



SPECIAL SCHEDULES  
for the year ended 30 June 2018

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**“Australia's Wool & Cotton Capital”**

## Warren Shire Council

### Special Schedules for the year ended 30 June 2018

Contents		Page
<b>Special Schedules <sup>1</sup></b>		
<b>Special Schedule 1</b>	Net Cost of Services	2
<b>Special Schedule 2</b>	Permissible income for general rates	4
<b>Special Schedule 2</b>	Independent Auditors Report	5
<b>Special Schedule 3</b>	Water Supply Operations – incl. Income Statement	8
<b>Special Schedule 4</b>	Water Supply – Statement of Financial Position	11
<b>Special Schedule 5</b>	Sewerage Service Operations – incl. Income Statement	12
<b>Special Schedule 6</b>	Sewerage Service – Statement of Financial Position	15
<b>Notes to Special Schedules 3 and 5</b>		16
<b>Special Schedule 7</b>	Report on Infrastructure Assets	17

<sup>1</sup> Special Schedules are not audited (with the exception of Special Schedule 2).

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#### Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
  - the Australian Bureau of Statistics (ABS),
  - the NSW Office of Water (NOW), and
  - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
  - the incorporation of Local Government financial figures in national statistics,
  - the monitoring of loan approvals,
  - the allocation of borrowing rights, and
  - the monitoring of the financial activities of specific services.

## Warren Shire Council

Special Schedule 1 – Net Cost of Services  
for the year ended 30 June 2018

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
<b>Governance</b>	<b>508</b>	–	–	<b>(508)</b>
<b>Administration</b>	<b>2,545</b>	<b>306</b>	–	<b>(2,239)</b>
<b>Public order and safety</b>				
Fire service levy, fire protection, emergency services	190	22	–	<b>(168)</b>
Beach control	–	–	–	–
Enforcement of local government regulations	–	–	–	–
Animal control	110	2	–	<b>(108)</b>
Other	–	–	–	–
<b>Total public order and safety</b>	<b>300</b>	<b>24</b>	–	<b>(276)</b>
<b>Health</b>	<b>205</b>	–	–	<b>(205)</b>
<b>Environment</b>				
Noxious plants and insect/vermin control	103	–	–	<b>(103)</b>
Other environmental protection	135	–	–	<b>(135)</b>
Solid waste management	339	254	–	<b>(85)</b>
Street cleaning	122	–	–	<b>(122)</b>
Drainage	48	–	–	<b>(48)</b>
Stormwater management	–	–	–	–
<b>Total environment</b>	<b>747</b>	<b>254</b>	–	<b>(493)</b>
<b>Community services and education</b>				
Administration and education	75	112	–	<b>37</b>
Social protection (welfare)	–	–	–	–
Aged persons and disabled	–	–	–	–
Children's services	–	–	–	–
<b>Total community services and education</b>	<b>75</b>	<b>112</b>	–	<b>37</b>
<b>Housing and community amenities</b>				
Public cemeteries	83	43	–	<b>(40)</b>
Council Housing	60	38	–	<b>(22)</b>
Street lighting	100	29	–	<b>(71)</b>
Town planning	–	24	–	<b>24</b>
Other community amenities	17	–	–	<b>(17)</b>
<b>Total housing and community amenities</b>	<b>260</b>	<b>134</b>	–	<b>(126)</b>
<b>Water supplies</b>	<b>777</b>	<b>714</b>	<b>349</b>	<b>286</b>
<b>Sewerage services</b>	<b>808</b>	<b>570</b>	<b>231</b>	<b>(7)</b>

## Warren Shire Council

Special Schedule 1 – Net Cost of Services (continued)  
for the year ended 30 June 2018

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
<b>Recreation and culture</b>				
Public libraries	333	167	–	(166)
Museums	–	–	–	–
Art galleries	–	–	–	–
Community centres and halls	–	–	–	–
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	9	–	–	(9)
Sporting grounds and venues	359	286	–	(73)
Swimming pools	250	52	–	(198)
Parks and gardens (lakes)	312	79	–	(233)
Other sport and recreation	330	66	–	(264)
<b>Total recreation and culture</b>	<b>1,593</b>	<b>650</b>	<b>–</b>	<b>(943)</b>
<b>Fuel and energy</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Agriculture</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Mining, manufacturing and construction</b>				
Building control	–	3	–	3
Other mining, manufacturing and construction	30	1	–	(29)
<b>Total mining, manufacturing and const.</b>	<b>30</b>	<b>4</b>	<b>–</b>	<b>(26)</b>
<b>Transport and communication</b>				
Urban roads (UR) – local	223	–	–	(223)
Urban roads – regional	–	–	–	–
Sealed rural roads (SRR) – local	1,712	920	–	(792)
Sealed rural roads (SRR) – regional	1,514	1,792	–	278
Unsealed rural roads (URR) – local	1,339	367	–	(972)
Unsealed rural roads (URR) – regional	32	–	–	(32)
Bridges on UR – local	–	–	–	–
Bridges on SRR – local	125	–	–	(125)
Bridges on URR – local	–	–	–	–
Bridges on regional roads	60	–	–	(60)
Parking areas	–	–	–	–
Footpaths	59	188	–	129
Aerodromes	71	26	–	(45)
Other transport and communication	1,271	1,384	–	113
<b>Total transport and communication</b>	<b>6,406</b>	<b>4,677</b>	<b>–</b>	<b>(1,729)</b>
<b>Economic affairs</b>				
Camping areas and caravan parks	17	–	–	(17)
Other economic affairs	316	174	–	(142)
<b>Total economic affairs</b>	<b>333</b>	<b>174</b>	<b>–</b>	<b>(159)</b>
<b>Totals – functions</b>	<b>14,587</b>	<b>7,619</b>	<b>580</b>	<b>(6,388)</b>
<b>General purpose revenues <sup>(1)</sup></b>		<b>7,433</b>		<b>7,433</b>
<b>Share of interests – joint ventures and associates using the equity method</b>	<b>–</b>	<b>1</b>		<b>1</b>
<b>NET OPERATING RESULT <sup>(2)</sup></b>	<b>14,587</b>	<b>15,053</b>	<b>580</b>	<b>1,046</b>

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

## Warren Shire Council

Special Schedule 2 – Permissible income for general rates  
for the year ended 30 June 2019

\$'000		Calculation 2018/19	Calculation 2017/18
<b>Notional general income calculation <sup>(1)</sup></b>			
Last year notional general income yield	a	4,668	4,595
Plus or minus adjustments <sup>(2)</sup>	b	(32)	3
<b>Notional general income</b>	c = (a + b)	<b>4,636</b>	<b>4,598</b>
<b>Permissible income calculation</b>			
Special variation percentage <sup>(3)</sup>	d	0.00%	0.00%
Or rate peg percentage	e	2.30%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	–	–
Plus special variation amount	h = d x (c – g)	–	–
Or plus rate peg amount	i = c x e	107	69
Or plus Crown land adjustment and rate peg amount	j = c x f	–	–
<b>Sub-total</b>	k = (c + g + h + i + j)	<b>4,743</b>	<b>4,667</b>
Plus (or minus) last year's carry forward total	l	1	2
Less valuation objections claimed in the previous year	m	–	–
<b>Sub-total</b>	n = (l + m)	<b>1</b>	<b>2</b>
<b>Total permissible income</b>	o = k + n	<b>4,744</b>	<b>4,669</b>
Less notional general income yield	p	4,767	4,668
<b>Catch-up or (excess) result</b>	q = o – p	<b>(23)</b>	<b>1</b>
Plus income lost due to valuation objections claimed <sup>(4)</sup>	r	31	–
Less unused catch-up <sup>(5)</sup>	s	–	–
<b>Carry forward to next year</b>	t = q + r – s	<b>8</b>	<b>1</b>

**Notes**

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 2 in the financial data return (FDR) to administer this process.



## INDEPENDENT AUDITOR'S REPORT

### Special Schedule 2 - Permissible Income for general rates

#### Warren Shire Council

To the Councillors of Warren Shire Council

### Opinion

I have audited the accompanying Special Schedule 2 – Permissible Income for general rates (the Schedule) of Warren Shire Council (the Council) for the year ending 30 June 2019.

In my opinion, the Schedule of the Council for the year ending 30 June 2019 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

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

### Basis for Opinion

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

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

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

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

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

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

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

## **Emphasis of Matter – Basis of Accounting**

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

## **Other Information**

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and the Special Schedules excluding Special Schedule 2 (the other Schedules).

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

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

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

I have nothing to report in this regard.

## **The Councillors' Responsibilities for the Schedule**

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

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

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

My objectives are to:

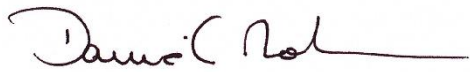
- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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

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

My opinion does *not* provide assurance:

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

A handwritten signature in black ink that reads "David Nolan". The signature is written in a cursive style with a long horizontal stroke at the end.

David Nolan  
Director, Financial Audit Services

16 October 2018  
SYDNEY



## Warren Shire Council

## Special Schedule 3 – Water Supply Income Statement

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2018

\$'000	2018	2017
<b>A Expenses and income</b>		
<b>Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	62	120
b. Engineering and supervision	56	56
<b>2. Operation and maintenance expenses</b>		
– dams and weirs		
a. Operation expenses	–	–
b. Maintenance expenses	–	–
– Mains		
c. Operation expenses	24	23
d. Maintenance expenses	122	148
– Reservoirs		
e. Operation expenses	3	9
f. Maintenance expenses	7	3
– Pumping stations		
g. Operation expenses (excluding energy costs)	73	5
h. Energy costs	83	50
i. Maintenance expenses	51	46
– Treatment		
j. Operation expenses (excluding chemical costs)	41	48
k. Chemical costs	30	25
l. Maintenance expenses	–	–
– Other		
m. Operation expenses	22	5
n. Maintenance expenses	15	11
o. Purchase of water	27	27
<b>3. Depreciation expenses</b>		
a. System assets	220	177
b. Plant and equipment	32	27
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	–	–
b. Revaluation decrements	–	–
c. Other expenses	31	23
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
<b>5. Total expenses</b>	<b>899</b>	<b>803</b>

## Warren Shire Council

## Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2018

\$'000	2018	2017
<b>Income</b>		
<b>6. Residential charges</b>		
a. Access (including rates)	315	311
b. Usage charges	286	279
<b>7. Non-residential charges</b>		
a. Access (including rates)	80	31
b. Usage charges	71	45
<b>8. Extra charges</b>	2	1
<b>9. Interest income</b>	6	17
<b>10. Other income</b>	5	12
<b>10a. Aboriginal Communities Water and Sewerage Program</b>	–	–
<b>11. Grants</b>		
a. Grants for acquisition of assets	349	352
b. Grants for pensioner rebates	9	10
c. Other grants	–	–
<b>12. Contributions</b>		
a. Developer charges	–	–
b. Developer provided assets	–	–
c. Other contributions	–	3
<b>13. Total income</b>	<u>1,123</u>	<u>1,061</u>
<b>14. Gain (or loss) on disposal of assets</b>	(1)	–
<b>15. Operating result</b>	<u>223</u>	<u>258</u>
<b>15a. Operating result (less grants for acquisition of assets)</b>	(126)	(94)

## Warren Shire Council

## Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2018

\$'000	2018	2017
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>16. Acquisition of fixed assets</b>		
a. New assets for improved standards	765	352
b. New assets for growth	–	–
c. Renewals	47	25
d. Plant and equipment	7	–
<b>17. Repayment of debt</b>	–	–
<b>18. Totals</b>	<b>819</b>	<b>377</b>
<b>Non-operating funds employed</b>		
<b>19. Proceeds from disposal of assets</b>	–	–
<b>20. Borrowing utilised</b>	–	–
<b>21. Totals</b>	<b>–</b>	<b>–</b>
<b>C Rates and charges</b>		
<b>22. Number of assessments</b>		
a. Residential (occupied)	889	889
b. Residential (unoccupied, ie. vacant lot)	69	65
c. Non-residential (occupied)	95	90
d. Non-residential (unoccupied, ie. vacant lot)		–
<b>23. Number of ETs for which developer charges were received</b>	– ET	– ET
<b>24. Total amount of pensioner rebates (actual dollars)</b>	\$ 16,961	\$ 17,434

## Warren Shire Council

## Special Schedule 4 – Water Supply Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis  
as at 30 June 2018

\$'000	Current	Non-current	Total
<b>ASSETS</b>			
<b>25. Cash and investments</b>			
a. Developer charges	–	–	–
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	144	–	144
<b>26. Receivables</b>			
a. Specific purpose grants	136	–	136
b. Rates and availability charges	19	4	23
c. User charges	98	20	118
d. Other	–	–	–
<b>27. Inventories</b>	–	–	–
<b>28. Property, plant and equipment</b>			
a. System assets	–	8,595	8,595
b. Plant and equipment	–	286	286
<b>29. Other assets</b>	–	–	–
<b>30. Total assets</b>	<u>397</u>	<u>8,905</u>	<u>9,302</u>
<b>LIABILITIES</b>			
<b>31. Bank overdraft</b>	–	–	–
<b>32. Creditors</b>	15	–	15
<b>33. Borrowings</b>	–	–	–
<b>34. Provisions</b>			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	3	6	9
<b>35. Total liabilities</b>	<u>18</u>	<u>6</u>	<u>24</u>
<b>36. NET ASSETS COMMITTED</b>	<u>379</u>	<u>8,899</u>	<u>9,278</u>
<b>EQUITY</b>			
<b>37. Accumulated surplus</b>			5,374
<b>38. Asset revaluation reserve</b>			3,904
<b>40. TOTAL EQUITY</b>			<u>9,278</u>
<b>Note to system assets:</b>			
<b>41. Current replacement cost</b> of system assets			16,994
<b>42. Accumulated current cost</b> depreciation of system assets			(8,399)
<b>43. Written down current cost</b> of system assets			<u>8,595</u>

## Warren Shire Council

## Special Schedule 5 – Sewerage Service Income Statement

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2018

\$'000	2018	2017
<b>A Expenses and income</b>		
<b>Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	63	101
b. Engineering and supervision	57	59
<b>2. Operation and maintenance expenses</b>		
– mains		
a. Operation expenses	–	3
b. Maintenance expenses	61	62
– Pumping stations		
c. Operation expenses (excluding energy costs)	5	–
d. Energy costs	25	25
e. Maintenance expenses	46	51
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	63	91
g. Chemical costs	–	–
h. Energy costs	–	1
i. Effluent management	–	–
j. Biosolids management	–	–
k. Maintenance expenses	8	5
– Other		
l. Operation expenses	–	–
m. Maintenance expenses	–	–
<b>3. Depreciation expenses</b>		
a. System assets	181	217
b. Plant and equipment	44	43
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	–	–
b. Revaluation decrements	–	–
c. Other expenses	10	11
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	–	–
<b>5. Total expenses</b>	<b>563</b>	<b>669</b>

## Warren Shire Council

## Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2018

\$'000	2018	2017
<b>Income</b>		
<b>6. Residential charges</b> (including rates)	417	397
<b>7. Non-residential charges</b>		
a. Access (including rates)	66	48
b. Usage charges	46	61
<b>8. Trade waste charges</b>		
a. Annual fees	–	–
b. Usage charges	–	–
c. Excess mass charges	–	–
d. Re-inspection fees	–	–
<b>9. Extra charges</b>	2	2
<b>10. Interest income</b>	71	63
<b>11. Other income</b>	2	4
<b>11a. Aboriginal Communities Water and Sewerage Program</b>	–	–
<b>12. Grants</b>		
a. Grants for acquisition of assets	231	53
b. Grants for pensioner rebates	8	9
c. Other grants	–	–
<b>13. Contributions</b>		
a. Developer charges	–	–
b. Developer provided assets	–	–
c. Other contributions	–	–
<b>14. Total income</b>	<u>843</u>	<u>637</u>
<b>15. Gain (or loss) on disposal of assets</b>	(370)	–
<b>16. Operating result</b>	<u>(90)</u>	<u>(32)</u>
<b>16a. Operating result (less grants for acquisition of assets)</b>	(321)	(85)

## Warren Shire Council

## Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2018

\$'000	2018	2017
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>17. Acquisition of fixed assets</b>		
a. New assets for improved standards	–	–
b. New assets for growth	–	–
c. Renewals	679	105
d. Plant and equipment	–	–
<b>18. Repayment of debt</b>	–	–
<b>19. Totals</b>	<b>679</b>	<b>105</b>
<b>Non-operating funds employed</b>		
<b>20. Proceeds from disposal of assets</b>	3	–
<b>21. Borrowing utilised</b>	–	–
<b>22. Totals</b>	<b>3</b>	<b>–</b>
<b>C Rates and charges</b>		
<b>23. Number of assessments</b>		
a. Residential (occupied)	777	777
b. Residential (unoccupied, ie. vacant lot)	18	18
c. Non-residential (occupied)	101	101
d. Non-residential (unoccupied, ie. vacant lot)		–
<b>24. Number of ETs for which developer charges were received</b>	– ET	– ET
<b>25. Total amount of pensioner rebates (actual dollars)</b>	\$ 15,299	\$ 15,684

## Warren Shire Council

## Special Schedule 6 – Sewerage Service Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis  
as at 30 June 2018

\$'000	Current	Non-current	Total
<b>ASSETS</b>			
<b>26. Cash and investments</b>			
a. Developer charges	–	–	–
b. Special purpose grants	–	–	–
c. Accrued leave	–	–	–
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	2,271	–	2,271
<b>27. Receivables</b>			
a. Specific purpose grants	18	–	18
b. Rates and availability charges	38	7	45
c. User charges	–	–	–
d. Other	2	–	2
<b>28. Inventories</b>	–	–	–
<b>29. Property, plant and equipment</b>			
a. System assets	–	7,784	7,784
b. Plant and equipment	–	573	573
<b>30. Other assets</b>	–	–	–
<b>31. Total assets</b>	<u>2,329</u>	<u>8,364</u>	<u>10,693</u>
<b>LIABILITIES</b>			
<b>32. Bank overdraft</b>	–	–	–
<b>33. Creditors</b>	–	–	–
<b>34. Borrowings</b>	–	–	–
<b>35. Provisions</b>			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	23	5	28
<b>36. Total liabilities</b>	<u>23</u>	<u>5</u>	<u>28</u>
<b>37. NET ASSETS COMMITTED</b>	<u>2,306</u>	<u>8,359</u>	<u>10,665</u>
<b>EQUITY</b>			
<b>38. Accumulated surplus</b>			4,110
<b>39. Asset revaluation reserve</b>			6,555
<b>41. TOTAL EQUITY</b>			<u>10,665</u>
<b>Note to system assets:</b>			
<b>42. Current replacement cost</b> of system assets			14,234
<b>43. Accumulated current cost</b> depreciation of system assets			(6,450)
<b>44. Written down current cost</b> of system assets			<u>7,784</u>



## Warren Shire Council

### Notes to Special Schedules 3 and 5 for the year ended 30 June 2018

#### Administration <sup>(1)</sup>

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Meter reading
- Bad and doubtful debts
- Other administrative/corporate support services

#### Engineering and supervision <sup>(1)</sup>

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Other technical and supervision staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.

**Operational expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

**Maintenance expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

**Other expenses** (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

**Revaluation decrements** (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

**Impairment losses** (item 4d and 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

**Aboriginal Communities Water and Sewerage Program** (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

**Residential charges** <sup>(2)</sup> (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a access charges (including rates if applicable) and 6b usage charges.

**Non-residential charges** <sup>(2)</sup> (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a access charges (including rates if applicable) and 7b usage charges.

**Trade waste charges** (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a annual fees, 8b usage charges and 8c excess mass charges and 8d re-inspection fees.

**Other income** (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

**Other contributions** (items 12c and 13c of Special Schedules 3 and 5 respectively) including capital contribution for water supply or sewerage services received by Council under Section 565 of the *Local Government Act*.

#### Notes:

<sup>(1)</sup> Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

<sup>(2)</sup> To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

## Warren Shire Council

## Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	2017/18 Required maintenance <sup>a</sup>	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
							1	2	3	4	5
<b>Buildings</b>	Buildings – non-specialised	40	85	127	5,335	8,225	60%	35%	5%	0%	0%
	Buildings – specialised	40	90	144	8,899	13,394	10%	70%	20%	0%	0%
	<b>Sub-total</b>	<b>80</b>	<b>175</b>	<b>271</b>	<b>14,234</b>	<b>21,619</b>	<b>29.0%</b>	<b>56.7%</b>	<b>14.3%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Other structures</b>	Other structures	40	20	85	5,992	11,864	8%	80%	12%	0%	0%
	<b>Sub-total</b>	<b>40</b>	<b>20</b>	<b>85</b>	<b>5,992</b>	<b>11,864</b>	<b>8.0%</b>	<b>80.0%</b>	<b>12.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Roads</b>	Sealed roads	300	960	1,298	94,699	108,923	70%	20%	10%	0%	0%
	Unsealed roads	300	660	1,218	23,205	25,944	50%	40%	10%	0%	0%
	Bridges	–	10	8	11,866	18,496	80%	20%	0%	0%	0%
	Footpaths	70	20	12	2,343	4,186	65%	20%	15%	0%	0%
	<b>Sub-total</b>	<b>670</b>	<b>1,650</b>	<b>2,536</b>	<b>132,113</b>	<b>157,549</b>	<b>67.7%</b>	<b>23.3%</b>	<b>9.0%</b>	<b>0.0%</b>	<b>0.0%</b>

## Warren Shire Council

## Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	2017/18 Required maintenance <sup>a</sup>	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
							1	2	3	4	5
Water supply network	Bores	–	4	–	531	1,043	75%	25%	0%	0%	0%
	Mains	100	80	147	3,196	9,324	10%	55%	25%	10%	0%
	Pumping Stations	25	85	124	1,212	1,522	80%	15%	5%	0%	0%
	Reservoirs	–	7	10	3,645	5,094	85%	15%	0%	0%	0%
	<b>Sub-total</b>	<b>125</b>	<b>176</b>	<b>281</b>	<b>8,584</b>	<b>16,983</b>	<b>42.8%</b>	<b>37.6%</b>	<b>14.2%</b>	<b>5.5%</b>	<b>0.0%</b>
Sewerage network	Treatment Plant	50	20	8	2,221	5,007	0%	10%	0%	90%	0%
	Mains	100	65	61	4,127	6,731	45%	40%	15%	0%	0%
	Pumping Stations	15	60	51	1,120	2,180	75%	20%	5%	0%	0%
	<b>Sub-total</b>	<b>165</b>	<b>145</b>	<b>120</b>	<b>7,468</b>	<b>13,918</b>	<b>33.5%</b>	<b>26.1%</b>	<b>8.0%</b>	<b>32.4%</b>	<b>0.0%</b>

## Warren Shire Council

## Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	2017/18 Required maintenance <sup>a</sup>	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
							1	2	3	4	5
Stormwater drainage	Stormwater drainage	30	10	8	2,197	3,993	80%	15%	5%	0%	0%
	<b>Sub-total</b>	<b>30</b>	<b>10</b>	<b>8</b>	<b>2,197</b>	<b>3,993</b>	<b>80.0%</b>	<b>15.0%</b>	<b>5.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Open space/recreational assets	Swimming pools	25	20	38	67	1,631	0%	15%	40%	45%	0%
	Other Recreational	10	25	46	762	2,087	25%	55%	20%	0%	0%
	<b>Sub-total</b>	<b>35</b>	<b>45</b>	<b>84</b>	<b>829</b>	<b>3,718</b>	<b>14.0%</b>	<b>37.5%</b>	<b>28.8%</b>	<b>19.7%</b>	<b>0.0%</b>
	<b>TOTAL – ALL ASSETS</b>	<b>1,145</b>	<b>2,221</b>	<b>3,385</b>	<b>171,417</b>	<b>229,644</b>	<b>56.4%</b>	<b>30.7%</b>	<b>10.2%</b>	<b>2.7%</b>	<b>0.0%</b>

## Notes:

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

## Infrastructure asset condition assessment 'key'

1	<b>Excellent/very good</b>	No work required (normal maintenance)
2	<b>Good</b>	Only minor maintenance work required
3	<b>Satisfactory</b>	Maintenance work required
4	<b>Poor</b>	Renewal required
5	<b>Very poor</b>	Urgent renewal/upgrading required

## Warren Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)  
for the year ended 30 June 2018

	Amounts 2018	Indicator 2018	Prior periods 2017 2016		Benchmark
<b>Infrastructure asset performance indicators * consolidated</b>					
<b>1. Buildings and infrastructure renewals ratio <sup>(1)</sup></b>					
Asset renewals <sup>(2)</sup>	<u>2,789</u>	<b>103.64%</b>	143.54%	136.44%	>= 100%
Depreciation, amortisation and impairment	<u>2,691</u>				
<b>2. Infrastructure backlog ratio <sup>(1)</sup></b>					
Estimated cost to bring assets to a satisfactory standard	<u>1,145</u>	<b>0.67%</b>	0.78%	0.76%	< 2.00%
Net carrying amount of infrastructure assets	<u>171,417</u>				
<b>3. Asset maintenance ratio</b>					
Actual asset maintenance	<u>3,385</u>	<b>152.41%</b>	158.27%	1.17%	> 100%
Required asset maintenance	<u>2,221</u>				

## Notes

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

<sup>(1)</sup> Excludes Work In Progress (WIP)

<sup>(2)</sup> Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

## Warren Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)  
for the year ended 30 June 2018

	General indicators <sup>(1)</sup>		Water indicators		Sewer indicators		Benchmark
	2018	2017	2018	2017	2018	2017	
<b>Infrastructure asset performance indicators by fund</b>							
<b>1. Buildings and infrastructure renewals ratio <sup>(2)</sup></b>							
Asset renewals <sup>(3)</sup>							
Depreciation, amortisation and impairment	<b>110.26%</b>	168.14%	<b>21.36%</b>	14.12%	<b>119.89%</b>	0.00%	>= 100%
<b>2. Infrastructure backlog ratio <sup>(2)</sup></b>							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	<b>0.55%</b>	0.67%	<b>1.46%</b>	1.50%	<b>2.21%</b>	2.16%	< 2.00%
<b>3. Asset maintenance ratio</b>							
Actual asset maintenance							
Required asset maintenance	<b>157.05%</b>	155.04%	<b>159.66%</b>	281.08%	<b>82.76%</b>	124.21%	> 100%

## Notes

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

(2) Excludes Work In Progress (WIP)

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