350)	15,924,018

AASB 1058.37

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

FM Reg 38(1)(a)

**Name of reserve account**  
**Restricted by legislation/agreement**

- (a) Sewerage rate reserve
- (b) Developer contributions reserve
- (c) Aged persons unit reserve
- (d) Payment in lieu of parking plan reserve

**Restricted by council**

- (e) Leave reserve
- (f) Building reserve
- (g) Airport reserve
- (h) Waste management reserve
- (i) Plant replacement reserve
- (j) Asset management reserve

**Purpose of the reserve account**

- to hold specified area rates as required by section 6.37.2(b) of the Local Government Act 1995.
- to hold developer contributions as required by State Planning Policy 3.6 Infrastructure Contributions (SPP 3.6).
- to hold funds from the joint operation in accordance with the agreement with Department of Communities.
- to hold payment in lieu of parking as required by section 2.771 of *Planning and Development (Local Planning Schemes) Regulations 2015*.
- To be used to pay annual and long service leave liabilities.
- Expenditure for the construction and maintenance of buildings.
- Expenditure for the future maintenance, development and improvements at the Country Airport.
- Expenditure for future waste management the rehabilitation, redevelopment and development of refuse sites.
- Future expenditure for replacement of plant.
- Expenditure for future renewal of fixed assets.

**CITY OF COUNTRY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**34. TRUST FUNDS**

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

LGA 3.47 (5)  
Fire and Emergency  
Services Act 1998 36U  
PDA 154  
LGA 6.9(4)

	1 July 2024	Amounts received	Amounts paid	30 June 2025
	\$	\$	\$	\$
Proceeds of sale of abandoned vehicles	684,691	326,401	(256,011)	755,081
ESL Levy	4,658	269,681	(258,097)	16,242
Cash-in-lieu of public open space	368,400	0	(56,897)	311,503
Unclaimed monies	6,587	2,568	(1,350)	7,805
	1,064,336	598,650	(572,355)	1,090,631