



Mildura Rural City Council

Annual Financial Report
For the Year Ended 30 June 2025



Mildura Rural City Council

Financial Report

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Certification of the Consolidated Financial Statements

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



Mark McMillan CPA

Principal Accounting Officer

Date : Friday, 24 October 2025

Mildura

In our opinion the accompanying consolidated financial statements present fairly the financial transactions of the Mildura Rural City Council Group and the Mildura Rural City Council for the year ended 30 June 2025 and the financial position of the Council as at that date.

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

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



Helen Healy

Mayor

Date : Friday, 24 October 2025

Mildura



Ali Cupper

Deputy Mayor

Date : Friday, 24 October 2025

Mildura



Kate Henschke

Acting Chief Executive Officer

Date : Friday, 24 October 2025

Mildura

Independent Auditor's Report

To the Councillors of Mildura Rural City Council

Opinion	<p>I have audited the consolidated financial report of Mildura Rural City Council (the council) and its controlled entities (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none">• consolidated entity and council balance sheet as at 30 June 2025• consolidated entity and council comprehensive income statement for the year then ended• consolidated entity and council statement of changes in equity for the year then ended• consolidated entity and council statement of cash flows for the year then ended• consolidated entity and council statement of capital works for the year then ended• notes to the financial statements, including material accounting policy information• certification of the consolidated financial statements. <p>In my opinion, the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the council as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's and the consolidated entity'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 inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's and the consolidated entity's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors • conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council and the consolidated entity to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the council and the consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the council and the consolidated entity. I remain solely responsible for my audit opinion.
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Auditor's responsibilities for the audit of the financial report	I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
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MELBOURNE
24 October 2025



Travis Derricott
as delegate for the Auditor-General of Victoria

Consolidated Comprehensive Income Statement For the Year Ended 30 June 2025

		Consolidated		Council	
	Note	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Income / revenue					
Rates and charges	3.1	89,157	85,633	89,256	85,733
Statutory fees and fines		2,282	2,018	2,282	2,018
User fees	3.2	12,098	12,385	5,877	6,589
Grants - operating	3.3	37,250	9,845	35,820	7,962
Grants - capital	3.3	8,265	11,557	8,140	10,809
Contributions - monetary	3.4	7,296	2,070	7,296	2,070
Contributions - non monetary	3.4	954	457	954	457
Net loss on disposal of property, infrastructure, plant and equipment		(1,843)	(811)	(1,912)	(811)
Other income	3.5	13,352	13,630	12,065	12,698
Asset recognition		4,357	4,697	4,357	4,697
Total income / revenue		173,168	141,481	164,135	132,222
Expenses					
Employee costs	4.1	(56,545)	(56,839)	(54,163)	(53,793)
Materials and services	4.2	(54,938)	(56,984)	(51,880)	(53,018)
Depreciation	4.3	(23,894)	(23,456)	(22,525)	(21,757)
Amortisation - intangible assets		(632)	(214)	(73)	(214)
Depreciation - right of use assets		(122)	(138)	(122)	(153)
Allowance for impairment loss		(6,763)	(69)	(74)	(69)
Borrowing costs		(553)	(736)	(534)	(562)
Finance costs - leases		(58)	(62)	(58)	(62)
Other expenses	4.4	(2,401)	(2,550)	(2,044)	(2,190)
Total expenses		(145,906)	(141,048)	(131,473)	(131,818)
Surplus for the year		27,262	433	32,662	404
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation gain	9.1(a)	60,822	40,030	60,822	40,042
Share of other comprehensive income of associates and joint ventures	9.1(c)	-	-	(5,400)	17
Total other comprehensive income		60,822	40,030	55,422	40,059
Total comprehensive result		88,084	40,463	88,084	40,463

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

Consolidated Balance Sheet As at 30 June 2025

		Consolidated		Council	
		2025	2024	2025	2024
	Note	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	5.1	19,192	10,266	16,644	7,284
Trade and other receivables	5.1	13,512	10,799	15,276	10,411
Other financial assets	5.1	53,050	49,050	53,050	49,050
Inventories		933	825	863	796
Prepayments		403	461	362	335
Total current assets		87,090	71,401	86,195	67,876
Non-current assets					
Trade and other receivables	5.1	-	-	7,189	8,166
Other assets	5.2	-	-	45,845	51,245
Other financial assets	5.1	27,500	20,000	27,500	20,000
Property, infrastructure, plant and equipment	6.1	1,218,254	1,157,877	1,157,440	1,097,310
Right-of-use assets		1,072	1,159	1,072	1,159
Intangible assets	5.2	14,674	17,432	13,905	11,672
Total non-current assets		1,261,500	1,196,468	1,252,951	1,189,552
Total assets		1,348,590	1,267,869	1,339,146	1,257,428
Liabilities					
Current liabilities					
Trade and other payables	5.3	2,246	3,182	1,505	1,214
Trust funds and deposits		2,819	3,134	2,819	3,134
Contract and other liabilities		685	93	283	59
Provisions	5.5	12,672	12,032	12,465	12,102
Interest-bearing liabilities	5.4	543	870	456	428
Lease liabilities		136	128	136	128
Total current liabilities		19,101	19,439	17,664	17,065
Non-current liabilities					
Provisions	5.5	19,116	25,529	19,092	25,498
Interest-bearing liabilities	5.4	7,734	8,243	7,450	7,906
Lease liabilities		1,331	1,434	1,331	1,434
Total non-current liabilities		28,181	35,206	27,873	34,838
Total liabilities		47,282	54,645	45,537	51,903
Net assets		1,301,308	1,213,224	1,293,609	1,205,525
Equity					
Accumulated surplus		491,145	490,480	462,828	456,763
Reserves	9.1	810,163	722,744	830,781	748,762
Total Equity		1,301,308	1,213,224	1,293,609	1,205,525

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

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

Consolidated			Accumulated	Revaluation	Other
	Note	Total	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000	\$'000
2025					
Balance at beginning of the financial year		1,213,224	490,480	682,487	40,257
Surplus for the year		27,262	27,262	-	-
Net asset revaluation gain	9.1	60,822	-	60,822	-
Transfers to other reserves	9.1(b)	-	6,634	-	(6,634)
Transfers from other reserves	9.1(b)	-	(33,231)	-	33,231
		88,084	665	60,822	26,597
Balance at end of the financial year		1,301,308	491,145	743,309	66,854
2024					
Balance at beginning of the financial year		1,172,761	475,003	642,457	55,301
Surplus for the year		433	433	-	-
Net asset revaluation gain	9.1	40,030	-	40,030	-
Transfers to other reserves	9.1(b)	-	27,726	-	(27,726)
Transfers from other reserves	9.1(b)	-	(12,682)	-	12,682
		40,463	15,477	40,030	(15,044)
Balance at end of the financial year		1,213,224	490,480	682,487	40,257

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

Consolidated Statement of Changes in Equity (Continued)

For the Year Ended 30 June 2025

Council			Accumulated	Revaluation	Other
	Note	Total	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000	\$'000
2025					
Balance at beginning of the financial year		1,205,525	456,763	674,582	74,180
Surplus for the year		32,662	32,662	-	-
Net asset revaluation gain	9.1	55,422	-	60,822	(5,400)
Transfers to other reserves	9.1(b)	-	6,634	-	(6,634)
Transfers from other reserves	9.1(b)	-	(33,231)	-	33,231
		88,084	6,065	60,822	21,197
Balance at end of the financial year		1,293,609	462,828	735,404	95,377
2024					
Balance at beginning of the financial year		1,165,062	441,307	634,540	89,215
Surplus for the year		404	404	-	-
Net asset revaluation gain	9.1	40,059	-	40,042	17
Transfers to other reserves	9.1(b)	-	27,726	-	(27,726)
Transfers from other reserves	9.1(b)	-	(12,674)	-	12,674
		40,463	15,456	40,042	(15,035)
Balance at end of the financial year		1,205,525	456,763	674,582	74,180

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

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

	Note	Consolidated		Council	
		2025	2024	2025	2024
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
Cash flows from operating activities					
Rates and charges		87,129	83,453	87,228	83,553
Statutory fees and fines		2,282	2,018	2,282	2,018
User fees		13,190	12,825	5,877	6,589
Grants - operating		39,141	9,306	37,611	8,360
Grants - capital		8,771	10,305	8,771	9,638
Contributions - monetary		7,661	2,174	7,661	2,174
Interest received		5,254	4,708	5,361	4,759
Trust funds and deposits taken		9,260	8,605	9,260	8,605
Other receipts		6,630	9,026	6,058	8,070
Net GST refund		1,804	3,454	2,287	3,856
Employee costs		(55,879)	(57,072)	(53,463)	(54,349)
Materials and services		(55,756)	(59,722)	(51,966)	(55,731)
Short-term, low value and variable lease payments		(35)	(130)	(35)	(130)
Trust funds and deposits repaid		(9,575)	(8,293)	(9,575)	(8,257)
Other payments		(2,151)	(2,290)	(3,500)	(4,188)
Net cash provided by operating activities	9.2	57,726	18,367	53,857	14,967
Cash flows from investing activities					
Proceeds from sale of property, infrastructure, plant and equipment		1,073	372	978	372
Payments for property, infrastructure, plant and equipment		(36,894)	(38,477)	(32,860)	(34,447)
Payments for investments		(11,500)	(2,283)	(11,500)	(2,283)
Net cash used in investing activities		(47,321)	(40,388)	(43,382)	(36,358)

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

Consolidated Statement of Cash Flows (Continued)

For the Year Ended 30 June 2025

	Note	Consolidated		Council	
		2025	2024	2025	2024
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
Cash flows from financing activities					
Proceeds from borrowings		37	-	-	-
Finance costs		(552)	72	(534)	(562)
Repayment of borrowings		(811)	(1,229)	(428)	(653)
Interest paid on lease liability		(58)	(221)	(58)	(62)
Repayment of lease liabilities		(95)	(228)	(95)	(41)
Net cash used in financing activities		(1,479)	(1,606)	(1,115)	(1,318)
Net increase/(decrease) in cash and cash equivalents		8,926	(23,627)	9,360	(22,709)
Cash and cash equivalents at the beginning of the financial year		10,266	33,893	7,284	29,993
Cash and cash equivalents at the end of the financial year	5.1	19,192	10,266	16,644	7,284

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

Consolidated Statement of Capital Works For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Property				
Land	-	1,373	-	1,373
Total land	-	1,373	-	1,373
Buildings	8,170	7,750	8,123	7,687
Total buildings	8,170	7,750	8,123	7,687
Total property	8,170	9,123	8,123	9,060
Plant and equipment				
Computers and telecommunications	344	282	344	282
Fixtures, fittings and furniture	25	1,166	25	1,042
Library books and art works	306	256	306	256
Plant, machinery and equipment	4,865	3,129	4,214	2,962
Total plant and equipment	5,540	4,833	4,889	4,542
Infrastructure				
Roads	9,715	11,201	9,715	11,201
Footpaths and cycle ways	540	773	540	773
Drainage	341	2,643	341	2,643
Recreational, leisure and community facilities	2,534	2,919	2,534	2,919
Waste management	2,120	74	2,120	74
Parks, open space and streetscapes	2,857	2,383	2,857	2,362
Kerb and channel	289	302	289	302
Off street car parks	721	689	721	375
Other infrastructure	1,078	1,033	-	-
Total infrastructure	20,195	22,017	19,117	20,649
Intangible				
Software	15	-	15	-
Water rights	247	197	247	197
Light State	2,257	2,517	-	-
Total intangible	2,519	2,714	262	197
Total capital works expenditure	36,424	38,687	32,391	34,448

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

Consolidated Statement of Capital Works (Continued) For the Year Ended 30 June 2025

	Consolidated		Council	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Represented by:				
New asset expenditure	6,448	14,124	5,797	13,733
Asset renewal expenditure	20,489	17,351	20,489	16,907
Asset expansion expenditure	3,154	1,116	3,154	672
Asset upgrade expenditure	3,814	3,382	2,689	2,939
Intangibles	2,519	2,714	262	197
Total capital works expenditure	36,424	38,687	32,391	34,448

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

Notes to the Financial Report For the Year Ended 30 June 2025

Note 1 OVERVIEW

Introduction

The Mildura Rural City Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate. These financial statements are the consolidated Group accounts for Mildura Rural City Council ("Council") and its controlled entities. Council's main office is located at 108 - 116 Madden Avenue, Mildura.

Statement of compliance

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

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

Accounting policy information

1.1 Basis of accounting

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

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

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

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

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

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

Notes to the Financial Report For the Year Ended 30 June 2025

1.1 Basis of accounting (cont'd)

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 6.1)
- the determination of employee provisions (refer to note 5.5)
- the determination of landfill provisions (refer to note 5.5)
- the determination of the value as an intangible asset for the Light State project (refer to note 5.2)
- the determination of the useful life for the Light State project (refer to note 6.1)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgments.

The consolidated results in the financial report include all entities controlled and all funds through which the Council controls resources to carry on its functions, such as special committees of management. In the process of reporting on the Council as a consolidated unit, all intra and inter entity balances and transactions have been eliminated.

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

Goods and Services Tax (GST)

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

1.2 Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2025, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements. Consolidated entities of Council are currently not using fair value measurement of their land and buildings. The effects are not considered material.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

Entities consolidated into Council include:

- Mildura Airport Pty Ltd - MAPL - 100% owned
- Mildura Tourism and Economic Development Ltd trading as Mildura Regional Development - MRD - 100% owned.

Notes to the Financial Report For the Year Ended 30 June 2025

Note 2 ANALYSIS OF OUR RESULTS

Note 2.1 Performance against budget

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

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

2.1.1 Income / Revenue and expenditure	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
Income / Revenue					
Rates and charges	90,233	89,256	(977)	(1)	
Statutory fees and fines	2,349	2,282	(67)	(3)	
User fees	8,073	5,877	(2,196)	(27)	1
Grants - operating	24,790	35,820	11,030	44	2
Grants - capital	9,643	8,140	(1,503)	(16)	3
Contributions - monetary	1,606	7,296	5,690	354	4
Contributions - non monetary	1,800	954	(846)	(47)	5
Net loss on disposal of property, infrastructure, plant and equipment	(1,600)	(1,912)	(312)	20	6
Other income	8,782	12,065	3,283	37	7
Asset recognition	-	4,357	4,357	100	8
Total income / revenue	145,676	164,135	18,459	13	
Expenses					
Employee costs	(56,230)	(54,163)	(2,067)	4	
Materials and services	(52,214)	(51,880)	(334)	1	
Depreciation	(22,514)	(22,525)	11	-	
Amortisation - intangible assets	(192)	(73)	(119)	62	
Depreciation - right of use assets	(52)	(122)	70	(135)	
Allowance for impairment loss	(31)	(74)	43	(139)	
Borrowing costs	(643)	(534)	(109)	17	
Finance costs - leases	(44)	(58)	14	(32)	
Other expenses	(1,931)	(2,044)	113	(6)	
Total expenses	(133,851)	(131,473)	(2,378)	2	
Surplus/(deficit) for the year	11,825	32,662	16,081	136	

Notes to the Financial Report For the Year Ended 30 June 2025

2.1 Performance against budget (cont'd)

(i) Explanation of material variations

Variance		
Ref	Item	Explanation
1	User fees	Waste management services or landfill fees reduced with more commercial waste being delivered to Buronga Landfill reducing Council's income. Child care related user fees reduced in line with increased grant funding being provided.
2	Grants - operating	Financial Assistance Grants for 2025/26 were paid by the Victorian Grant Commission in advance in June 2025. This results in timing variance compared to budget forecast as Council receives advanced payment of next financial year funding.
3	Grants - capital	Capital grants were lower due to timing of capital works projects which will carry forward to 2025/26 financial year.
4	Contributions - monetary	Increase is due to developer contribution plan fees being received during the financial year. The capital budget includes a nominal budget amount each year as the timing of payments is difficult to predict, thus causing a variation to adopted budget.
5	Contributions - non monetary	Non-monetary contributions are due to works completed for residential sub-divisions and the developer contribution plan. These contributions are received in lieu of cash, and are recognised when control of asset is handed over to Council. Therefore the timing of this is difficult to predict in which it's common to have a variance to budget.

Notes to the Financial Report
For the Year Ended 30 June 2025

2.1 Performance against budget (cont'd)

(i) Explanation of material variations (cont'd)

Variance Ref		
6	Net loss on disposal of property, infrastructure, plant and equipment	This relates to the disposal of assets commonly associated with the asset renewal program. The timing of these disposals is subject to variation with timing differences between financials statements and budget a normal occurrence.
7	Other income	Interest income has increased above budget as Council continued to maintain longer term investment deposits increasing investment income. Reimbursements increased due to Lightstate project which is a neutral impact to Council position with equal income and expenditure offsetting.
8	Asset recognition	These are accounting entries only (non-cash), and result from internal asset procedures and audits of fixed assets. These found assets are then valued and included on Council's fixed asset register.

Notes to the Financial Report For the Year Ended 30 June 2025

2.1.2 Capital works	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
Property					
Buildings	17,313	8,123	(9,190)	(53)	1
Total property	17,313	8,123	(9,190)	(53)	
Plant and equipment					
Computers and telecommunications	1,095	344	(751)	(69)	2
Fixtures, fittings and furniture	780	25	(755)	(97)	3
Library books and artworks	559	306	(253)	(45)	4
Plant, machinery and equipment	4,439	4,214	(225)	(5)	
Total plant and equipment	6,873	4,889	(1,984)	(29)	
Infrastructure					
Roads	10,975	9,715	(1,260)	(11)	5
Footpaths and cycle ways	1,411	540	(871)	(62)	6
Drainage	5,190	341	(4,849)	(93)	7
Recreational, leisure and community facilities	3,315	2,534	(781)	(24)	8
Waste management	609	2,120	1,511	248	9
Parks, open space and streetscapes	2,897	2,857	(40)	(1)	
Kerb and channel	-	289	289	100	10
Off street car parks	863	721	(142)	(16)	
Total infrastructure	25,260	19,117	(6,143)	(24)	
Intangible					
Water rights	250	247	(3)	(1)	
Software	-	15	15	100	
Total intangible	250	262	12	5	
Total capital works expenditure	49,696	32,391	(17,305)	(35)	
Represented by:					
New asset expenditure	12,846	5,797	(7,049)	(55)	
Asset renewal expenditure	27,711	20,489	(7,222)	(26)	
Asset expansion expenditure	3,084	3,154	70	2	
Asset upgrade expenditure	5,855	2,689	(3,166)	(54)	
Intangibles	200	262	62	31	
Total capital works expenditure	49,696	32,391	(17,305)	(35)	

Notes to the Financial Report For the Year Ended 30 June 2025

2.1 Performance against budget (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	The variance is due to several large building projects requiring a budget commitment in the planning phase to align with grant applications and agreements. As these projects move to the delivery phase there is typically a timing difference between the approved budget and actual expenditures with these projects spanning over multiple financial years.
2	Computers and telecommunications	Delays in finalising tenders have impacted the implementation of the first stage of new software system which will carry forward to next financial year.
3	Fixtures, fittings and furniture	Awaiting completion of projects and final invoicing which will occur in 2025/26 financial year. Remaining budgets will be carried forward.
4	Library books and artworks	Artwork and related conservation was less than the adopted budget. This expenditure is dependent on suitable acquisition opportunities and also contractor availability.
5	Roads	Two programs of works (shoulder and gravel resheeting) are behind forecast due to staff shortages and reprioritisation of works. Merbein pedestrian and cyclist safety project delayed due to timing, contractor has commenced. Other road safety projects are multi-year continuing into the 2025/26 financial year.
6	Footpaths and cycle ways	Delays in contractor commencement for two tracks and trails projects has resulted in budget underspend. These will now carry forward into the next financial year.
7	Drainage	The majority of variance is attributed to the Nichols Point Recreation Reserve drainage upgrade. Projects was approved in adopted budget and commenced in May 2025.

**Notes to the Financial Report
For the Year Ended 30 June 2025**

2.1 Performance against budget (cont'd)

(i) Explanation of material variations (cont'd)

8	Recreational, leisure and community facilities	Several projects were unsuccessful in receiving grant funding and have therefore been delayed. Council continues to seek additional funding opportunities, rescoping works and review prioritisation of listed projects.
9	Waste management	The Ouyen Landfill Rehabilitation project was carried forward from the previous financial year with final invoicing and completion occurring in 2024/25 financial year.
10	Kerb and channel	Project was carried forward from the previous financial year with final expenditure being paid in 2024/25 resulting in a variance.

Notes to the Financial Report For the Year Ended 30 June 2025

Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following departments.

Corporate Performance

The Corporate Performance Department is comprised of the following areas; Project Development Office, Communications, Financial Services, Governance, Information Systems, People, and Organisational Performance. The Communications branch includes teams from Communication Planning, Digital and Graphic Design, and Media and Public Relations. Financial Services encompasses Financial Services Management, Management Accounting, Procurement, Finance Systems, Property Services, Fleet and Workshop. The Governance branch is made up of teams from Governance and Risk, Cemetery Operations, and Emergency Management. The Information Systems branch includes Business Applications, IT Infrastructure and Information Management. The People branch includes Human Resources, Occupational Health and Safety, Employee Relations and Payroll Services. The Organisational Performance branch consist of Customer Experience, Service Planning, Business Improvement, and Planning and Reporting. The Project Development Office is responsible for Major Projects and governance of the Capital Works Program.

Financial Management

Financial Management encompasses functions of Council services including rates, depreciation, investment income, borrowing costs, and developer contributions. It also includes business units that are non core Council activities such as Hands up Mallee, Mildura Airport, and Mildura Regional Development.

Infrastructure and Assets

The Infrastructure and Assets Department is comprised of following branches; Engineering Development and Delivery, Works and Infrastructure, Civic Compliance, Facilities and Assets, and Waste Services. The Engineering Development and Delivery team consist of Engineering Design, Infrastructure Development, Facility Projects, and Capital Works Project Delivery. The Works and Infrastructure branch includes teams from Infrastructure Services Support, Infrastructure Works and Infrastructure Services. Waste Services includes Waste Education, Contract Management and Compliance, Weighbridge and Reporting, Waste Facilities and Waste Operations. The Civic Compliance team includes Municipal Buildings, Environmental Health and Local Laws. The Facilities and Assets branch includes Asset Preservation, Strategic Asset Systems, Facility Services, and Inspections and Reporting.

Healthy Communities

The Healthy Communities Department is comprised of the following branches; Community Partnerships, Community Care, Libraries and Knowledge Hubs, and Parks and Recreation. The Community Partnerships branch includes teams from Community Development, Community Wellbeing and Environmental Sustainability. The Community Care branch includes Youth Engagement, Early Years and Community Health. The Libraries and Knowledge Hubs is made up of Collections and Technology, and Operations and Services. The Parks and Recreation branch includes Parks and Gardens, Mildura Sporting Precinct, and Recreation Development.

Strategy and Growth

The Strategy and Growth Department is comprised of the following areas; Arts Culture and Venues, Strategic Planning, Statutory Planning, Economic Development and Tourism, and Light State Project. Arts, Culture and Venue branch consist of Tech Services, Gallery and Heritage, Marketing and Development and Community Placemaking. The Statutory Planning branch is responsible for Land Use Planning, and Statutory Planning team includes Statutory Planning, Town Planning and Enforcement. The Economic Development and Tourism branch includes teams for Economic Development, Strategic Projects, Grants, Tourism, Events, and Visitor Information Centre. This also includes oversight of the Mildura City Heart, and Council's wholly owned subsidiary, the Mildura Airport Ltd.

Executive

The Executive Department comprises the Chief Executive Officer, Service Performance and Partnerships and activities relating to Councillors. Service Performance and Partnerships is responsible for service planning and the service review program across the organisation.

Notes to the Financial Report For the Year Ended 30 June 2025

2.2.2 Summary of income, expenses, assets and capital expenses by program

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2025					
Healthy Communities	7,167	(24,255)	(17,088)	4,139	247,108
Financial Management	145,759	(25,962)	119,797	39,035	264,414
Corporate Performance	2,211	(26,546)	(24,335)	140	270,381
Infrastructure and Assets	4,967	(41,748)	(36,781)	440	425,220
Strategy and Growth	4,029	(11,660)	(7,631)	206	118,762
Executive	2	(1,302)	(1,300)	-	13,261
	164,135	(131,473)	32,662	43,960	1,339,146

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Healthy Communities	8,009	(24,931)	(16,922)	4,316	237,820
Financial Management	112,873	(27,724)	85,149	13,497	264,462
Corporate Performance	2,306	(25,048)	(22,742)	226	238,936
Infrastructure and Assets	5,849	(42,765)	(36,916)	520	407,941
Strategy and Growth	3,184	(10,266)	(7,082)	212	97,929
Executive	1	(1,084)	(1,083)	-	10,340
	132,222	(131,818)	404	18,771	1,257,428

Notes to the Financial Report For the Year Ended 30 June 2025

Consolidated		Council	
2025	2024	2025	2024
\$'000	\$'000	\$'000	\$'000

Note 3 Funding for the delivery of our services

3.1 Rates and charges

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

The valuation base used to calculate general rates for 2024/25 is \$15.91 billion (2023/24 was \$15.25 billion).

General rates	45,064	44,302	45,064	44,302
Waste management charge	14,881	13,341	14,881	13,341
Mildura City Heart special rate	679	661	679	661
Business differential rate	13,162	12,558	13,261	12,658
Farming differential rate	14,799	14,400	14,799	14,400
Revenue in lieu of rates	572	371	572	371
Total rates and charges	89,157	85,633	89,256	85,733

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

Annual rates and charges are recognised as revenues when Council issues annual rates notices.

Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 User fees

Child care/children's programs	473	442	473	442
Waste management services	1,562	2,247	1,562	2,247
Other fees and charges	414	441	414	441
Rent/lease fees	1,734	1,598	1,197	1,131
Animal control and local laws	695	622	695	622
Environmental health services	311	285	311	285
Airport fees and charges	5,436	5,329	-	-
Contract works	276	329	276	329
Entrance charges	984	883	736	883
Commission/agency fees	213	209	213	209
Total user fees	12,098	12,385	5,877	6,589

**Notes to the Financial Report
For the Year Ended 30 June 2025**

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
3.2 User fees (cont'd)				
User fees by timing of revenue recognition				
User fees recognised at a point in time	12,098	12,385	5,877	6,589
Total user fees	12,098	12,385	5,877	6,589

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

3.3 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

Commonwealth funded grants	37,086	10,296	36,961	9,350
State funded grants	8,429	11,106	6,999	9,421
Total grants received	45,515	21,402	43,960	18,771

(a) Operating grants

Recurrent - Commonwealth Government

Financial assistance grants	29,734	832	29,734	832
General home care	32	194	32	194
Hands up Mallee	1,161	1,104	1,161	1,104

Recurrent - State Government

Aged and disability services	4	2	4	2
School crossing supervisors	235	228	235	228
Libraries	444	443	444	443
Community safety	156	103	156	103
Community health	1,721	1,606	1,721	1,606
Early years	438	439	438	439
Youth services	323	302	323	302
Arts and culture	190	190	190	190
Works and infrastructure services	101	161	101	161
Other	10	-	10	-
Total recurrent operating grants	34,549	5,604	34,549	5,604

Notes to the Financial Report
For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
3.3 Funding from other levels of government (cont'd)				
<i>Non-recurrent - Commonwealth Government</i>				
Airport operations	-	198	-	-
Early years	330	271	330	271
Recreation and sport	-	750	-	750
Other	12	-	12	-
<i>Non-recurrent - State Government</i>				
Community health	81	184	81	184
Family and children	412	242	412	242
Environmental sustainability	108	182	108	182
Economic development and tourism	1,430	1,685	-	-
Libraries	-	5	-	5
Sunraysia Pest Free	125	496	125	496
COVID-19 program funding	-	60	-	60
Emergency management and recovery	120	120	120	120
Event projects	-	8	-	8
Strategic planning	-	15	-	15
Planning and development	37	15	37	15
Recreation and sport	45	10	45	10
Other	1	-	1	-
Total non-recurrent operating grants	2,701	4,241	1,271	2,358
Total operating grants	37,250	9,845	35,820	7,962
(b) Capital grants				
<i>Recurrent - Commonwealth Government</i>				
Roads to recovery	2,795	2,811	2,795	2,811
Early learning	23	-	23	-
Total recurrent capital grants	2,818	2,811	2,818	2,811

Notes to the Financial Report
For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
3.3 Funding from other levels of government (cont'd)				
<i>Non-recurrent - Commonwealth Government</i>				
Buildings	257	1,182	257	1,182
Footpaths and cycleways	-	850	-	850
Roads	1,070	306	1,070	306
Parks, open space and streetscapes	1,220	424	1,220	424
Off street car parks	327	626	327	626
Airport operations	125	748	-	-
<i>Non-recurrent - State Government</i>				
Buildings	1,021	3,023	1,021	3,023
Recreation and sport	678	214	678	214
Fixtures, fittings and furniture	50	696	50	696
Parks open space and streetscapes	227	259	227	259
Roads	265	347	265	347
Footpaths	140	-	140	-
Waste	67	-	67	-
Off street car parks	-	71	-	71
Total non-recurrent capital grants	5,447	8,746	5,322	7,998
Total capital grants	8,265	11,557	8,140	10,809

(c) Recognition of grant income

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

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

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

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

Notes to the Financial Report
For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
3.3 Funding from other levels of government (cont'd)				
Income recognised under AASB 1058 Income of Not-for-Profit Entities				
General purpose	29,734	832	29,734	832
Other specific purpose grants	15,498	20,511	13,943	17,880
Revenue recognised under AASB 15 Revenue from Contracts with Customers				
Specific purpose grants	283	59	283	59
	45,515	21,402	43,960	18,771
 (d) Unspent grants received on condition that they be spent in a specific manner				
Operating				
Balance at start of year	59	1,692	59	691
Received during the financial year and remained unspent at balance date	226	59	226	59
Received in prior years and spent during the financial year	(59)	(1,692)	(59)	(691)
Balance at year end	226	59	226	59
Capital				
Balance at start of year	-	1,079	-	1,079
Received during the financial year and remained unspent at balance date	57	-	57	-
Received in prior years and spent during the financial year	-	(1,079)	-	(1,079)
Balance at year end	57	-	57	-
Total	283	59	283	59

Unspent grants are determined and disclosed on a cash basis.

Notes to the Financial Report
For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
3.4 Contributions				
Monetary	7,296	2,070	7,296	2,070
Non-Monetary	954	457	954	457
Total contributions	8,250	2,527	8,250	2,527
3.5 Other income				
Interest	4,676	4,250	4,783	4,292
Interest on rates	565	454	565	454
Sales	1,594	1,673	778	688
Other income	1,832	316	19	194
Child care reimbursement	1,778	1,773	1,778	1,773
Fuel tax rebate	199	224	199	224
Workcover costs reimbursements	116	341	116	341
Legal costs recouped	51	60	51	60
Airport reimbursement	3	5	3	5
Cemetery reimbursement	872	793	872	793
Utilities reimbursement	29	20	29	20
Youth case management reimbursement	56	398	56	398
Insurance reimbursement	76	698	76	826
Other costs reimbursed	1,505	2,625	2,740	2,630
Total other income	13,352	13,630	12,065	12,698

Interest is recognised as it is earned.

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

Notes to the Financial Report For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Note 4 The cost of delivering services				
4.1 (a) Employee costs				
Wages and salaries	50,664	51,468	48,519	48,679
Payroll tax	7	10	7	9
Superannuation	5,632	5,211	5,395	4,955
Fringe benefits tax	242	150	242	150
Total employee costs	56,545	56,839	54,163	53,793

Wages and salaries increased year on year due to the annual Enterprise Agreement increase of 3.0% and the recruitment of staff into vacant positions that were open at the beginning of the year, and to replace staff who left during the year. Superannuation contributions increased to 11.5% for 2024/25 (2023/24: 11.0%) in line with the superannuation guarantee.

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities
Superannuation Fund (Vision Super)

	243	267	243	267
Total defined benefit fund contributions	243	267	243	267
Employer contributions payable at reporting date.	-	-	-	-

Accumulation funds

Employer contributions to Local Authorities
Superannuation Fund (Vision Super)

	1,840	1,767	1,840	1,767
Employer contributions - other funds	3,549	3,177	3,312	2,921
Total accumulation funds contributions	5,389	4,944	5,152	4,688

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund, and other industry and retail super funds. Obligations for contributions are recognised as an expense in the comprehensive income statement when they are made or due. As of 30 June 2025, Council has 18 employees in the defined benefits funds, with the majority of employer contributions made as accumulation funds.

For the 30 June 2024 the Vested Benefits Index (VBI) for the defined benefits funds was 105.4%. If the Defined Benefits category is in an unsatisfactory financial position at an actuarial investigation, the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%). For 30 June 2025 the vested benefit index (VBI) was 110.5% based on an interim actuarial investigation.

**Notes to the Financial Report
For the Year Ended 30 June 2025**

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
4.2 Materials and services				
Building maintenance	2,356	2,044	2,356	2,044
General maintenance	1,600	640	1,041	640
Utilities	3,867	3,660	3,678	3,329
Office administration	1,386	1,526	919	999
Information technology	3,060	2,832	2,911	2,708
Insurance	2,044	1,816	2,043	1,809
Consultants	2,118	2,463	2,118	2,463
Contracts other	8,848	11,478	9,680	11,057
Waste management contracts	7,073	6,138	7,073	6,138
Swimming pools	2,159	2,065	2,159	2,065
Environmental protection waste levy	3,268	4,839	3,268	4,839
Grants, contributions and donations	2,391	2,489	2,416	3,860
Materials purchased	8,936	7,543	8,574	7,090
Plant and vehicle costs	3,816	4,192	2,157	2,326
Training	1,359	1,147	1,349	1,144
Other materials and contractors	657	2,112	138	507
Total materials and services	54,938	56,984	51,880	53,018

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

4.3 Depreciation

Buildings	4,707	3,668	4,539	3,441
Plant and equipment	3,706	3,742	3,457	3,377
Infrastructure	15,481	16,046	14,529	14,939
Total depreciation	23,894	23,456	22,525	21,757

Refer to note 5.2(c) and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	110	112	98	92
Auditors' remuneration - Internal audit	115	276	115	276
Councillors' allowances	387	395	387	395
Directors' fees	162	140	-	-
Refunds	93	123	93	123
Operating lease rentals	645	587	645	570
Others	889	917	706	734
Total other expenses	2,401	2,550	2,044	2,190

**Notes to the Financial Report
For the Year Ended 30 June 2025**

Consolidated		Council	
2025	2024	2025	2024
\$'000	\$'000	\$'000	\$'000

Note 5 INVESTING IN AND FINANCING OUR OPERATIONS

5.1 Financial assets

(a) Cash and cash equivalents

Cash on hand	29	39	10	10
Cash at bank	17,228	7,918	16,634	7,274
Term deposits	1,935	2,309	-	-
Total cash and cash equivalents	19,192	10,266	16,644	7,284

(b) Other financial assets

Current

Term deposits	53,050	49,050	53,050	49,050
Total current other financial assets	53,050	49,050	53,050	49,050

Non-current

Term deposits	27,500	20,000	27,500	20,000
Total non-current other financial assets	27,500	20,000	27,500	20,000

Total other financial assets

Total cash and cash equivalents and other financial assets	99,742	79,316	97,194	76,334
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Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

**Notes to the Financial Report
For the Year Ended 30 June 2025**

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
5.1 Financial assets (cont'd)				
(c) Trade and other receivables				
Current				
<i>Statutory receivables</i>				
Rates debtors	7,932	5,904	7,932	5,904
Infringement debtors	1,187	1,043	1,187	1,043
Allowance for expected credit loss - infringements	(951)	(878)	(951)	(878)
Net GST receivable	767	537	767	537
<i>Non statutory receivables</i>				
Other debtors	2,866	2,321	1,537	1,056
Accrued income	2,052	2,043	2,073	2,102
Loan to related entities	-	-	2,731	647
Allowance for expected credit loss - other debtors	(341)	(171)	-	-
Total current trade and other receivables	13,512	10,799	15,276	10,411
Non-current				
<i>Non statutory receivables</i>				
Loan to related entities	-	-	7,189	8,166
Total non-current trade and other receivables	-	-	7,189	8,166
Total trade and other receivables	13,512	10,799	22,465	18,577

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

(d) Ageing of receivables

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

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)	3,782	3,844	5,706	3,489
Past due by up to 30 days	345	185	228	172
Past due between 31 and 180 days	791	335	407	144
Past due by more than 1 year	-	-	7,189	8,166
Total trade and other receivables	4,918	4,364	13,530	11,971

**Notes to the Financial Report
For the Year Ended 30 June 2025**

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
5.2 Non-financial assets				
(a) Other assets				
Interest in Mildura Airport Pty Ltd	-	-	47,060	47,448
Interest in Mildura Regional Development (MRD)	-	-	(1,215)	3,797
Total	-	-	45,845	51,245
(b) Intangible assets				
Software	262	278	262	278
Light State project	628	5,619	-	-
Water rights at valuation	13,228	11,535	13,087	11,394
Mineral asset	556	-	556	-
Total intangible assets	14,674	17,432	13,905	11,672

**Notes to the Financial Report
For the Year Ended 30 June 2025**

5.2 Non-financial assets (cont'd)

(b) Intangible assets

Consolidated	Mineral Asset \$'000	Light State \$'000	Software \$'000	Water rights \$'000	Total \$'000
Gross carrying amount					
Balance at 1 July 2024	-	5,619	3,439	11,535	20,593
Acquisition	-	2,257	42	247	2,546
Recognition	556	-	-	-	556
Transfer	-	-	15	-	15
Revaluation increment (note 9.1(a))	-	-	-	1,446	1,446
Balance at 30 June 2025	556	7,876	3,496	13,228	25,156
Accumulated amortisation and impairment					
Balance at 1 July 2024	-	-	3,161	-	3,161
Amortisation expense	-	559	73	-	632
Impairment expense	-	6,689	-	-	6,689
Balance at 30 June 2025	-	7,248	3,234	-	10,482
Net book value at 30 June 2024	-	5,619	278	11,535	17,432
Net book value at 30 June 2025	556	628	262	13,228	14,674
Council					
Gross carrying amount					
Balance at 1 July 2024	-	-	3,439	11,394	14,833
Acquisition	-	-	42	247	289
Recognitions	556	-	-	-	556
Transfer	-	-	15	-	15
Revaluation increment/(decrement) (note 9.1(a))	-	-	-	1,446	1,446
Balance at 30 June 2025	556	-	3,496	13,087	17,139
Accumulated amortisation and impairment					
Balance at 1 July 2024	-	-	3,161	-	3,161
Transfer	-	-	-	-	-
Amortisation expense	-	-	73	-	73
Balance at 30 June 2025	-	-	3,234	-	3,234
Net book value at 30 June 2024	-	-	278	11,394	11,672
Net book value at 30 June 2025	556	-	262	13,087	13,905

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

Notes to the Financial Report For the Year Ended 30 June 2025

5.2 Non-financial assets (cont'd)

(b) Intangible assets

Details of the Mildura Rural City Council's water rights; and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Water rights	-	13,087	-
Total	-	13,087	-

Water rights are valued at current market values. The valuation is based on market transactions being the trading of water shares. The valuations were completed by Mr Stephen Lush AAPI, Certified Practising Valuer, recognised Valuer, (Council Officer), as at 30 June 2025.

5.3 Trade and other payables

Current

Non-statutory payables

	Consolidated		Council	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade payables	993	848	466	477
Accrued expenses	1,253	2,334	1,039	737
Total current trade and other payables	2,246	3,182	1,505	1,214

Notes to the Financial Report For the Year Ended 30 June 2025

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
5.4 Interest-bearing liabilities				
Current				
Other borrowings - secured	543	870	456	428
Total current interest-bearing liabilities	543	870	456	428
Non-current				
Other borrowings - secured	7,450	7,906	7,450	7,906
Finance leases	284	337	-	-
Total non-current interest-bearing liabilities	7,734	8,243	7,450	7,906
Total interest-bearing liabilities	8,277	9,113	7,906	8,334

Borrowings are secured by security over the general rates of the municipal enterprise and in accordance with requirements of the *Local Government Act 2020*.

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

Not later than one year	543	870	456	428
Later than one year and not later than five years	4,110	3,587	1,555	1,458
Later than five years	3,624	4,656	5,895	6,448
	8,277	9,113	7,906	8,334

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

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

In classifying borrowings as current or non-current Council considers whether at balance date it has the right to defer settlement of the liability for at least twelve months after the reporting period. Council's loan arrangements include covenants based on Council's financial performance and position at the end of the reporting period. These covenants are assessed for compliance after the reporting period based on specified financial ratios.

Notes to the Financial Report For the Year Ended 30 June 2025

5.5 Provisions

Consolidated	Employee	Site	Total
2025	\$ '000	rehabilitation \$ '000	\$ '000
Balance at beginning of the financial year	13,422	24,444	37,866
Additional provisions	7,600	103	7,703
Amounts used	(7,136)	(6,645)	(13,781)
Balance at the end of the financial year	13,886	17,902	31,788
<i>Provisions - current</i>	<i>12,365</i>	<i>307</i>	<i>12,672</i>
<i>Provisions - non-current</i>	<i>1,521</i>	<i>17,595</i>	<i>19,116</i>
2024			
Balance at beginning of the financial year	13,837	33,471	47,308
Additional provisions	7,385	1,119	8,504
Amounts used	(7,800)	(10,146)	(17,946)
Balance at the end of the financial year	13,422	24,444	37,866
<i>Provisions - current</i>	<i>11,727</i>	<i>305</i>	<i>12,032</i>
<i>Provisions - non-current</i>	<i>1,390</i>	<i>24,139</i>	<i>25,529</i>
Council	Employee	Site	Total
2025	\$ '000	rehabilitation \$ '000	\$ '000
Balance at beginning of the financial year	13,156	24,444	37,600
Additional provisions	7,445	103	7,548
Amounts used	(6,946)	(6,645)	(13,591)
Balance at the end of the financial year	13,655	17,902	31,557
<i>Provisions - current</i>	<i>12,158</i>	<i>307</i>	<i>12,465</i>
<i>Provisions - non-current</i>	<i>1,497</i>	<i>17,595</i>	<i>19,092</i>
2024			
Balance at beginning of the financial year	13,414	33,471	46,885
Additional provisions	7,161	1,119	8,280
Amounts used	(7,419)	(10,146)	(17,565)
Balance at the end of the financial year	13,156	24,444	37,600
<i>Provisions - current</i>	<i>11,797</i>	<i>305</i>	<i>12,102</i>
<i>Provisions - non-current</i>	<i>1,359</i>	<i>24,139</i>	<i>25,498</i>

**Notes to the Financial Report
For the Year Ended 30 June 2025**

	Consolidated		Council	
	2025	2024	2025	2024
5.5 Provisions (cont'd)	\$'000	\$'000	\$'000	\$'000
(a) Employee provisions				
Current provisions expected to be wholly settled within 12 months				
Annual leave	4,356	4,184	4,206	3,990
Long service leave	656	558	656	558
Rostered day off and time off in lieu	875	835	875	835
	5,887	5,577	5,737	5,383
Current provisions expected to be wholly settled after 12 months				
Annual leave	654	838	654	838
Long service leave	5,824	5,617	5,767	5,576
	6,478	6,455	6,421	6,414
Total current employee provisions	12,365	12,032	12,158	11,797
Non-current				
Long service leave	1,521	1,390	1,497	1,359
Total non-current employee provisions	1,521	1,390	1,497	1,359
Aggregate carrying amount of employee provisions:				
Current	12,365	12,032	12,158	11,797
Non-current	1,521	1,390	1,497	1,359
Total aggregate carrying amount of employee provisions	13,886	13,422	13,655	13,156

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

Annual leave

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

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

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

Notes to the Financial Report For the Year Ended 30 June 2025

5.5 Provisions

(a) Employee provisions (cont'd)

Long service leave

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

	Consolidated		Council	
	2025	2024	2025	2024
Key assumptions:	%	%	%	%
- Discount rate	4.20	4.35	4.20	4.35
- Wage inflation rate	4.25	4.45	4.25	4.45
	Consolidated		Council	
	2025	2024	2025	2024
(b) Site rehabilitation	\$'000	\$'000	\$'000	\$'000
Current	307	305	307	305
Non-current	17,595	24,139	17,595	24,139
Total site rehabilitation	17,902	24,444	17,902	24,444

Council is obligated to restore the Mildura, Ouyen, Murrayville and Koorlong landfill sites to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

	Consolidated		Council	
	2025	2024	2025	2024
Key assumptions:	%	%	%	%
- Weighted average - Melbourne CPI	2.00	3.70	2.00	3.70
- Discount rate	4.20	4.35	4.20	4.35
	Consolidated		Council	
	2025	2024	2025	2024
(c) Total provisions	\$'000	\$'000	\$'000	\$'000
Current	12,672	12,032	12,465	12,102
Non-current	19,116	25,529	19,092	25,498
	31,788	37,561	31,557	37,600

**Notes to the Financial Report
For the Year Ended 30 June 2025**

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2025.

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Credit card facilities	800	800	800	800
Loans and borrowings	8,277	8,334	7,906	8,334
Total facilities	9,077	9,134	8,706	9,134
Used facilities	8,836	8,735	8,465	8,735
Unused facilities	241	399	241	399

5.7 Commitments

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

(a) Commitments for expenditure

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Consolidated 2025	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Swimming pool management	2,021	-	-	-	2,021
Cleaning services	442	-	-	-	442
Security services	754	142	109	-	1,005
Project design	1,103	-	-	-	1,103
Other	566	242	-	-	808
Corporate expenditure	386	116	-	-	502
Waste management	8,706	8,156	13,727	4,721	35,310
Computers and telecomm	815	336	-	-	1,151
Building services	1,527	230	16	5	1,778
Parks and garden services	446	203	21	-	670
Total	16,766	9,425	13,873	4,726	44,790

Notes to the Financial Report
For the Year Ended 30 June 2025

5.7 Commitments (cont'd)

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Consolidated					
2025	\$'000	\$'000	\$'000	\$'000	\$'000
Capital					
Buildings	506	-	-	-	506
Computers and telecom	46	-	-	-	46
Drains	1,513	-	-	-	1,513
Fixtures, fittings and furniture	520	-	-	-	520
Footpaths and cycleways	207	-	-	-	207
Library books and art works	223	-	-	-	223
Parks, open spaces and streetscapes	628	-	-	-	628
Plant, machinery and equipment	5,805	-	-	-	5,805
Recreation, leisure and community facilities	49	-	-	-	49
Roads	1,365	-	-	-	1,365
Kerb and channel	-	-	-	-	-
Waste management and landfill	115	-	-	-	115
Total	10,977	-	-	-	10,977

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Consolidated					
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Swimming pool management	2,147	2,275	-	-	4,422
Cleaning services	1,491	711	-	-	2,202
Security services	2,070	757	-	-	2,827
Project design	115	-	-	-	115
Other	3,159	955	201	200	4,515
Corporate expenditure	176	57	59	127	419
Waste management	6,931	7,264	8,312	-	22,507
Computers and telecom	1,094	416	326	512	2,348
Building services	884	187	140	-	1,211
Parks and gardens services	1,852	-	-	-	1,852
Total	19,919	12,622	9,038	839	42,418

Notes to the Financial Report
For the Year Ended 30 June 2025

5.7 Commitments (cont'd)

Consolidated	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Capital					
Buildings	4,051	-	-	-	4,051
Computers and telecom	322	-	-	-	322
Drains	346	-	-	-	346
Fixtures, fittings and furniture	876	-	-	-	876
Footpaths and cycleways	188	-	-	-	188
Library books and art works	102	-	-	-	102
Parks, open space and streetscapes	2,460	-	-	-	2,460
Plant, machinery and equipment	1,278	-	-	-	1,278
Recreation, leisure and community facilities	994	-	-	-	994
Roads	2,103	-	-	-	2,103
Kerb and channel	60	-	-	-	60
Waste management and landfill	1,035	-	-	-	1,035
Off-street carparks	938	-	-	-	938
Total	14,753	-	-	-	14,753

Council	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2025	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Swimming pool management	2,021	-	-	-	2,021
Cleaning services	442	-	-	-	442
Security services	754	142	109	-	1,005
Project design	148	-	-	-	148
Other	566	242	-	-	808
Corporate expenditure	386	116	-	-	502
Waste management	8,706	8,156	13,727	4,721	35,310
Computers and telecom	815	336	-	-	1,151
Building services	1,276	3	-	-	1,279
Parks and gardens services	197	166	8	-	371
Total	15,311	9,161	13,844	4,721	43,037

Notes to the Financial Report
For the Year Ended 30 June 2025

5.7 Commitments (cont'd)

Council	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2025	\$'000	\$'000	\$'000	\$'000	\$'000
Capital					
Buildings	506	-	-	-	506
Computers and telecom	46	-	-	-	46
Drains	1,513	-	-	-	1,513
Fixtures, fittings and furniture	520	-	-	-	520
Footpaths and cycleways	207	-	-	-	207
Library books and art works	223	-	-	-	223
Parks, open space and streetscapes	628	-	-	-	628
Plant, machinery and equipment	5,805	-	-	-	5,805
Recreation, leisure and community facilities	49	-	-	-	49
Roads	1,365	-	-	-	1,365
Waste management and landfill	115	-	-	-	115
Total	10,977	-	-	-	10,977

Council	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Swimming pool management	2,147	2,275	-	-	4,422
Cleaning services	870	757	-	-	1,627
Security services	42	-	-	-	42
Project design	2,944	754	-	-	3,698
Other	68	-	-	-	68
Corporate expenditure	146	57	59	127	389
Waste management	1,491	711	-	-	2,202
Computers and telecom	6,899	7,232	8,281	-	22,412
Building services	730	47	-	-	777
Parks and gardens services	1,014	332	238	512	2,096
Total	16,351	12,165	8,578	639	37,733

Notes to the Financial Report
For the Year Ended 30 June 2025

5.7 Commitments (cont'd)

Council	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Capital					
Buildings	3,986	-	-	-	3,986
Computers and telecom	322	-	-	-	322
Drains	346	-	-	-	346
Fixtures, fittings and furniture	876	-	-	-	876
Footpaths and cycleways	188	-	-	-	188
Library books and art works	102	-	-	-	102
Parks, open space and streetscapes	2,460	-	-	-	2,460
Plant, machinery and equipment	1,242	-	-	-	1,242
Recreation, leisure and community facilities	994	-	-	-	994
Roads	2,103	-	-	-	2,103
Kerb and channel	60	-	-	-	60
Waste management and landfill	1,035	-	-	-	1,035
Off-street carparks	938	-	-	-	938
Total	14,652	-	-	-	14,652

Notes to the Financial Report
For the Year Ended 30 June 2025

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

Consolidated	Carrying amount 30 June 2024	First time recognition of assets	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Transfers from provisions	Carrying amount 30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	124,345	6	-	-	7,315	-	-	-	-	-	131,666
Buildings	161,354	-	74	-	17,077	(4,706)	-	-	1,898	-	175,697
Plant and equipment	48,504	-	3,843	-	400	(3,706)	(289)	-	687	-	49,439
Infrastructure	770,384	4,351	1,417	954	34,584	(15,482)	(2,695)	-	11,380	(6,630)	798,263
Work in progress	53,290	-	28,571	-	-	-	-	(4,707)	(13,965)	-	63,189
	1,157,877	4,357	33,905	954	59,376	(23,894)	(2,984)	(4,707)	-	(6,630)	1,218,254

Summary of work in progress	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	12,425	8,096	(117)	(1,898)	18,506
Plant and equipment	3,490	1,697	(1,312)	(504)	3,371
Infrastructure	37,375	18,778	(3,278)	(11,563)	41,312
Total	53,290	28,571	(4,707)	(13,965)	63,189

Notes to the Financial Report
For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)

(a) Property

Consolidated	Land - specialised \$'000	Land - non specialised \$'000	Land under roads \$'000	Total Land \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Total Buildings \$'000	Work in progress \$'000	Total property \$'000
At fair value 1 July 2024	77,806	20,272	26,267	124,345	287,766	16,831	304,597	12,425	441,367
Accumulated depreciation at 1 July 2024	-	-	-	-	(135,039)	(8,204)	(143,243)	-	(143,243)
	77,806	20,272	26,267	124,345	152,727	8,627	161,354	12,425	298,124
Movements in fair value									
Additions	-	-	-	-	71	3	74	8,096	8,170
Recognitions	3	-	3	6	-	-	-	-	6
Revaluation	3,309	1,842	2,164	7,315	28,922	14,745	43,667	-	50,982
Write-off	-	-	-	-	-	-	-	(117)	(117)
Transfers	-	-	-	-	1,898	-	1,898	(1,898)	-
	3,312	1,842	2,167	7,321	30,891	14,748	45,639	6,081	59,041
Movements in accumulated depreciation									
Depreciation	-	-	-	-	(4,392)	(314)	(4,706)	-	(4,706)
Accumulated depreciation of revaluations	-	-	-	-	(15,633)	(10,957)	(26,590)	-	(26,590)
	-	-	-	-	(20,025)	(11,271)	(31,296)	-	(31,296)
At fair value 30 June 2025	81,118	22,114	28,434	131,666	318,657	31,579	350,236	18,506	500,408
Accumulated depreciation at 30 June 2025	-	-	-	-	(155,064)	(19,475)	(174,539)	-	(174,539)
Carrying amount	81,118	22,114	28,434	131,666	163,593	12,104	175,697	18,506	325,869

Notes to the Financial Report
For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)

(b) Plant and Equipment

Consolidated	Plant machinery and equipment \$'000	Fixtures and fittings furniture \$'000	Computer and telecommu- nications \$'000	Artwork \$'000	Library books \$'000	Total plant and equipment \$'000	Work in progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2024	45,031	2,366	4,201	24,265	5,861	81,724	3,490	85,214
Accumulated depreciation at 1 July 2024	(24,418)	(1,479)	(2,877)	-	(4,446)	(33,220)	-	(33,220)
	20,613	887	1,324	24,265	1,415	48,504	3,490	51,994
Movements in fair value								
Additions	3,456	102	177	-	108	3,843	1,697	5,540
Revaluation	-	-	-	400	-	400	-	400
Disposal	(1,003)	-	-	-	-	(1,003)	-	(1,003)
Write-off	-	-	-	-	-	-	(1,312)	(1,312)
Transfers	427	28	126	22	84	687	(504)	183
	2,880	130	303	422	192	3,927	(119)	3,808
Movements in accumulated depreciation								
Depreciation	(2,741)	(152)	(532)	-	(281)	(3,706)	-	(3,706)
Accumulated depreciation of disposals	714	-	-	-	-	714	-	714
	(2,027)	(152)	(532)	-	(281)	(2,992)	-	(2,992)
At fair value 30 June 2025	47,911	2,496	4,504	24,687	6,053	85,651	3,371	89,022
Accumulated depreciation at 30 June 2025	(26,445)	(1,631)	(3,409)	-	(4,727)	(36,212)	-	(36,212)
Carrying amount	21,466	865	1,095	24,687	1,326	49,439	3,371	52,810

Notes to the Financial Report
For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)
(c) Infrastructure

Consolidated	Roads	Kerb and channel	Footpaths and cycle ways	Drainage	Recreational, leisure and community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	636,912	29,884	69,945	219,963	69,182	16,730	25,813	50,490	22,167	1,141,086	37,375	1,178,461
Accumulated depreciation at 1 July 2024	(235,556)	(10,395)	(31,169)	(45,546)	(14,207)	(6,171)	(5,164)	(10,104)	(12,390)	(370,702)	-	(370,702)
	401,356	19,489	38,776	174,417	54,975	10,559	20,649	40,386	9,777	770,384	37,375	807,759
Movements in fair value												
Additions	1,143	-	-	-	-	-	133	71	70	1,417	18,778	20,195
Contributions	-	-	-	954	-	-	-	-	-	954	-	954
Recognitions	1,247	241	596	1,190	1,075	-	-	-	2	4,351	-	4,351
Revaluation	31,016	1,459	3,421	10,711	3,344	27	1,237	-	933	52,148	-	52,148
Disposal	(5,152)	(3)	(9)	-	(1,075)	-	(8)	-	-	(6,247)	-	(6,247)
Write-off	-	-	-	-	-	-	-	-	-	-	(3,278)	(3,278)
Transfers	10,463	63	249	426	20	79	50	-	30	11,380	(11,563)	(183)
Transfers from Provision	-	-	-	-	-	(6,630)	-	-	-	(6,630)	-	(6,630)
	38,717	1,760	4,257	13,281	3,364	(6,524)	1,412	71	1,035	57,373	3,937	61,310
Movements in accumulated depreciation												
Depreciation	(9,130)	(430)	(1,604)	(1,600)	(311)	(649)	(499)	(860)	(399)	(15,482)	-	(15,482)
Accumulated depreciation of disposals	3,345	1	2	-	202	-	2	-	-	3,552	-	3,552
Accumulated depreciation of revaluations	(11,666)	(523)	(1,584)	(2,279)	(692)	(6)	(256)	-	(558)	(17,564)	-	(17,564)
	(17,451)	(952)	(3,186)	(3,879)	(801)	(655)	(753)	(860)	(957)	(29,494)	-	(29,494)
At fair value 30 June 2025	675,629	31,644	74,202	233,244	72,546	10,206	27,225	50,561	23,202	1,198,459	41,312	1,239,771
Accumulated depreciation at 30 June 2025	(253,007)	(11,347)	(34,355)	(49,425)	(15,008)	(6,826)	(5,917)	(10,964)	(13,347)	(400,196)	-	(400,196)
Carrying amount	422,622	20,297	39,847	183,819	57,538	3,380	21,308	39,597	9,855	798,263	41,312	839,575

**Notes to the Financial Report
For the Year Ended 30 June 2025**

6.1 Property, infrastructure, plant and equipment (cont'd)

Summary of property, infrastructure, plant and equipment

Council	Carrying amount 30 June 2024	First time recognition of assets	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Transfers from provisions	Carrying amount 30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	124,345	6	-	-	7,315	-	-	-	-	-	131,666
Buildings	145,503	-	27	-	17,077	(4,539)	-	-	1,898	-	159,966
Plant and equipment	46,782	-	3,192	-	400	(3,457)	(194)	-	462	-	47,185
Infrastructure	727,679	4,351	1,213	954	34,584	(14,529)	(2,695)	-	11,380	(6,630)	756,307
Work in progress	53,001	-	27,697	-	-	-	-	(4,642)	(13,740)	-	62,316
	1,097,310	4,357	32,129	954	59,376	(22,525)	(2,889)	(4,642)	-	(6,630)	1,157,440

Summary of work in progress	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	12,425	8,096	(117)	(1,898)	18,506
Plant and equipment	3,448	1,697	(1,312)	(462)	3,371
Infrastructure	37,128	17,904	(3,213)	(11,380)	40,439
Total	53,001	27,697	(4,642)	(13,740)	62,316

**Notes to the Financial Report
For the Year Ended 30 June 2025**

6.1 Property, infrastructure, plant and equipment (cont'd)
(a) Property

Council	Land - specialised \$'000	Land - non specialised \$'000	Land under roads \$'000	Total land and land improvements \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
At fair value 1 July 2024	77,806	20,272	26,267	124,345	270,743	15,418	286,161	12,425	422,931
Accumulated depreciation at 1 July 2024	-	-	-	-	(132,977)	(7,681)	(140,658)	-	(140,658)
	77,806	20,272	26,267	124,345	137,766	7,737	145,503	12,425	282,273
Movements in fair value									
Additions	-	-	-	-	27	-	27	8,096	8,123
Recognitions	3	-	3	6	-	-	-	-	6
Revaluation	3,309	1,842	2,164	7,315	28,922	14,745	43,667	-	50,982
Write-off	-	-	-	-	-	-	-	(117)	(117)
Transfers	-	-	-	-	1,898	-	1,898	(1,898)	-
	3,312	1,842	2,167	7,321	30,847	14,745	45,592	6,081	58,994
Movements in accumulated depreciation									
Depreciation	-	-	-	-	(4,256)	(283)	(4,539)	-	(4,539)
Accumulated depreciation of revaluations	-	-	-	-	(15,633)	(10,957)	(26,590)	-	(26,590)
	-	-	-	-	(19,889)	(11,240)	(31,129)	-	(31,129)
At fair value 30 June 2025	81,118	22,114	28,434	131,666	301,590	30,163	331,753	18,506	481,925
Accumulated depreciation at 30 June 2025	-	-	-	-	(152,866)	(18,921)	(171,787)	-	(171,787)
Carrying amount	81,118	22,114	28,434	131,666	148,724	11,242	159,966	18,506	310,138

Notes to the Financial Report
For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)
(b) Plant and equipment

Council	Plant machinery and equipment \$'000	Fixtures and fittings and furniture \$'000	Computers and telecommu nications \$'000	Artwork \$'000	Library books \$'000	Total plant and equipment \$'000	Work in progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2024	41,258	1,178	4,160	24,265	5,861	76,722	3,448	80,170
Accumulated depreciation at 1 July 2024	(21,984)	(641)	(2,869)	-	(4,446)	(29,940)	-	(29,940)
	19,274	537	1,291	24,265	1,415	46,782	3,448	50,230
Movements in fair value								
Additions	2,907	-	177	-	108	3,192	1,697	4,889
Revaluation	-	-	-	400	-	400	-	400
Disposal	(574)	-	-	-	-	(574)	-	(574)
Write-off	-	-	-	-	-	-	(1,312)	(1,312)
Transfers	202	28	126	22	84	462	(462)	-
	2,535	28	303	422	192	3,480	(77)	3,403
Movements in accumulated depreciation								
Depreciation	(2,577)	(67)	(532)	-	(281)	(3,457)	-	(3,457)
Accumulated depreciation of disposals	380	-	-	-	-	380	-	380
	(2,197)	(67)	(532)	-	(281)	(3,077)	-	(3,077)
At fair value 30 June 2025	43,793	1,206	4,463	24,687	6,053	80,202	3,371	83,573
Accumulated depreciation at 30 June 2025	(24,181)	(708)	(3,401)	-	(4,727)	(33,017)	-	(33,017)
Carrying amount	19,612	498	1,062	24,687	1,326	47,185	3,371	50,556

**Notes to the Financial Report
For the Year Ended 30 June 2025**

6.1 Property, infrastructure, plant and equipment (cont'd)

(c) Infrastructure

Council	Roads \$'000	Kerb and channel \$'000	Footpaths and cycle ways \$'000	Drainage \$'000	Recreational, leisure and community \$'000	Waste management \$'000	Parks open spaces and streetscapes \$'000	Aerodromes \$'000	Off street car parks \$'000	Total infrastructure \$'000	Work in progress \$'000	Total infrastructure \$'000
At fair value 1 July 2024	636,912	29,884	69,945	219,963	69,182	16,730	24,918	-	19,221	1,086,755	37,128	1,123,883
Accumulated depreciation at 1 July 2024	(235,556)	(10,395)	(31,169)	(45,546)	(14,207)	(6,171)	(4,827)	-	(11,205)	(359,076)	-	(359,076)
	401,356	19,489	38,776	174,417	54,975	10,559	20,091	-	8,016	727,679	37,128	764,807
Movements in fair value												
Additions	1,143	-	-	-	-	-	-	-	70	1,213	17,904	19,117
Contributions	-	-	-	954	-	-	-	-	-	954	-	954
Recognitions	1,247	241	596	1,190	1,075	-	-	-	2	4,351	-	4,351
Revaluation	31,016	1,459	3,421	10,711	3,344	27	1,237	-	933	52,148	-	52,148
Disposal	(5,152)	(3)	(9)	-	(1,075)	-	(8)	-	-	(6,247)	-	(6,247)
Write-off	-	-	-	-	-	-	-	-	-	-	(3,213)	(3,213)
Transfers	10,463	63	249	426	20	79	50	-	30	11,380	(11,380)	-
Transfers from Provision	-	-	-	-	-	(6,630)	-	-	-	(6,630)	-	(6,630)
	38,717	1,760	4,257	13,281	3,364	(6,524)	1,279	-	1,035	57,169	3,311	60,480
Movements in accumulated depreciation												
Depreciation	(9,130)	(430)	(1,604)	(1,600)	(311)	(649)	(469)	-	(336)	(14,529)	-	(14,529)
Accumulated depreciation of disposals	3,345	1	2	-	202	-	2	-	-	3,552	-	3,552
Accumulated depreciation of revaluations	(11,666)	(523)	(1,584)	(2,279)	(692)	(6)	(256)	-	(558)	(17,564)	-	(17,564)
	(17,451)	(952)	(3,186)	(3,879)	(801)	(655)	(723)	-	(894)	(28,541)	-	(28,541)
At fair value 30 June 2025	675,629	31,644	74,202	233,244	72,546	10,206	26,197	-	20,256	1,143,924	40,439	1,184,363
Accumulated depreciation at 30 June 2025	(253,007)	(11,347)	(34,355)	(49,425)	(15,008)	(6,826)	(5,550)	-	(12,099)	(387,617)	-	(387,617)
Carrying amount	422,622	20,297	39,847	183,819	57,538	3,380	20,647	-	8,157	756,307	40,439	796,746

Notes to the Financial Report For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)

Acquisition

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

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

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

Asset Recognition Thresholds and Depreciation Periods	Depreciation Period	Threshold Limit \$'000
Land and land improvements		
land	-	5
Buildings		
buildings	25 - 75 years	10
Plant and equipment		
plant and equipment	1 - 80 years	5
fixtures, fittings and furniture	4 - 10 years	5
library books	10 years	-
Infrastructure		
footpaths and cycle ways	15 - 50 years	10
road kerb and channel	70 years	10
road pavements	20 - 65 years	10
road seals	15 - 40 years	10
Drainage	50 - 150 years	10
Waste management	15 - 40 years	10
Aerodromes	50 years	10
Off street carpark	15 - 65 years	10
Recreational, leisure and community	10 - 50 years	10
Parks, open spaces and streetscapes	5 - 100 years	10
Intangible assets - software	3 - 15 years	1
Intangible assets - Lightstate project	2 years	1

Notes to the Financial Report For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

Road earthworks and artworks are not depreciated on the basis they are assessed as not having a limited useful life.

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

Depreciation periods used are listed on the previous page and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land, specialised land and buildings were undertaken by qualified Valuer Mr Carlo Vadori AAPI, Certified Practising Valuer (Herron Todd White). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions and drainage basins the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

Notes to the Financial Report For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)

Valuation of land and building (cont'd)

For land under roads (LUR) a full internal valuation was conducted by Mr Stephen Lush AAPI, Certified Practising Valuer (Council Officer). LUR was calculated using the 'Average Site Value Rate' and applying an adjustment allowance of 90%.

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

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	22,114	-	31/12/2024	Full/External
Specialised land	-	-	81,118	31/12/2024	Full/External
Land under roads	-	-	28,434	31/12/2024	Full/Internal
Buildings	-	11,242	148,724	31/12/2024	Full/External
Total	-	33,356	258,276		

Valuation of infrastructure

External consultants from Assetic were engaged to review unit rates, useful lives and fair value methodology. Valuation of infrastructure assets was then undertaken internally based on these inputs and have been determined in accordance with an internal valuation undertaken by Asset Planner Hayley Finch, (B Environmental Management, Certified Associate in Asset Management). The Valuation review was undertaken by Karen Milner, Strategic Asset Systems Coordinator (CPA, Grad Cert Project Management, 16 Years Asset Management Experience) and Kylie Sergi, Manager Facilities and Assets (B App Sci, Dip Bus, 18 Years Asset Management Experience).

The date and type of the current valuation is detailed in the following table. An index based revaluation was conducted in the current year, this valuation was based on Rawlinson's Australian Construction Handbook 2024, a full unit rate and useful life review of these assets will be conducted in 2024/25 and 2025/26. External Condition Assessments are undertaken on a 3-5 year cycle.

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

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

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	422,622	30/06/2025	Indexation
Kerb and channel	-	-	20,297	30/06/2025	Indexation
Footpaths and cycle ways	-	-	39,847	30/06/2025	Indexation
Drainage	-	-	183,819	30/06/2025	Indexation
Recreational, leisure and community facilities	-	-	57,538	30/06/2025	Indexation
Waste management	-	-	3,380	30/06/2025	Indexation
Parks, open space and streetscapes	-	-	20,647	30/06/2025	Indexation
Off street car parks	-	-	8,157	30/06/2025	Indexation
Total	-	-	756,307		

Notes to the Financial Report
For the Year Ended 30 June 2025

6.1 Property, infrastructure, plant and equipment (cont'd)

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 30% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.02 and \$940.00 per square metre.

Specialised buildings are valued using current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$60.00 to \$14,118.00 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 25 years to 75 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of straight line depreciation, except where a single asset class has comprehensive condition information, in which case remaining useful life is determined on the basis of condition and vary from 10 years to 150 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2025	2024
Reconciliation of specialised land	\$'000	\$'000
Land under roads	28,434	26,267
Parks and reserves, etc.	81,118	77,806
Total specialised land	109,552	104,073

Notes to the Financial Report For the Year Ended 30 June 2025

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

Mildura Rural City Council is the parent entity.

Subsidiaries and associates

Mildura Airport Pty Ltd and Mildura Tourism and Economic Development Ltd trading as Mildura Regional Development are fully consolidated subsidiaries and form part of Mildura Rural City Council financial statements.

(b) Key management personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Mildura Rural City Council. The Councillors, Chief Executive Officer and General Managers are deemed KMP.

Details of KMP at any time during the year are:

Councillors - Previous Term Elected

Councillor (Mayor)	Liam Wood	1/07/2024 to 26/10/2024
Councillor (Deputy Mayor)	Mark Eckel	1/07/2024 to 26/10/2024
Councillor	Jason Modica	1/07/2024 to 26/10/2024
Councillor	Helen Healy	1/07/2024 to 26/10/2024
Councillor	Stefano de Pieri	1/07/2024 to 26/10/2024
Councillor	Glenn Milne	1/07/2024 to 26/10/2024
Councillor	Ian Arney	1/07/2024 to 26/10/2024
Councillor	Troy Bailey	1/07/2024 to 26/10/2024
Councillor	Jodi Ewings	1/07/2024 to 26/10/2024

Councillors - New Term Elected

Councillor (Mayor)	Helen Healy	12/11/2024 to 30/06/2025
Councillor (Deputy Mayor)	Ali Cupper	12/11/2024 to 30/06/2025
Councillor	Glenn Milne	12/11/2024 to 30/06/2025
Councillor	Ian Arney	12/11/2024 to 30/06/2025
Councillor	Troy Bailey	12/11/2024 to 30/06/2025
Councillor	Jodi Ewings	12/11/2024 to 30/06/2025
Councillor	Greg Brown	12/11/2024 to 30/06/2025
Councillor	Katie Clements	12/11/2024 to 30/06/2025
Councillor	Rebecca Crossling	12/11/2024 to 30/06/2025

Notes to the Financial Report For the Year Ended 30 June 2025

7.1 Council and key management remuneration (cont'd)

Chief Executive Officer and Key Management Personnel

Martin Hawson	Chief Executive Officer	1/07/2024 to	30/06/2025
Kate Henschke	General Manager Corporate Performance	1/07/2024 to	30/06/2025
Daryl Morgan	General Manager Infrastructure and Assets	1/07/2024 to	30/06/2025
Mark Jenkins	General Manager Healthy Communities	1/07/2024 to	30/06/2025
Peter Alexander	General Manager Strategy and Growth	1/07/2024 to	13/05/2025
Cheree Jukes	Acting General Manager Strategy and Growth	9/04/2025 to	30/06/2025

	2025	2024
	No.	No.
Total number of Councillors	14	9
Total of Chief Executive Officer and other KMP	6	7
Total key management personnel	20	16

(c) Remuneration of key management personnel

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

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

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

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

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

	2025	2024
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,644	1,661
Post employment benefits	143	132
Other long-term benefits	28	43
Total	1,815	1,836

Notes to the Financial Report
For the Year Ended 30 June 2025

7.1 Council and key management remuneration (cont'd)

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

	2025 No.	2024 No.
\$1 - \$9,999	-	1
\$10,000 - \$19,999	3	-
\$20,000 - \$29,999	3	-
\$30,000 - \$39,999	8	7
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	1	-
\$70,000 - \$79,999	-	1
\$100,000 - \$109,999	-	1
\$180,000 - \$189,999	-	1
\$240,000 - \$249,999	1	1
\$250,000 - \$259,999	2	-
\$260,000 - \$269,999	1	-
\$270,000 - \$279,999	-	1
\$280,000 - \$289,999	-	1
\$380,000 - \$389,999	1	1
	<u>20</u>	<u>16</u>

Notes to the Financial Report For the Year Ended 30 June 2025

7.1 Council and key management remuneration (cont'd)

(d) Remuneration of other senior staff

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

	2025 \$'000	2024 \$'000
Total remuneration of other senior staff was as follows:		
Short-term benefits	2,617	2,448
Post employment benefits	306	254
Other-long term benefits	66	100
Total	2,989	2,802

The number of other senior officers are shown below in their relevant income bands:

	2025 No.	2024 No.
Income Range:		
\$170,000 - \$179,999	3	2
\$180,000 - \$189,999	-	2
\$190,000 - \$199,999	3	2
\$200,000 - \$209,999	6	4
\$210,000 - \$219,999	2	4
\$220,000 - \$229,999	1	-
	15	14

	2025 \$'000	2024 \$'000
Total remuneration for the reporting year for senior officers included above, amounted to:	2,989	2,802

Notes to the Financial Report
For the Year Ended 30 June 2025

7.2 Related party disclosure

(a) Transactions with related parties	2025	2024
During the period Council entered into the following transactions with related parties.	\$'000	\$'000
Employee expenses for close family members of key management personnel	10	80
	<u>10</u>	<u>80</u>

All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the award for the job they perform. Council employs 621 staff of which only 1 is a close family member of key management personnel.

The Mildura Tourism and Economic Development Ltd (MRD) is controlled by a board consisting of:

- Martin Hawson (Chair) Chief Executive Officer of Mildura Rural City Council
- Cr Helen Healy (Director) Councillor of Mildura Rural City Council
- Kate Henschke (Director) General Manager Corporate Performance of Mildura Rural City Council

While it is acknowledged that these staff have joint roles for both Council and MRD which is a related party, however being a wholly owned subsidiary of Mildura Council transactions between the two entities have not been included in the above disclosure 7.2(a) Transactions with related parties.

(b) Outstanding balances with related parties

No expense has been recognised in the current year or prior year in respect of amounts owed by related parties.

(c) Loans to/from related parties

Council does not make loans to, receive loans from, or provide guarantees to any related parties as listed above at 7.1(b).

Council has a loan facility with Mildura Airport Pty Ltd which was originally established for upgrade of the airport runway and other capital upgrades and renewals, and has a loan facility with Mildura Tourism and Economic Development Ltd for development of the Light State project. This is disclosed in note 5.1(c) Trade and other receivables.

(d) Commitments to/from related parties

Council has committed to supporting both the Mildura Airport Pty Ltd and Mildura Tourism and Economic Development Ltd. Council has provided assurance that financial support will continue to be provided to ensure these entities continue to operate as a going concern. Refer to Note 8.1(b).

Notes to the Financial Report For the Year Ended 30 June 2025

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

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

(a) Contingent assets

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

At balance date the Council was not impacted by any significant storm events during the 2024/25 financial year. Council was previously impacted by the October 2022 flood event, in which Council lodged claims with the Victorian State Government in line with the Disaster Recovery Funding Arrangements 2018. At 30 June 2025 there are no outstanding claim assessments with all amounts having been received.

(b) Contingent liabilities

Contingent liabilities are:

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

The following are potential contingencies to be considered by Council.

Superannuation

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

Landfill

Council operates a landfill and will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works, however Council has made a provision for landfill restoration in its balance sheet and also has a landfill redevelopment reserve to assist in managing these future cost.

Notes to the Financial Report For the Year Ended 30 June 2025

8.1 Contingent assets and liabilities (cont'd)

Legal matters

Council does not have any major legal matters that could have a material impact on future operations at the time of preparation of these financial statements.

Liability Mutual Insurance

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

MAV Work care

Council was a participant of the MAV Work Care Scheme. The MAV Work Care Scheme provided workers compensation insurance. MAV Work Care commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013*, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

Support for financial subsidiaries

Mildura Rural City Council has continued to support the two wholly owned subsidiaries being Mildura Airport Pty Ltd (MAPL) and Mildura Tourism and Economic Development Ltd (MRD). Both subsidiaries have received financial support through a loan facility, while MRD is fully staffed and resourced through operations of Mildura Council. Both entities will continued to receive financial and other supports to ensure they can continue to operate as a going concern. This support is for a period of twelve months from the date of adoption of the Financial Statements.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

Notes to the Financial Report For the Year Ended 30 June 2025

8.2 Change in accounting standards

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

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

Notes to the Financial Report For the Year Ended 30 June 2025

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

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

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

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end results resulting in no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Notes to the Financial Report For the Year Ended 30 June 2025

8.3 Financial instruments (cont'd)

(c) Credit risk

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

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

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors.

Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

Notes to the Financial Report For the Year Ended 30 June 2025

8.3 Financial instruments (cont'd)

(d) Liquidity risk (cont'd)

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of up to -1.0% in market interest rates (AUD) from year-end rates of 4.10%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council operations.

8.4 Fair value measurement

Fair value hierarchy

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

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

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

The AASB 13 amendments apply prospectively, comparative figures have not been restated.

The AASB 13 amendments have not resulted in any material impacts to Council's financial statements.

**Notes to the Financial Report
For the Year Ended 30 June 2025**

8.4 Fair value measurement (cont'd)

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced Council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	2 years
Buildings	2 years
Roads	2 to 5 years
Bridges	2 to 5 years
Footpaths and cycleways	2 to 5 years
Drainage	2 to 5 years
Recreational, leisure and community facilities	2 to 5 years
Waste management	2 to 5 years
Parks, open space and streetscapes	2 to 5 years
Other infrastructure	1 to 5 years

Notes to the Financial Report For the Year Ended 30 June 2025

8.4 Fair value measurement (cont'd)

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

Impairment of assets

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

8.5 Events occurring after balance date

There have been no other significant events occurring after the balance date which may affect the Council's operations or the results of those operations.

Notes to the Financial Report For the Year Ended 30 June 2025

Note 9 Other matters

9.1 Reserves

(a) Asset revaluation reserves

Consolidated	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
2025	\$'000	\$'000	\$'000
Property			
Land	70,338	7,315	77,653
Buildings	77,932	17,078	95,010
	148,270	24,393	172,663
Plant and equipment			
Artwork	11,005	399	11,404
	11,005	399	11,404
Infrastructure			
Roads	309,222	19,348	328,570
Drainage	73,970	7,352	81,322
Drainage basins	9,093	1,079	10,172
Recreational, leisure and community facilities	50,622	2,655	53,277
Waste management	61	22	83
Parks, open space and streetscapes	3,753	981	4,734
Aerodromes	9,594	-	9,594
Off-street car parks	2,988	376	3,364
Footpaths	34,301	1,836	36,137
Kerb and channel	20,506	935	21,441
	514,110	34,584	548,694
Water rights			
Water rights	9,102	1,446	10,548
	9,102	1,446	10,548
Total asset revaluation reserves	682,487	60,822	743,309

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(a) Asset revaluation reserves (cont'd)

Consolidated 2024	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Property			
Land	70,316	22	70,338
Buildings	77,932	-	77,932
	148,248	22	148,270
Plant and equipment			
Artwork	11,005	-	11,005
	11,005	-	11,005
Infrastructure			
Roads	280,444	28,778	309,222
Drainage	68,753	5,217	73,970
Drainage basins	7,499	1,594	9,093
Recreational, leisure and community facilities	48,449	2,173	50,622
Waste management	34	27	61
Parks, open space and streetscapes	2,513	1,240	3,753
Aerodromes	9,594	-	9,594
Off-street car parks	2,413	575	2,988
Footpaths	32,791	1,510	34,301
Kerb and channel	19,108	1,398	20,506
	471,598	42,512	514,110
Water rights			
Water rights	11,606	(2,504)	9,102
	11,606	(2,504)	9,102
Total asset revaluation reserves	642,457	40,030	682,487

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(a) Asset revaluation reserves (cont'd)

Council 2025	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Property			
Land	70,338	7,315	77,653
Buildings	70,095	17,078	87,173
	140,433	24,393	164,826
Plant and equipment			
Artwork	11,005	399	11,404
	11,005	399	11,404
Infrastructure			
Roads	309,222	19,348	328,570
Drainage	73,970	7,352	81,322
Drainage basins	9,093	1,079	10,172
Recreational, leisure and community facilities	50,622	2,655	53,277
Waste management	61	22	83
Parks, open space and streetscapes	3,753	981	4,734
Aerodromes	9,594	-	9,594
Off-street car parks	2,988	376	3,364
Footpaths	34,301	1,836	36,137
Kerb and channel	20,506	935	21,441
	514,110	34,584	548,694
Water rights			
Water rights	9,034	1,446	10,480
	9,034	1,446	10,480
Total asset revaluation reserves	674,582	60,822	735,404

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(a) Asset revaluation reserves (cont'd)

Council 2024	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Property			
Land	70,316	22	70,338
Buildings	70,095	-	70,095
	140,411	22	140,433
Plant and equipment			
Artwork	11,005	-	11,005
	11,005	-	11,005
Infrastructure			
Roads	280,444	28,778	309,222
Drainage	68,753	5,217	73,970
Drainage basins	7,499	1,594	9,093
Recreational, leisure and community facilities	48,449	2,173	50,622
Waste management	34	27	61
Parks, open space and streetscapes	2,513	1,240	3,753
Aerodromes	9,594	-	9,594
Off-street car parks	2,413	575	2,988
Footpaths	32,791	1,510	34,301
Kerb and channel	19,108	1,398	20,506
	471,598	42,512	514,110
Water rights			
Water rights	11,526	(2,492)	9,034
	11,526	(2,492)	9,034
Total asset revaluation reserves	634,540	40,042	674,582

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(b) Other reserves

Consolidated 2025	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
Non discretionary reserves				
Apex Park reserve	402	37	(52)	387
Developer contribution reserve	4,915	4,696	(137)	9,474
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	182	39	-	221
Lake Cullulleraine Caravan Park reserve	44	11	-	55
Library book bequest reserve	30	-	-	30
Landfill redevelopment	7,217	1,215	(1,975)	6,457
Public open space contribution reserve	31	59	-	90
Total	12,879	6,057	(2,164)	16,772
Discretionary reserves				
Artwork acquisition reserve	272	133	(11)	394
Hands up Mallee	837	111	(138)	810
Small towns redevelopment reserve	222	3	(54)	171
Land acquisition reserve	545	584	-	1,129
Water transfer proceeds reserve	38	-	-	38
VGC advance grants reserve	-	10,178	-	10,178
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	1,348	4,057	(2,054)	3,351
Capital renewal reserve	752	4,638	(723)	4,667
MRCC community drought reserve	51	-	(51)	-
MRCC developer contribution plan reserve	20,134	5,480	(423)	25,191
Unspent events grant reserve	153	544	(418)	279
Unspent recreation, planning and development grant reserve	264	322	(305)	281
Unspent community grant program	165	230	(218)	177
Murrayville swimming pool reserve	21	-	-	21
Fleet plant replacement reserve	-	894	-	894
Underbool swimming pool reserve	5	-	-	5
Energy and emission reduction reserve	571	-	(75)	496
Total	27,378	27,174	(4,470)	50,082
Total other reserves	40,257	33,231	(6,634)	66,854

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

Consolidated 2024	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
Non discretionary reserves				
Apex Park reserve	364	38	-	402
Developer contribution reserve	4,975	557	(617)	4,915
Library book bequest reserve	30	-	-	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	144	38	-	182
Lake Cullulleraine Caravan Park reserve	38	6	-	44
Landfill redevelopment	8,549	-	(1,332)	7,217
Public open space contribution reserve	-	31	-	31
Total	14,158	670	(1,949)	12,879
Discretionary reserves				
Artwork acquisition reserve	173	111	(12)	272
Hands up Mallee	1,321	-	(484)	837
Small towns redevelopment reserve	182	128	(88)	222
VGC advance grants reserve	18,675	-	(18,675)	-
Land acquisition reserve	1,419	500	(1,374)	545
Water transfer proceeds reserve	65	-	(27)	38
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	624	3,712	(2,988)	1,348
Capital renewal reserve	-	754	(2)	752
MRCC community drought reserve	539	100	(588)	51
MRCC developer contribution plan reserve	15,732	4,943	(541)	20,134
Unspent events grant reserve	95	539	(481)	153
Unspent recreation, planning and development grant reserve	88	324	(148)	264
Unspent community grant program	204	330	(369)	165
Murrayville swimming pool reserve	21	-	-	21
Underbool swimming pool reserve	5	-	-	5
Energy and emission reduction reserve	-	571	-	571
Total	41,143	12,012	(25,777)	27,378
Total other reserves	55,301	12,682	(27,726)	40,257

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

Council	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
2025				
Non discretionary reserves				
Apex Park reserve	402	37	(52)	387
Developer contribution reserve	4,915	4,696	(137)	9,474
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	182	39	-	221
Lake Cullulleraine Caravan Park reserve	44	11	-	55
Library book bequest reserve	30	-	-	30
Landfill redevelopment reserve	7,217	1,215	(1,975)	6,457
Public open space contribution reserve	31	59	-	90
Total	12,879	6,057	(2,164)	16,772
Discretionary reserves				
Artwork acquisition reserve	272	133	(11)	394
Hands up Mallee	837	111	(138)	810
Small towns redevelopment reserve	222	3	(54)	171
Land acquisition reserve	545	584	-	1,129
VGC advance grants reserve	-	10,178	-	10,178
Water transfer proceeds reserve	38	-	-	38
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	1,348	4,057	(2,054)	3,351
Capital renewal reserve	752	4,638	(723)	4,667
MRCC community drought reserve	51	-	(51)	-
MRCC developer contribution plan reserve	20,134	5,480	(423)	25,191
Unspent events grant reserve	153	544	(418)	279
Unspent recreation, planning and development grant reserve	264	322	(305)	281
Unspent community grant program	165	230	(218)	177
Murrayville swimming pool reserve	21	-	-	21
Fleet plant replacement reserve	-	894	-	894
Underbool swimming pool reserve	5	-	-	5
Energy and emission reduction reserve	571	-	(75)	496
Total	27,378	27,174	(4,470)	50,082
Total other reserves	40,257	33,231	(6,634)	66,854

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
Council	\$'000	\$'000	\$'000	\$'000
2024				
Non discretionary reserves				
Apex Park reserve	364	38	-	402
Developer contribution reserve	4,975	557	(617)	4,915
Library book bequest reserve	30	-	-	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	144	38	-	182
Lake Cullulleraine Caravan Park reserve	38	6	-	44
Landfill redevelopment reserve	8,549	-	(1,332)	7,217
Public open space contribution reserve	-	31	-	31
Total	14,158	670	(1,949)	12,879
Discretionary reserves				
Artwork acquisition reserve	173	111	(12)	272
Hands up Mallee	1,321	-	(484)	837
Small towns redevelopment reserve	182	128	(88)	222
VGC advance grants reserve	18,675	-	(18,675)	-
Land acquisition reserve	1,419	500	(1,374)	545
Water transfer proceeds reserve	65	-	(27)	38
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	624	3,712	(2,988)	1,348
Capital renewal reserve	-	754	(2)	752
MRCC community drought reserve	539	100	(588)	51
MRCC developer contribution plan reserve	15,732	4,943	(541)	20,134
Unspent events grant reserve	95	539	(481)	153
Unspent recreation, planning and development grant reserve	88	324	(148)	264
Unspent community grant program	204	330	(369)	165
Murrayville swimming pool reserve	21	-	-	21
Underbool swimming pool reserve	5	-	-	5
Energy and emission reduction reserve	-	571	-	571
Total	41,143	12,012	(25,777)	27,378
Total other reserves	55,301	12,682	(27,726)	40,257

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

Name of reserve	Nature and purpose
Non discretionary reserves	
Apex Park reserve	Set up under a Committee of Management agreement, where surplus funds are to be set aside for improvements to the park lands.
Developer contribution reserve	Statutory developer contributions to be used for infrastructure asset categories which do not have a dedicated reserve above.
DGR donations reserve - MAC Theatre	Reserve to hold deductible gifts for the Mildura Arts Centre theatre and is a requirement of being registered as a deductible gift recipient by the Australian Taxation Office.
Public open space contribution reserve	This reserve quarantines cash contributions within the Development Contribution Plan which relate to public open space projects.
Lake Cullulleraine Caravan Park reserve	Set up where surplus funds are to be set aside for improvements to the park lands.
Landfill redevelopment reserve	Surplus on waste management operations, to be used for landfill reinstatement and purchase of new landfill sites.
Library book bequest reserve	Established to hold library book bequest from deceased estate.
Merbein Caravan Park reserve	Set up where surplus funds are to be set aside for improvements to the park lands.
Discretionary reserves	
Artwork acquisition reserve	A reserve created for any annual unspent capital works expenditure allocation towards the restoration and expansion of Council's permanent artwork collection.
Capital renewal reserve	Established in order to take advantage of any possible matching funding, by way of government grants, for renewal of Council assets.
Hands up Mallee	A reserve created to account for the unspent portion of Hands up Mallee grant funding received.

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

Name of reserve	Nature and purpose
Discretionary reserves	
Small town redevelopment reserve	A reserve for funds set aside for long term strategies for the small towns within the municipality.
Land acquisition reserve	The reserve was created to allow for the purchase of land identified for a strategic purpose.
Water transfer proceeds reserve	The reserve was established to hold proceeds from the sale of permanent and temporary water for future water purchases.
Defined benefits reserve	This reserve was established to hold funding generated from rates to be used in the advent of another defined benefits call.
Capital funding reserve	This reserve was established to hold rates funded capital works investments untied to any specific capital works project.
MRCC community drought reserve	This reserve was established to hold grant funding that is to be used to help communities affected by the drought.
MRCC developer contribution plan reserve	This reserve has been created to receive budget allocations that are to be used for the purpose of Council 's contribution towards developer contribution plan developments.
Unspent events grant reserve	An unspent event grants reserve will be established to hold grant payments that were budgeted to be paid out in the Budget but remain unallocated and unspent at the end of the financial year. The unspent grant budget allocation may be transferred to the reserve at the end of each financial year. This reserve primarily would be used to help fund large or hallmark events.
Unspent recreation, planning and development grant reserve	This reserve is to hold grant payments that were budgeted to be paid out in the annual budget but remain unallocated and unspent at the end of each financial year.
Unspent community grant program	This reserve is to ensure that funds allocated for the benefit of community groups are used to deliver projects for and on behalf of community groups.
Murrayville swimming pool reserve	This reserve is created to hold funds from the Murrayville swimming pool section 86 committee.
Fleet plant replacement reserve	This reserve is created to hold proceeds from the sale of fleet which remains unspent at the end of each financial year.
Underbool swimming pool reserve	This reserve is created to hold funds from the Underbool swimming pool section 86 committee.
Energy and emission reduction reserve	This reserve funds initiatives that reduce Council's energy consumption, greenhouse gas emissions and operational costs.

Notes to the Financial Report For the Year Ended 30 June 2025

9.1 Reserves (cont'd)

(c) Financial assets revaluation

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Share of increment (decrement) on revaluation by an associate \$'000	Balance at end of reporting period \$'000
Council				
2025				
Interest in Mildura Airport Pty Ltd	30,188	(388)	-	29,800
Interest in Mildura Regional Development	3,735	(5,012)	-	(1,277)
	33,923	(5,400)	-	28,523
Total financial assets revaluation	33,923	(5,400)	-	28,523
2024				
Interest in Mildura Airport Pty Ltd	31,086	(898)	-	30,188
Interest in Mildura Regional Development	2,820	915	-	3,735
	33,906	17	-	33,923
Total financial assets revaluation	33,906	17	-	33,923

**Notes to the Financial Report
For the Year Ended 30 June 2025**

	Consolidated		Council	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)				
Surplus for the year	27,262	433	32,662	404
<i>Non-cash adjustments:</i>				
Depreciation/amortisation	24,648	23,808	22,720	22,124
Loss on disposal of property, infrastructure, plant and equipment	1,843	811	1,912	811
Write-off of works in progress	4,692	3,385	4,627	3,385
First time recognition of non current assets	(4,357)	(4,697)	(4,357)	(4,697)
Contributions - non-monetary assets	(954)	(457)	(954)	(457)
Interest expense	553	736	534	562
Leasing finance expense	58	62	58	62
Allowance for impairment loss	6,763	69	74	69
<i>Change in assets and liabilities:</i>				
(Increase) / decrease in trade and other receivables	(2,713)	(2,774)	(3,888)	(4,208)
(Increase) / decrease in prepayments	58	(107)	(27)	(23)
Increase / (decrease) in trade and other payables	(936)	103	291	(1,086)
Increase / (decrease) in contract and other liabilities	592	(2,686)	224	(1,711)
Increase / (decrease) in trust fund deposits	(315)	348	(315)	348
(Increase) / decrease in inventories	(108)	(141)	(67)	(128)
Increase / (decrease) in provisions	640	(526)	363	(488)
Net cash provided by operating activities	57,726	18,367	53,857	14,967

**Notes to the Financial Report
For the Year Ended 30 June 2025**

10 Change in accounting policy

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