

Annual Report

24

25





Acknowledgement of Country

“The Horsham Rural City Council acknowledges the five Traditional Owner groups of this land: the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk people.

We recognise the important and ongoing place that all Indigenous people hold in our community. We pay our respects to the Elders, both past and present, and commit to working together in the spirit of mutual understanding and respect for the benefit of the broader community and future generations.”

Accessibility

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All documents produced by Horsham Rural City Council and referred to in this document can be found on our website – <https://www.hrcc.vic.gov.au/Our-Council/Governance-and-Transparency/PublicDocuments/Council-Publications>

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Images courtesy of Horsham Rural City Council staff and Chris O'Connell



Contents

Introduction

Report of Operations 2024-25	4
Snapshot of Council	4
Councillors	6

The year in review

Mayor's Message	8
CEO's Message	9
Description of Operations	10
Major Capital Works	11
Major Changes	12
Major Achievements	14
Challenges and Future Outlook	19

Our people

Council Staff	20
Organisational Structure	21
Other Staff Matters	23

Our performance

Integrated Strategic Planning and Reporting Framework	26
Community Vision	28
Council Plan	29
Performance	30
Reconciliation of Financial Performance by Council Plan Theme to Annual Financial Report	52
Service Performance Indicators	54

Governance, Management and Other Information

Governance	62
Management	66
Governance and Management Checklist	68

Statutory information 70

Financial Summary 74

Annual Performance Report 78

Annual Financial Report 89

Report of Operations

2024-2025

Council is committed to transparent reporting and accountability to the community and the Report of Operations 2024-2025 is the primary means of advising the Horsham Rural City Council community about Council's operations and performance during the financial year.

Snapshot of Council

Population



6.3% of the municipality's population reported needing help in day-to-day living due to disability

7.1% of people in Horsham Rural City Council were born overseas, compared to 12.4% in Regional Victoria

24.5% of households in Horsham Rural City Council were made up of couples with children

61% of people participated in the labour force compared to Regional Victoria 57.4%

4.78 persons per KM² population density

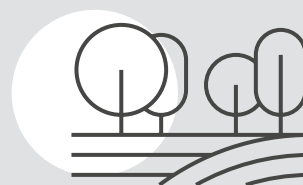


22.6% of people in Horsham Rural City Council reported doing some form of voluntary work

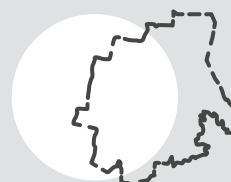
Major Industries of Employment



Healthcare and Social Assistance
Retail Trade
Construction
Education & Training
Accommodation and Food Services
Public Administration and Safety
Agriculture, Forestry & Fishing



4,266 KM² of land



7 Ward Council



Major Centres

Horsham followed by Natimuk and 37 smaller localities

¹ ABS 2021 Census – 2021 Horsham, Census All persons QuickStats | Australian Bureau of Statistics

² Profile ID <https://profile.id.com.au/horsham/>





Mayor Cr Ian Ross

Pine Lake Ward

First elected 24 October 2020

Re-elected 26 October 2024

ian.ross@hrcc.vic.gov.au

0409 330 603

Councillors

Horsham Rural City Council has seven Councillors elected every four years by the residents of the municipality. Voting is conducted via postal vote, with the most recent election held on 26 October 2024.

The seven Councillors are the elected representatives of all residents and ratepayers across the municipality. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.

The Mayor is elected for a one-year period each November and is voted in by the Councillors.

Our Councillors are listed here:



Cr Brian Klowss

Wyn Wyn Ward

First elected 26 October 2024

brian.klowss@hrcc.vic.gov.au

0488 392 798



Cr Cam McDonald

May Park Ward

First elected 26 October 2024

cam.mcdonald@hrcc.vic.gov.au

0408 884 040



Cr Angela Munn

Oatlands Ward

First elected 26 October 2024

angela.munn@hrcc.vic.gov.au

0428 083 079



Cr Dean O'Loughlin

Green Park Ward

First elected 26 October 2024

dean.oloughlin@hrcc.vic.gov.au

0409 921 150



Cr Rebecca Sluggett

Kalimna Ward

First elected 26 October 2024

rebecca.sluggett@hrcc.vic.gov.au

0418 682 065



Cr Todd Wilson

Horsham North Ward

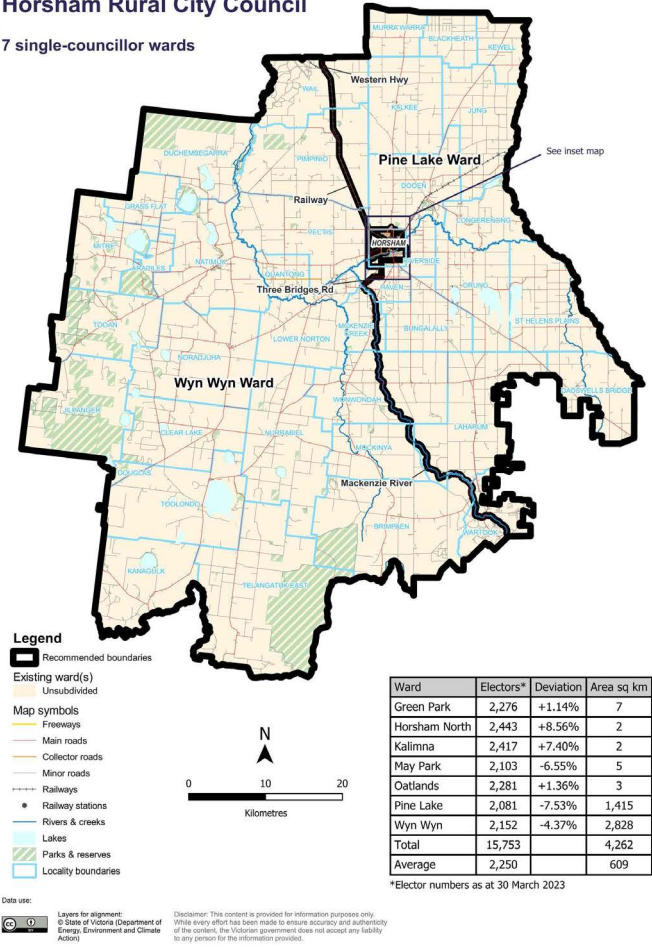
First elected 26 October 2024

todd.wilson@hrcc.vic.gov.au

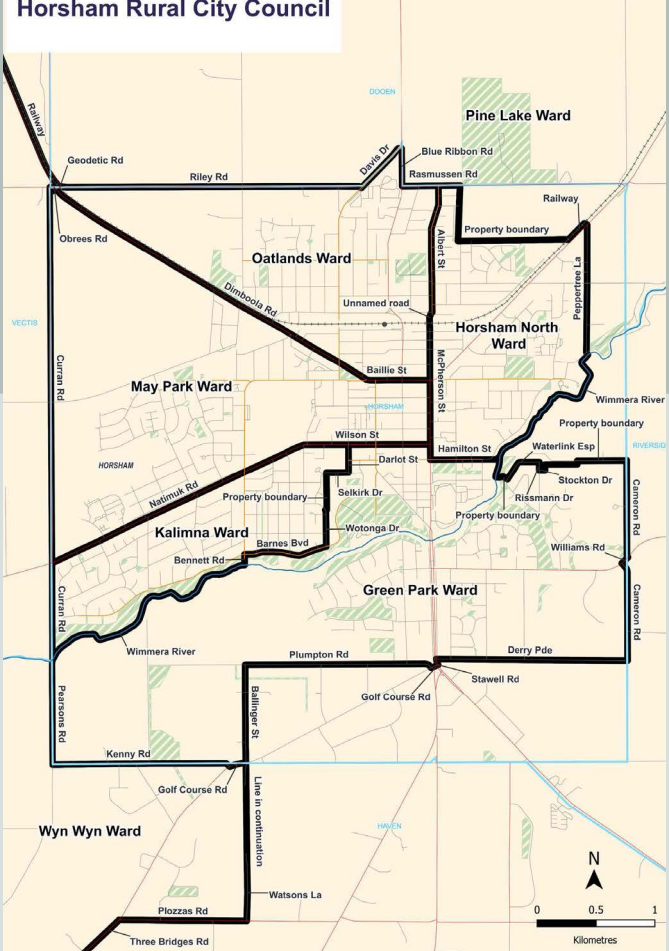
0418 963 814

Horsham Rural City Council

7 single-councillor wards



Horsham Rural City Council



Mayor's Message



I'm pleased to present an overview of the work Horsham Rural City Council has undertaken during 2024-25. This year marked a period of renewal for our city, with a newly settled Council re-examining priorities that matter most to our community.

Throughout this time, we carried out our duties with care and determination, making significant decisions to set a strong course for Horsham's future.

A defining achievement was Council's bold, community-led decision to remove parking meters from the Central Business District. After extensive community consultation – with more than 1,800 survey responses from residents and visitors and feedback from 73 local businesses – the trial of free two-hour parking, introduced in December 2024, inspired the case for change.

At its June 2025 meeting, the Council formally resolved that parking meters would not return, opting instead to maintain time-limited free parking in signed areas and enforce limits such as 30-minute, two-hour, and four-hour zones through tyre-marking and traditional enforcement.

This balanced approach supports local businesses by encouraging customer turnover while keeping the CBD accessible and welcoming – key platforms towards

maintaining and enhancing the viability and success of our city.

During a challenging summer, the Horsham community responded with resilience and support amid the bushfires affecting the Grampians and Little Desert National Parks.

Maydale Reserve became a vital operational centre, housing nearly 650 firefighters and emergency personnel. Our Senior Citizens Centre was transformed into a safe haven, providing essential support and coordination alongside emergency management teams. The activation of these facilities underscored our region's capacity for adaptability, care and community solidarity.

Meanwhile, the Riverfront Summer Series brought the community together in celebration. Held at the upgraded Riverfront Meeting Place, these family-friendly events – featuring live music and food trucks, set amongst scenic river views – drew thousands of people, reflecting the region's strong spirit and highlighting our natural assets as public gathering spaces for all to enjoy.

We are also proud to have embraced and hosted a diverse program of arts and performance for our community, attracting locals and visitors from further afield.

The Horsham Regional Art Gallery Program (HRAG) welcomed 16,462 visitors across 13 exhibitions, showcasing both local and national talent. A key highlight was the 'Sharing the Collections' program, which brought 21 significant artworks from the National Gallery of Australia to our region. This two-year loan, featuring masterpieces by iconic Australian artists such as Arthur Boyd, Sidney Nolan, and John Olsen, offers a unique lens through which to explore the rich history and evolving landscapes of the Wimmera.

In addition to our visual arts offerings, our Performing Arts and Events program brought joy to many, with 55 performances including the sell-out shows from Anh Do, the Melbourne Symphony Orchestra, and Kitty Flanagan.

Public art initiatives have also flourished, including a vibrant mural by DVate and Magic Library – the innovative, augmented reality experience – held outside the library. We are equally proud of our contributions to the Youth Teams Skate Bowl Project, a collaboration funded through FREEZA, which empowers the next generation of creators and artists. This year has been a testament to the growing cultural vibrancy in our region, and we look forward to building on this momentum in the years ahead.

Council also conducted four citizenship ceremonies welcoming into our community 56 new Australian citizens from diverse backgrounds. It was a privilege to witness and celebrate these individuals and families choosing to make Horsham their home.

Looking ahead, our strategic decisions aim to ensure that every initiative enhances liveability, strengthens connections within and beyond the Wimmera, and promotes long-term sustainability.

I extend my heartfelt thanks to my fellow Councillors for their dedication, to our staff for their tireless efforts, and to residents for your engagement and feedback. Your involvement is key to building a stronger, more vibrant Horsham municipality.

Thank you for your continued support. Together, we are continuing to shape a vibrant and sustainable future for our city.

Cr Ian Ross
Mayor

CEO's Message



The past year has brought meaningful progress, and I'm pleased to highlight the work our Council has undertaken. I would like to thank the former CEO Sunil Bhalla and interim CEO Craig Niemann who, for seven months of the year played a key role in supporting stability and guiding the newly elected group of councillors.

This year's Community Satisfaction Survey has provided valuable insights, with encouraging signs that our community is growing more confident in the direction the Council is taking.

While there is still work to be done, the improvements we have seen in key areas, particularly in customer service, reflect the hard work and dedication of our staff. We know that listening to our community and engaging with you is essential, and we are committed to further strengthening these connections.

We remain strongly committed to providing services that truly reflect the needs and aspirations of our community – both today and for the generations to come. Whether it's delivering vital infrastructure or through active community consultation, our efforts are guided by the goal of making Horsham an even better place to live.

The Safer Local Roads and Streets Program which assists councils in planning and investing in key infrastructure improvements received funding for six out of seven projects, with the final project still to be determined. The program will be delivered with funding from the Victorian Government, provided through the Transport Accident Commission (TAC), ensuring that improvements lead to safer roads for all users.

Council has also secured funding for safety upgrades along Urquhart Street in Horsham. The upgrade seeks to enhance the connections between the Horsham city centre and river frontage with the aim of stimulating activity and growth.

Council responded swiftly and effectively to challenges presented by fires in the Grampians and Little Desert National Parks.

Through the disaster recovery services, we provided essential support to residents across the region. Our operations team worked around the clock during the crisis, establishing containment lines and coordinating logistics in support of our emergency services, which substantially reduced the fires' impact. I'm deeply proud of the professionalism, resilience, and compassion shown by our team and partners in safeguarding both our community and environment.

Services provided for our families also have been well-received by the community, such as the opening of the Kalkee Road Children's Hub for around 70 children aged up to five years, which also provides central access to additional services including Maternal Child Health, Immunisation and Playgroup.

Our commitment to sustainability was demonstrated through a partnership with Landcare, resulting in the planting of more than 4,500 trees at Burnt Creek. This initiative helps enhance local biodiversity, reduced carbon emissions, and creates a lasting green space for the community, contributing to a more sustainable future for Horsham.

The HRCC Waste App was downloaded by many across the community, providing helpful bin night reminders, calendar notifications, service changes, delay alerts, and an A-Z waste disposal materials guide. I am grateful to all residents who have helped by diligently sorting their waste, preventing a substantial amount from going to landfill.

Looking ahead, we will continue to target initiatives to strengthen our community, businesses and economy.

I want to extend my sincere thanks to all our dedicated staff and engaged community members for their consistent commitment.

Together, I am confident that we will continue advancing practical solutions to meet emerging needs. Through our collective efforts, our Council will remain and further evolve as a vibrant place to live, work, and visit.

Gail Gatt
Chief Executive Officer

Description of Operations

Horsham Rural City Council is responsible for more than 70 community services, including emergency response, community services, arts, culture, recreation, economic development, governance, and finance. We offer a diverse range of building, planning, and regulatory services while ensuring the upkeep of vital infrastructure—including buildings, roads, drains, and parks—to support community access and enjoyment.

Our Strategic Objectives, Strategies, Initiatives and Priorities, aimed at enhancing the health, prosperity, and wellbeing of our community, were outlined in the 2021-2025 Council Plan and the 2024-2025 budget. These are detailed in the Performance section of this document.

The effectiveness of our services, facilities, support, and advocacy in achieving these strategic objectives is evaluated through a set of service performance indicators and measures. Additionally, the Council has a wide range of responsibilities under both Victorian and Commonwealth legislation.



70%
community satisfaction
with Customer Service



94.12%
participation in four-week
Key Age and Stage visits by
Maternal Health Nurses



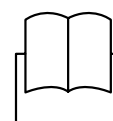
99.83%
Sealed local roads
maintained to standard



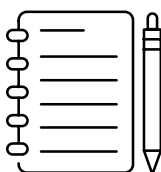
70.86%
animals were rehomed



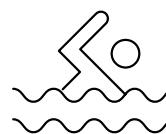
43.62%
of waste diverted from landfill



2.78
Library visits per head
of population



17 Council Meetings held
with **93.28%**
Councillor attendance



Fitness and social
enjoyment through
125,014
Aquatic Centre visits

Major Capital Works

Major Capital Works	Amount (\$)	Major Capital Works	Amount (\$)
Roads and associated infrastructure Roadworks were undertaken across Council to improve overall conditions. The works can be divided into the following works categories: • Heavy Vehicle Improvements \$4,579,483 • Reconstruction & Renewal of Urban Streets \$932,818 • Gravel Roads Resheeting \$872,236 • Resealing works on Rural Roads \$645,678 • Resheeting works on Rural Roads \$613,981 • Kerb & Channel Works \$299,327 • Resealing works on Urban Streets \$233,677 • Drainage Works \$203,912 • Heavy Patching Works \$146,136 • Final Seals on Rural Roads \$95,073 • Final Seals on Urban Streets \$32,892	8,655,214	Furniture, Equipment and Information Technology Information technology upgrades to enable greater use of livestreaming meetings to the public, upgrades & equipment across the organisation including Visitor Services, Town Hall and Civic Centre. Also included are furniture purchases for Wimmera Libraries.	285,014
Depot Relocation Council's new Depot and detailed planning to adapt the site to Council's needs.	1,892,744	Footpaths & Cycle Ways Maintaining and enhancing Council's network of footpaths and walking trails including on-road and off-road cycle paths.	269,682
Plant & Machinery Purchases Purchase of Machinery and large items of plant to enable efficient operations of services such as road maintenance and waste collection and processing.	1,691,461	Recreation, Leisure and Community Facilities Works included shade sails at the Aquatic Centre, final works on the City Oval Events Stage and Netball Courts together with planning for future recreation and leisure facilities.	245,635
City Oval: Netball Court Clubrooms Construction of Clubrooms at City Oval Netball Courts.	1,537,113	Industrial Land Development Further development of Burnt Creek Industrial Estate, Enterprise Estate, Wimmera Agricultural & Logistics (WAL) Hub and Wimmera Intermodal Freight Terminal (WIFT).	199,955
Building Renewals and Minor Upgrades Renewal works and minor upgrades included the Horsham Aquatic Centre, Rowing Club, Scout Hall, Laharum Hall, Natimuk Hall, Quantong Community Centre, Public conveniences at Telangatuk and Sawyer Park, Performing Arts Centre and Civic Centre and Apex Jardwa Shed. Minor works were also undertaken at a number of other facilities as well as planning for other locations.	1,151,650	Wimmera Libraries Lending Materials Lending materials to service the Wimmera Libraries. Includes books and audio visual materials.	104,326
Parks, Open Spaces & Streetscapes A new playground was installed at City Oval/ Sawyer Park, lights were installed at the Pedestrian Footbridge over the Wimmera River and works undertaken on a bus shelter at Natimuk. Other works included DDA compliant seats, patching on footpaths, water supply works & irrigation systems and CCTV updates.	680,060	Public Art and Art Collection Works of Art funded by the Art Gallery Trustees as well as works of art in public places.	77,059
		Waste Facilities Minor works at waste facilities to enable Council to deliver efficient and effective services to the community.	49,575
		Off Street Car Parks & Accessibility Improvements Improvement to existing carparks for all users.	27,000
		Airport Development Works to improve the water supply to the Aerodrome.	7,324
		Total	16,873,803

Major Changes



New Council and Mayor Elected

The 2024 Horsham Rural City Council election brought significant changes, with six new councillors joining the council alongside Ian Ross, who was re-elected after serving from 2020 to 2024.

The introduction of wards for the first time in Horsham Rural City Council's history, following a review by the Victorian Government in 2023, marks a shift towards more localised representation. This change is designed to enhance community-focused decision-making, ensuring that different areas within the municipality have dedicated representation.

A notable aspect of this election was the impact of the Community Leadership Program, as four of the newly elected councillors were graduates of the 2024 program.

This suggests a strong emphasis on leadership development and community engagement with council. This will help ensure residents' voices are heard in shaping Horsham's future.

The Councillors have also developed a Ways of Working Charter as a proactive step toward fostering transparency, collaboration, and a community-focused approach to governance.

With this charter in place, Councillors have strengthened their working relationships with one another and deepened their connection with the community.

By setting clear expectations and aligning on a shared vision, the charter has already laid the groundwork for a more effective, respectful, and future-oriented Council.



New CEO Appointed

Horsham Rural City Council welcomed Gail Gatt as its new Chief Executive Officer in May 2025.

Gail steps into the role with an impressive track record, having served as General Manager of Strategy and Effectiveness at Surf Coast Shire, as well as holding executive leadership positions at Wellington Shire and Latrobe City Council.

Her deep-rooted understanding of regional communities will be invaluable as Horsham Rural City Council shapes its new Council Plan—representing an exciting roadmap for Horsham's future.

Major Achievements - Highlights



Free Parking in City Centre

The newly elected Council has taken a proactive step in enhancing community accessibility with its first major decision—introducing free parking in the city centre. This initiative reflects their commitment to listening to residents and creating a more welcoming and accessible environment for all.

By prioritising community feedback, Council is setting a positive tone for its leadership, demonstrating a focus on practical improvements that support local businesses and encourage greater participation in city life.

With time limits remaining in designated zones, the balance between accessibility and city functionality is maintained,

allowing residents and visitors to enjoy a more convenient and engaging experience. This decision marks a strong start for the new Council, showcasing their dedication to fostering a thriving and connected community.

Launch of Waste App

Horsham Rural City Council has introduced the HRCC Mobile Waste App, making waste disposal and recycling more convenient and accessible for residents. Launched in April, this initiative is designed to support correct waste management while simplifying bin night routines.

With features like A-Z waste material guides, bin collection calendars and transfer station information, the Waste App provides a one-stop resource for residents to dispose of their

waste correctly. The ability to set bin night reminders ensures that households never miss a collection, while access to recycling locations and transfer station details helps encourage responsible waste habits.

By offering real-time updates and local recycling information, the app is expected to contribute to a more sustainable community, aiming to reduce contamination and promote better recycling habits, therefore helping to decrease landfill waste.



The Push All Ages Show – FreeZA Event

Horsham's Maydale Pavilion became a gathering place for music lovers as the community embraced The Push All Ages Tour with enthusiasm. The event was a resounding success, reinforcing Horsham's reputation for fostering vibrant live music experiences. A crowd of more than 200, including some who travelled from Sydney and Adelaide, joined in the celebration, demonstrating the wide-reaching appeal of the town's music scene.

Local talent shone brightly, with Jack Doolan & The Scrubs debuting original music to kick off the night, while indie musician Kailee Rose—Triple J Unearthed winner and a beloved local artist—captivated audiences with heartfelt performances of her songs, including "Bloom", "Wildflower" and "In My Head". The atmosphere remained

electric as Jem Cassar-Daley, South Summit, and The Rions took the stage, keeping the energy high and the crowd engaged.

The event was made even more special by the dedication of nine young volunteers from the Horsham and Stawell FreeZA groups, who contributed as artist liaisons, MCs, and merchandise stand attendants. Their involvement showcased the community's commitment to providing opportunities for young people to actively participate in the arts.

Overall, the night's success reflected Horsham's deep passion for music and its strong sense of community, bringing people together to celebrate talent, creativity, and shared experiences.

Skate Park Mural

In December, Horsham Rural City Council brought a vibrant splash of creativity and colour to the community by completing an exciting art project – the painting of the Skate Park bowl.

This initiative not only added fresh colour but also fostered artistic growth among young creatives. Youth who participated in workshops over the July and September school holidays were given a unique opportunity to paint alongside professional artists—an experience that celebrated their talent and skill development.

By showcasing the incredible capacity of these young artists, the project serves as both a reward for their hard work and a lasting legacy for the community. This collaboration highlights Council's commitment to nurturing artistic expression and supporting youth engagement in meaningful ways.

Major Achievements - Highlights



National Gallery of Australia – Horsham Regional Art

Horsham Regional Art Gallery is now home to an extraordinary collection of artworks from the prestigious National Gallery of Australia, forming the new long-term exhibition, *View from Here: Highlights from the National Gallery Collection*. Over the next two years, the gallery's ground floor will feature pieces from several of the region's most celebrated artists, alongside stunning depictions of Australia's iconic landscapes.

Complementing this major exhibition is *Extending the View: Landscapes from Our Region's Public Collections*, showcasing works from Horsham Regional Art Gallery's own collection alongside select pieces loaned from Hamilton Art Gallery, Glenelg Shire Council, Warrnambool Art Gallery, and Textiles and Arts Museum Australia, Ararat.

Adding to this impressive lineup at Horsham Regional Art Gallery is *Salt, Sky and Dust*, an exhibition drawn entirely from the gallery's own collection. This unique showcase explores the

evocative power of the colour pink, featuring a diverse array of traditional and contemporary works. Visitors can experience pieces by renowned artists such as Dagmar Cyrulla, Neil Douglas, Troy Emery, and Kate Rohde, offering a fresh perspective on how color shapes artistic expression. Together, these exhibitions provide an extraordinary opportunity to engage with both national treasures and regional creativity in one space.



The Boat House – Pedal Boats

This summer, Horsham Rural City Council's long-held vision has become a reality with the launch of The Boat House. With pedal boats now drifting across the Wimmera River, the community is enjoying a refreshing way to experience Horsham's scenic waterfront.

A simple yet impactful transformation—adding sand to the old boat ramp—has turned the riverside into a lively gathering place for locals and visitors alike. Families, tourists,

and community members have embraced the opportunity to engage with the river in a new way, making it a hub for social connection and outdoor enjoyment.

The response has been overwhelmingly positive, with many celebrating the addition of water-based recreation. The busiest times have been afternoons, weekends, and school holidays, with families making up the majority of customers. Since opening at Christmas, the business has exceeded expectations, proving that small changes can lead to

significant improvements in how a community interacts with its environment. This new attraction not only enhances Horsham's appeal but also strengthens its reputation as a destination for leisure and relaxation.

Major Achievements - Highlights



Community Grants Success Stories

Horsham Lapidary Club

Thanks to a generous \$4,100 Community Grant from Horsham Rural City Council, the Horsham Lapidary Club has added a brand-new Durston rolling mill—making silversmithing more accessible and hands-on than ever. This funding allows members to explore fine metalwork with greater ease, enabling individuals—including those with reduced mobility—to roll metal into various sheets and wires with minimal effort.

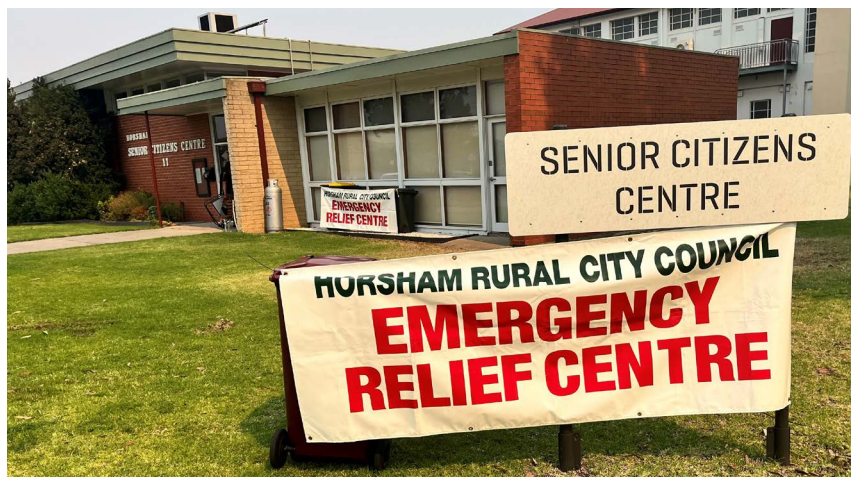
Horsham Golf Bowls Club

With the support of a \$2,000 Community Grant from Horsham Rural City Council, Horsham Golf Bowls Club has successfully restored its ageing light towers, enhancing both functionality and aesthetics. The restoration process included removal, priming, painting, and reinstallation, alongside the integration of new technology to modernise the facility. This upgrade not only provides a more inviting atmosphere for members and visitors but also strengthens the club's appeal as a premier venue for tournaments and events.

Arapiles Historical Society - Natimuk Heritage Trail

A \$5,000 Community Grant from Horsham Rural City Council has enabled the Arapiles Historical Society to enhance Natimuk's Heritage Trail with interactive digital content. Visitors can embark on a self-guided tour across 40 historic sites in the town, using their phones to scan QR codes at 10 key locations to access engaging history videos. This initiative brings local heritage to life, making historical exploration more immersive and accessible for all.

Challenges and Future Outlook



During the 2024-2025 year, Horsham Rural City Council has experienced a dynamic period of growth and development. While celebrating various successes, Council has also navigated challenges.

Emergency Management

The year saw Horsham Rural City Council respond to significant emergencies, demonstrating resilience and community support. Despite the bushfires in Wimmera affecting neighbouring areas such as Dimboola, Council stepped up, providing essential aid, including emergency relief centres for displaced residents. The Wartook fires required swift action, with a second emergency relief centre established within days.

Emergency response efforts included deploying crucial resources such as Council water tankers and graders to support affected areas. The recovery phase brought further challenges, with disruptions to services and lasting effects on tourism, highlighting the broad impact of these incidents.

In addition to bushfire response, Council addressed local infrastructure crises, such as the destruction of the Farmhouse Cafe, in Firebrace Street. The fire not only led to the demolition of the property but also caused structural damage to surrounding businesses, amplifying the impact.

Illegal Dumping

Illegal dumping of waste, including tyres and general rubbish, has posed a significant challenge for Horsham Rural City Council. The costly cleanup efforts have demanded substantial resources, diverting attention from other critical services.

Beyond the immediate expense, the redirected use of Council assets for waste removal has placed strain on operations, affecting various community services. The broader impacts extend to environmental concerns, local aesthetics, and the efficient allocation of resources, making illegal dumping a persistent issue that requires ongoing attention and intervention.



Farewelling Cr Redden

The passing of Councillor Bob Redden during his tenure was a profound loss for Horsham Rural City Council and the wider community. His contributions were valued, and his absence has been felt by colleagues and residents alike.

To honour his service and legacy, a memorial was held at the Civic Centre, providing an opportunity for people to come together in remembrance.

Appointment of Municipal Monitor

A municipal monitor, Mr Steven Kingshott, was appointed to Horsham Rural City Council from 2 September 2024 until 30 June 2025.

Council is currently awaiting the monitor's report to the Minister for Local Government. Any recommendations for improvement will be addressed by Council.

Council Staff

The Chief Executive Officer (CEO) leads an Executive Management Team which includes three Directors. The team plans, coordinates and monitors the progress of Council's goals and strategic direction and manages day-to-day business activities. Directors are accountable to the CEO for effective and efficient management of their portfolios and the collective delivery of the Council Plan.



Chief Executive Officer
Sunil Bhalla

3/4/2018 - 6/9/2024



Interim Chief Executive Officer
Craig Niemann

30/09/2024 - 18/05/2025



Chief Executive Officer
Gail Gatt

19/05/2025 - Current

Kim Hargreaves was Acting Chief Executive Officer between 7/9/2024 -29/09/2024



Director Communities and Place

Kevin O'Brien

Arts, Culture and Recreation

- Performance and Events
- Recreation and Open Space Planning
- Visual Art
- Projects

Community Services

- Community Safety
- Environmental Health
- Municipal Emergency Recovery
- Wimmera Emergency Management Project
- Youth and Early Years

Investment Attraction and Growth

- Business Development and Tourism
- Statutory Planning and Building Services
- Strategic Planning and Heritage



Director Corporate Services

Kim Hargreaves

Finance

- General Accounting
- Revenue and Rates
- Information Technology

Governance and Community Relations

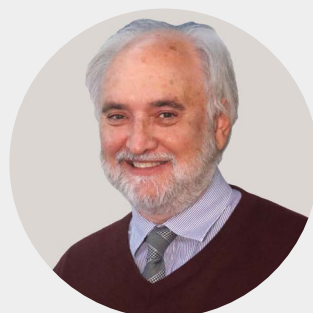
- Community Relations and Advocacy
- Customer Service
- Governance
- Business Risk

People and Safety

- Business Efficiency
- Human Resources
- Occupational Health and Safety
- Payroll
- Safety Risk

Property Management

- Property acquisition and disposal
- Property use agreements



Director Infrastructure

John Martin

Assets and Engineering Services

- Assets
- Engineering
- Fleet
- Project Office

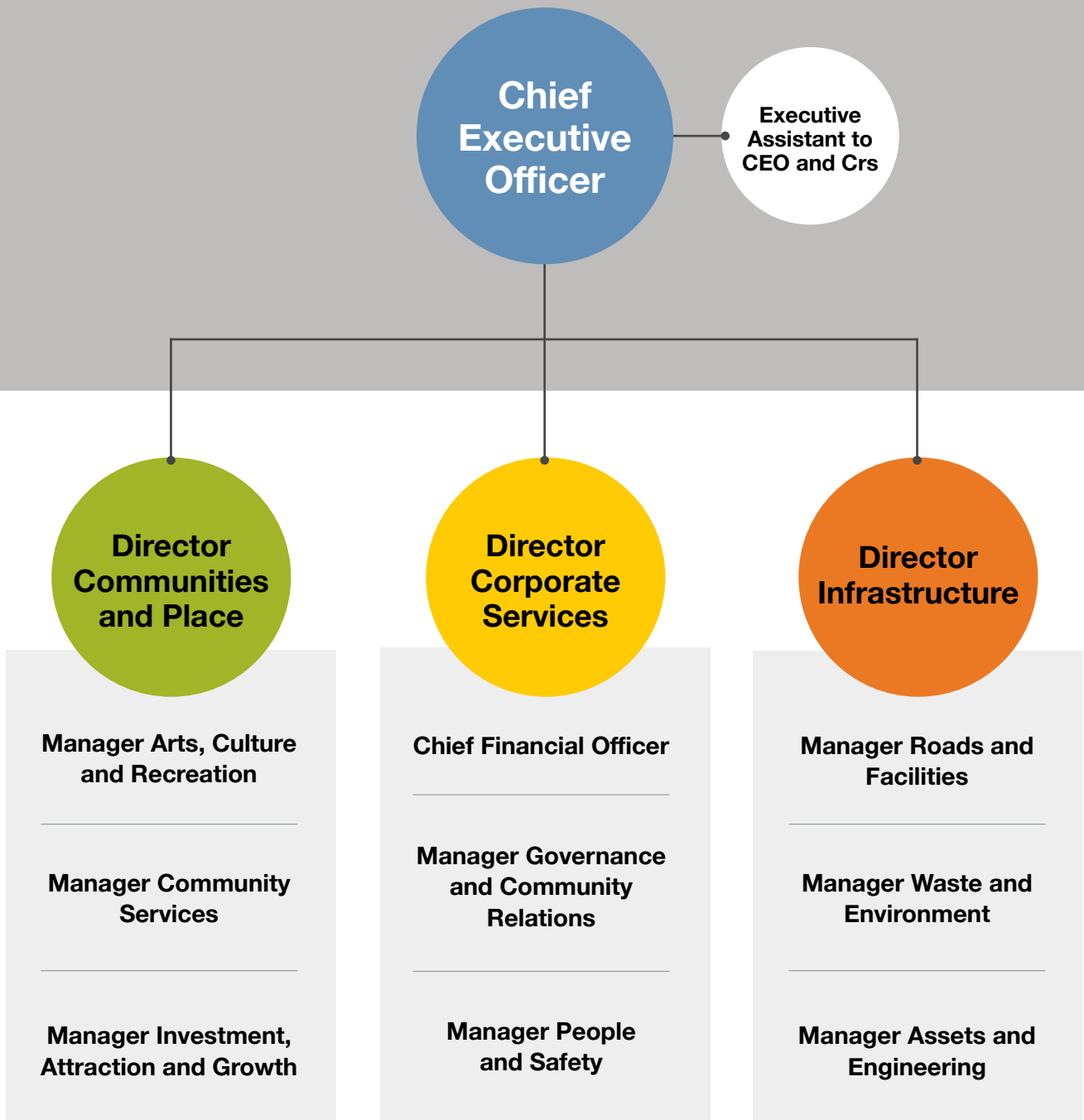
Roads and Facilities

- Civil Works
- Commercial Enterprises
- Facilities

Waste and Environment

- Parks and Gardens
- Waste Operations
- Waste Infrastructure and Sustainability

Organisational Structure



A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender is set out below.

Employment type / gender	CEO	Communities & Place	Corporate Services	Infrastructure	Total
Full Time					
Female	1	21	13	9	44
Male	0	9	13	105	127
Part Time					
Female	0.91	21.16	11.14	1.40	34.61
Male	0	3.90	0.75	3.30	7.96
Casual					
Female	0	3.24	0.27	0	3.51
Male	0	0.74	0.10	0	0.84
Total	1.91	59.04	38.26	118.70	217.91

In the 2024-2025 period there were no persons of self-described gender employed at Council.

NUMBER OF STAFF (FTE) by Employment Classification

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	1.38	0.70	2.07
Band 2	0	0	0
Band 3	7.62	63.12	70.74
Band 4	15.12	29.96	45.08
Band 5	16.58	16.36	32.94
Band 6	15.62	8	23.62
Band 7	14.77	6.91	21.68
Band 8	0.80	4	4.80
Band not applicable	10.2	6.75	16.98
Total	82.12	135.79	217.91

Other Staff Matters

Gender Equity Action Plan

In 2021 Council finalised its Gender Equality Action Plan 2021-2025, in accordance with the requirements of the *Gender Equality Act 2020*. The plan is required as Council is a public sector body in Victoria.

The plan was developed after conducting a workforce audit and engaging with staff to identify specific goals and strategies to address issues such as gender pay equity, representation, and preventing gender-based harassment. It comprised a four-year outline of commitments and actions that aim to promote and ensure gender equality within Council.

Horsham Rural City Council (HRCC) reports on its Gender Equality Action Plan through biennial progress reports submitted to the Commission for Gender Equality in the Public Sector. These reports are a requirement under the *Gender Equality Act 2020* and detail the progress made against the organisation's specific targets and measures.

The progress report outlined details of action taken by Council in relation to seven workplace gender equality indicators, as outlined in the Act.

The indicators that measure the effectiveness of the Plan, and reported on in the progress report, are:

Indicator 1: Gender composition of all levels in the workplace

Indicator 2: Gender composition of governing body (Council)

Indicator 3: Equal remuneration for work of equal or comparable value across all levels of the workforce, irrespective of gender

Indicator 4: Sexual harassment in the workplace

Indicator 5: Recruitment and promotion practices in the workplace

Indicator 6: Availability and utilisation of terms, conditions and practices relating to family violence leave, flexible working arrangements and working arrangements supporting employees with family or caring responsibilities

Indicator 7: Gendered segregation (diversity) within the workplace

A review of the progress report by the Commission for Gender Equality was completed in late 2024 and the document was subsequently posted on the Commission's website, along with insights into the information provided: www.insights.genderequalitycommission.vic.gov.au

The report shows that progress on many actions had been made in part noting the further effort required by 30 June 2025 to ensure delivery against the Plan. Excellent progress has been made throughout the year with respect to training and capacity building across the organisation; gender impact assessment training, education and advice; communication and promotion; strategy development; implementation of the People Matter Survey; and stakeholder and relationship development.

Upcoming reporting obligations to The Commission for Gender Equality are:

- Workplace gender audit data as at 30 June 2025 – due 1 December 2025
- Progress report as at 30 June 2025 – due 1 May 2026

Enterprise Bargaining Agreement

Enterprise Agreement Number Ten (2022-2025) (EA10) was formally endorsed by the Fair Work Commission on 6 September 2023, with official commencement from 13 September 2023. The nominal expiry date of EA10 was 30 June 2025 with the final wage increase provided for under the agreement applied in July 2024.

There was considerable time spent in developing EA10 as it consolidated three distinct parts of EA9 (local provisions, the Victorian Local Authorities Award 2001, and the Nurses (ANF – Victorian Local Government) Award 2015). Other amendments to EA10 included the addition of leave provisions for staff in various circumstances such as adoption/permanent care arrangements, IVF treatment and gender transition.

The work undertaken to develop EA10 has proved extremely beneficial in aiding interpretation, use and understanding of the provisions of the enterprise agreement by management and staff. It has also assisted significantly in the discussions to inform the development of Enterprise Agreement Number Eleven (2025-2028) (EA11).

The first negotiation committee meeting to develop EA11 was held on 27 May 2025, with several staff exercising their right to participate in the process. Council's negotiations were based on an intention to pursue the development of a 'single' agreement until such time as the unions might obtain an authorisation from the Fair Work Commission to proceed with the development of a 'multi' agreement instead, on the basis that Council believes a 'single' agreement will be more directly beneficial for Horsham Rural City Council and staff.

Negotiations were still ongoing as EA10 nominally expired on 30 June 2025 so the terms and conditions provided under EA10 continue to apply until such time as EA11 is negotiated and formally endorsed by the Fair Work Commission.

Professional Development

Council provides a comprehensive corporate learning program that supports a broad range of staff development needs, across a range of areas and functions. The program is developed in alignment with strategic priorities and in response to needs identified through performance and development plans. A variety of learning methodologies are used including e-learning, internal and facilitated workshops.

Council offers study assistance and support for staff undertaking tertiary education with three staff having benefited from this form of support in 2024-2025. Some of the courses and training officers undertook this

year included the Bachelor of Strategic Planning (finalised by two staff) and Cert IV HR Management (one employee).

The year has also seen the commencement of implementation of a new Human Resource Information Management System (ELMO). This system will allow Council to better record and report on training undertaken. The system will also support staff in their professional development by highlighting training and skills gaps through the annual review process.

Preventing Violence Against Women

In February 2024, Council was awarded a grant as part of the Free from Violence Local Government Program 2024-2027.

The program's objectives are to:

- Increase awareness and understanding across Victorian councils of the drivers of family violence and all forms of violence against women, and how to stop this violence before it starts in Victorian communities.
- Support Victorian councils to promote positive attitudes, behaviours and culture change in their workplace and through the programs and services they deliver, to prevent family violence and all forms of violence against women.
- Test the appropriateness, useability and effectiveness of the Guide as a tool to support councils to implement and embed a whole-of-council approach to preventing family violence and all forms of violence against women.

Local Government Victoria manages the contractual issues associated with the Program, with Family Safety Victoria responsible for coordinating management, monitoring and evaluation.

Working with Municipal Association of Victoria, Family Safety Victoria has supported councils to implement the Local Government Guide for Preventing Family Violence and All Forms of Violence Against Women (the Guide) as part of the program.

Work to date has primarily focused on delivery of the Guide while also forging strong relationships with a wide range of stakeholders. Some of the progress to date also includes:

- Completion of required training including Multi-Agency Risk Assessment and Management (MARAM)
- Overseeing the "16 Days of Activism" and other promotions;
- Delivering prevention of violence against women in training;
- Developing relationships and providing advice across the organisation (with input into a variety of projects and operational tasks); and establishing a strong foundation for future work and the next officer.

**RESPECT IS
KNOWING THAT
YOU CAN HELP
PREVENT VIOLENCE
AGAINST WOMEN**

Health and Safety

Council remains committed to providing a safe, healthy, and supportive working environment for all employees, contractors, and visitors. Our approach is guided by compliance with relevant legislation, and a commitment to continuous improvement to foster a proactive safety culture across the organisation.

To better support this commitment, Council engaged the Victorian Chamber of Commerce and Industry (VCCI) to conduct a comprehensive 'gap analysis' of its Occupational Health and Safety Management System. This analysis was completed in February 2024.

The VCCI report identified a range of opportunities for improvement, to enhance performance and operational culture. Additional resourcing to support implementation of the recommendations was committed by the Executive Management Team however these resources have been difficult to source.

Progress has been made with work completed to date including:

- Provision of OHS responsibility training to the Executive Management Team, Managers and Supervisors.
- Position Descriptions updated to include descriptions of OHS responsibilities
- Some 68 OHS policies and procedures reviewed to ensure alignment with Victorian Compliance Code

- Review and revision of employee induction program
- Implemented a Mental Health and Wellbeing Plan and trained our first cohort of Mental Health First Aiders.

Council also introduced a new incident reporting system (Riskware) during 2024-2025 to improve response times and data accuracy. The new system is a significant enhancement and allows HRCC to manage 'workflow' of incidents and hazards, which increases management accountability and responsibility for follow-up. Ongoing refinement of the system is occurring throughout the year, with further improvements likely to occur throughout 2025-2026.



Integrated Strategic Planning and Reporting Framework

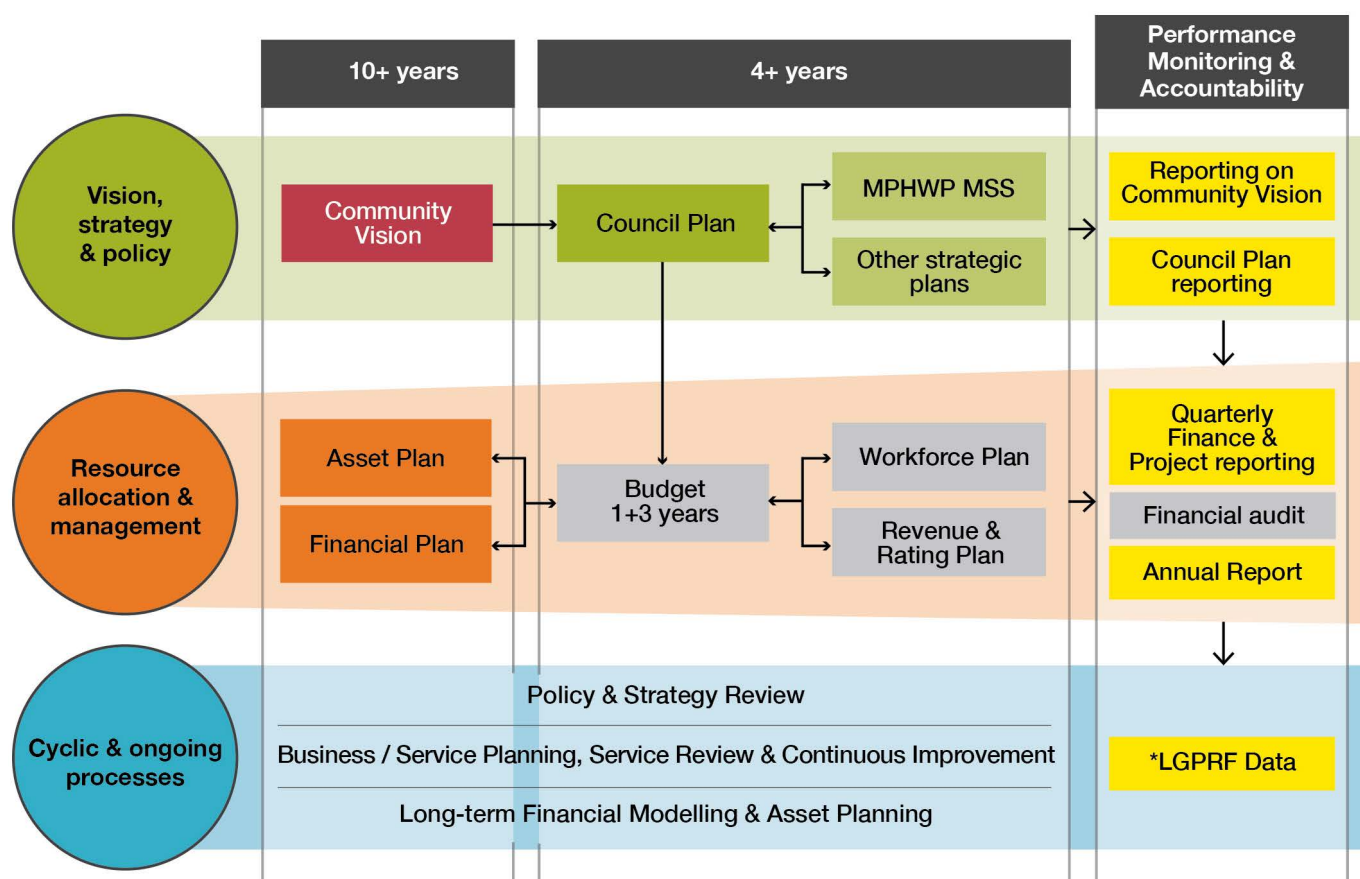
Part 4 of the *Local Government Act 2020* requires Councils to prepare the following:

- A Community Vision (for at least the next ten (10) financial years)
- A Council Plan (for at least the next four (4) financial years)
- A Financial Plan (for at least the next ten (10) financial years)
- An Asset Plan (for at least the next ten (10) financial years)
- A Revenue and Rating Plan (for at least the next four (4) financial years)
- An Annual Budget (for each financial year and the subsequent three (3) financial years)
- An Annual Report (for each financial year)
- Financial Policies

The *Local Government Act 2020* also requires Councils to prepare a Workforce Plan which includes projected staffing requirements for at least four (4) years.

The *Public Health and Wellbeing Act 2008* requires councils to prepare a Municipal Public Health and Wellbeing Plan (MPHWP MSS) to be consistent with the Council Plan for at least the next four (4) years and be reviewed annually.

The following diagram shows the relationships between the key planning and reporting documents that make up the Integrated Strategic Planning and Reporting Framework for local government.



*Local Government Performance Reporting Framework



Community Vision

THE HORSHAM 2041 COMMUNITY VISION

In 2041, Horsham region is a vibrant, liveable hub that thrives on strong economic growth and social connectedness. Empowering people to live, work and access opportunities for recreation and culture, now and into the future.

SUSTAINABILITY

A sustainable community is driven by strong economic growth in a healthy and safe, natural environment.

LIVEABILITY

A liveable community is a place where green spaces are prioritised and specialised services are available to promote physical and mental health and wellbeing.

ACCESSIBILITY

An accessible community is a connected hub supported by an extensive transport network. It is designed to meet the growing demand for services and supports, education and wellbeing.

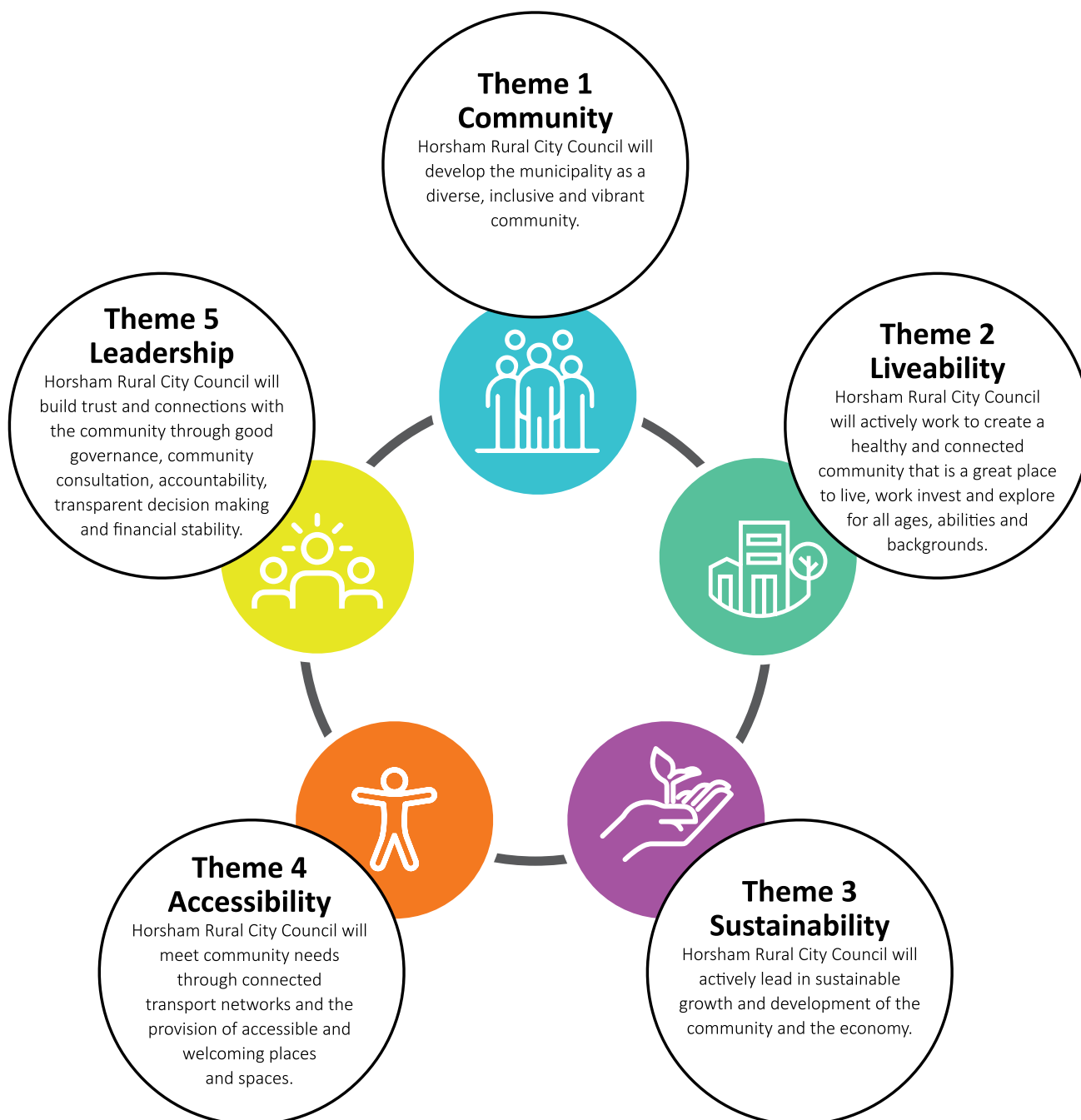
COMMUNITY

A welcoming community connects the diverse population and enables all people to feel a strong sense of belonging. It is underpinned by a framework of community consultation and accountable and transparent decision making.



Council Plan

The Council Plan 2021-2025 sets the strategic direction of Council over a four-year period, linking the Community Vision to Strategies, Initiatives and Priorities for Horsham Rural City Council. The following pages provide details of some of the highlights achieved this year. Further information in relation to outcomes, initiatives and priorities contained in the Council Plan are provided in the Performance section.



Performance

Council's performance for 2024-25 has been reported against each strategic objective to demonstrate how Council is performing in achieving 2021-2025 Council Plan.

Performance has been measured as follows:

- Results achieved in relation to Monitoring Achievements in the Council Plan
- Progress in relation to the Major Initiatives identified in the Budget
- Services funded in the Budget and the persons or sections of the community who are provided those services



Theme 1 – Community

Horsham Rural City Council will develop the municipality as a diverse, inclusive and vibrant community.

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to Monitoring Achievements included in the Council Plan.

Monitoring Achievements	Result	Comments
1. Implementation of 100% of actions identified in the 2019-22 Community Inclusion Plan		The Disability Access Inclusion Plan (DIAP) has replaced the 2019–22 Community Inclusion Plan, and Council is actively progressing the implementation of all DIAP actions.
2. In consultation with Barengi Gadjin Land Council, develop a partnership agreement		As part of recognition and settlement agreement actions, community engagement plans will be developed with Local Government Areas.
3. Improved diversity in community and programmed events by 10% over the four year period of the Council Plan		Increased program diversity has resulted in audience participation rates beyond 10% at the Venue over the past 4 years. The focus has been LGBTIQA+, First Nations, women, youth and school-aged. Highlights include: SPARK Arts Education program reach into smaller rural areas; exhibitions focussing on women artists and women's perspectives and, the Kaleidoscope exhibition, celebrating the LGBTIQA+ community.
4. Ensure gender equity on all Council Committees		Council is committed to achieving gender equity across all committees, making it a mandatory consideration in the recruitment process outlined in every Terms of Reference.
5. Increased reach and diversity of allocation of Annual Community Grants program with a 10% increase of new successful applicants over the four year period of the Council Plan		In 2023–24, Council reviewed its Community Grants Program and introduced four distinct streams of grant applications. As part of the rollout of the new program, Council successfully achieved its objective of increasing the number of successful new applicants by more than 10%.



Completed



Underway



Not Achieved

The following statement reviews the progress of Council in relation to Major Initiatives identified in the 2024-25 Budget.

Major Initiatives

Initiative	Initiative Description
<i>Development of a Master Plan for Social Infrastructure Assessment</i>	To develop Master Plans for key municipal-level assets as listed in the Social Infrastructure Framework Plan. Funds allocated were for the development of a Conservation Management Plan and Concept Plan for Horsham Cinema.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Whilst the majority of work on the Plan was carried out in the 2023-24 year, a variation was approved to include an abridged Master Plan. This plan was delayed and is expected in August 2025.	80%	\$15,000	\$15,000	\$0

Initiative	Initiative Description
<i>Outdoor Play Space Plan</i>	The Outdoor Play Space Plan will provide a strategic framework and plan for action that responds to the challenges of upgrading existing and planning for new public play spaces.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
The Plan has been completed and presented to Council. Implementation of the plan is now being aligned with future budgets and funding opportunities.	90%	\$15,000	\$4,195	\$10,085

Initiative	Initiative Description
<i>Community Buildings Co-location and Needs Assessment</i>	The Community Facilities Plan will provide an understanding of the utilisation, current demand, future use and gaps in the provision of community facilities within the municipality. It will also ensure there is equity and fairness in how Council's community facilities are used and by whom. The strategy will also inform how community facilities are planned for and considered, into the future.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Public engagement on the Plan has been completed. Minor revisions are now proposed and will be presented to Council for adoption in early 2025-26.	100%	\$0	\$16,360	(\$16,360)

Major Initiatives continued...

Initiative	Initiative Description
<i>Active Recreation and Sporting Strategy</i>	Funding to hire a consultant who will develop a comprehensive plan for promoting active recreation and sports within our municipality. This strategy will enhance the health and wellbeing of the Horsham and surrounding communities by providing suitable infrastructure, open spaces, and opportunities for various recreational and sports activities.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Project brief developed and reviewed by the funding body – Sport & Recreation Victoria. A period of community engagement occurred to inform development of an Issues and Opportunities paper.	30%	\$83,648	\$30,038	\$53,610

Initiative	Initiative Description
<i>Precinct Planning and Design Services</i>	This project was to fund a Peer Review of HRCC's Public Toilet Infrastructure Plan 2021. This was a 2023-24 project however it was not completed within the financial year and was carried forward into the 2024-25 year.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Works completed to inform development of a Public Toilet Strategy for the municipality. Project Peer Review now completed.	100%	\$0	\$11,770	(\$11,770)

The following statement provides information in relation to the services funded in the 2024-25 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of Service Provided		2024-25 Budget \$'000	2024-25 Actual \$'000	2024-25 Variance \$'000
Animal Management	This service provides animal management through implementation of appropriate rules and regulations in relation to keeping of cats, dogs and other animals and livestock within the municipality to minimise disturbance to residents and the community, and ensure public safety. It also includes the operation of Council's dog and cat rehoming program.	Rev	515	619	104
		Exp	(488)	(418)	70
		Net	27	201	174
Community Safety	This service deals with matters concerning local laws, including permits and licences, enforcement and fines and fire hazard enforcement.	Rev	139	249	110
		Exp	(542)	(718)	(176)
		Net	(403)	(470)	(67)
Emergency Management	To prepare for and mitigate if possible the impacts of an emergency on HRCC and the community through good planning and interoperability with all agencies, includes the Wimmera Emergency Management Resource Sharing Partnership.	Rev	270	262	(8)
		Exp	(280)	(281)	(1)
		Net	(10)	(19)	(9)
Environmental Health	This service provides health administration, health vending machines and other preventative measures including needle exchange, <i>Tobacco Act</i> reforms and mosquito monitoring. A variety of legislative based services and functions around environmental health issues are also provided.	Rev	151	175	24
		Exp	(337)	(275)	62
		Net	(186)	(100)	86
Social Infrastructure Support	This service provides Recreational and Open Space planning plus the maintenance, insurance and other ongoing costs for the municipality's recreation groups and community facilities. Also includes the community inclusion and the oversight of the Horsham Centre Cinema contract.	Rev	64	144	81
		Exp	(1,072)	(869)	203
		Net	(1,008)	(724)	284
Net Cost to Council for Theme 1 – Community			(1,580)	(1,112)	468



Theme 2

- Liveability

Horsham Rural City Council will actively work to create a healthy and connected community that is a great place to live, work, invest and explore for all ages, abilities and backgrounds.

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to Monitoring Achievements included in the Council Plan.

Monitoring Achievements	Result	Comments
1. Number of visits to aquatic facilities per head of municipal population to increase 5% over 4 year period of Council Plan		Number of visits to aquatic facilities in 2023-24 FY were 105,307 with a total of 125,014 for the year 2024-25. A 15.8% increase over the past year. Number of visits to the facility as a proportion of the population is 6.14 visits.
2. Participation in Horsham Town Hall programs to increase by 5% over 4 years of Council Plan		Total Gallery attendance for 2024-25 was 17,104 (17,746 in 2023-24) whilst attendance at Theatre Performances was 19,928 (21,012 in 2023-24). Education & Public Programs attracted 4,663 participants (3,974 in 2023-24). Overall attendance over the past 4 years has increased, despite the increased cost of living pressures being experienced by customers.
3. Participation in Maternal and Child Health service at or over 95% annually		Participation is at 86.95% overall and 91.67% of Aboriginal children for attendance at least once a year at MCH.
4. Active library borrowers in municipality to increase by 5% over 4 year period of Council Plan		Active borrowers for this 12-month period alone sits at 1,970, continuing the trend of growth reported in previous year of 1,513.
5. Increased number of new planning permits approved for new housing by 2% annually		43 dwellings (Building Permits) issued for 2024-25 compared to 54 dwellings in 2023-24, resulting in a 20% decline.
6. Increase Horsham Rural City population by 5% over 4 year period of Council Plan		Broader regional trends and economic factors may have influenced Horsham's slower population growth.
7. Increased number of new building/planning permits approved for commercial development by 2% annually		Commercial Building permits have declined during 2024-25 to 54 from 56 in the 2023-24 year - representing a 4% decrease.



Completed



Underway



Not Achieved

The following statement reviews the progress of Council in relation to Major Initiatives identified in the 2024-25 Budget.

Major Initiatives

Initiative	Initiative Description				
<i>Visitor Services Review of Information and Product</i>	Provision of visitor information including brochures, displays and set-up of new Visitor Information Centre Space at Horsham Town Hall				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Visitor Information Centre setup progressed with signage and brochures. Finalised slimline Official Visitor Guide and completed liquor licence work. Project complete.	100%	\$0	\$57,508	(\$57,508)	

Initiative	Initiative Description				
<i>Events Stage Activation – Music Event</i>	This initiative aims to engage a music promoter to source a large-scale event to be held at the Horsham Events Stage, located at the City Oval. The Events Stage Activation will provide the community with an opportunity to enjoy live music. There will also be a boost to the local economy resulting from an increase in visitation to our municipality by those attending the event.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
The Event Stage hosted its inaugural event in March 2025. An Events Strategy to attract events and promote the facility has also been developed.	90%	\$50,000	\$6,300	\$43,700	

The following statement provides information in relation to the services funded in the 2024-25 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of Service Provided		2024-25 Budget \$'000	2024-25 Actual \$'000	2024-25 Variance \$'000
Aquatic Recreation	Management of the strategic use of the Aquatic Centre, including major refurbishment and upgrades.	Rev	-	-	-
		Exp	(915)	(1,166)	(251)
		Net	(915)	(1,166)	(251)
Library	Provides resources and programs aimed at meeting the information, creation, educational and cultural needs of the diverse community of Horsham in an equitable, effective, efficient, responsive and forward looking manner in accordance with the values and objectives of the Library Plan.	Rev	543	544	2
		Exp	(1,126)	(1,099)	27
		Net	(583)	(555)	29
Management & Administration	This service provides local and regional facilitation and leadership for planning, developing and delivering community services to meet the needs of the community.	Rev	-	-	-
		Exp	(538)	(475)	62
		Net	(538)	(475)	62
Parks & Gardens	Provision of managed areas for sport, recreation and amenity – includes sports grounds, parks, gardens, the Botanic Gardens and playgrounds throughout the municipality.	Rev	20	31	11
		Exp	(3,763)	(4,069)	(306)
		Net	(3,743)	(4,037)	(294)
Performing Arts Centre & Visitor Services	This service encompasses the running of the Horsham Performing Arts Centre operations, including Performing Arts, the Regional Art Gallery and support to visitors accessing the Visitor Services.	Rev	1,429	1,474	44
		Exp	(3,280)	(3,309)	(29)
		Net	(1,851)	(1,835)	15

Service Area	Description of Service Provided		2024-25 Budget \$'000	2024-25 Actual \$'000	2024-25 Variance \$'000
Sports & Recreation	Provision and maintenance of outdoor and indoor sports and recreation facilities throughout the municipality, and works with community groups and user groups to increase participation.	Rev	113	55	(58)
		Exp	(1,360)	(1,387)	(27)
		Net	(1,247)	(1,331)	(85)
Streetscape & Public Conveniences	This service provides street tree maintenance, tree planting and removal, along with city centre maintenance on lighting, signage and street furniture, and street cleaning. Climate change initiatives such as environmental footprint reduction program fall within this service. This service also provides operations and maintenance of the public conveniences in Horsham, Natimuk and several rural facilities.	Rev	-	-	-
		Exp	(1,456)	(1,644)	(187)
		Net	(1,456)	(1,644)	(187)
Youth & Early Years	This service provides support to families with parenting, health and development, promotion of health, wellbeing and safety, social supports, youth facility "The Station", referrals and linking with local communities.	Rev	988	953	(35)
		Exp	(2,104)	(1,585)	519
		Net	(1,116)	(632)	484
Net Cost to Council for Theme 2 – Liveability			(11,449)	(11,677)	(228)



Theme 3 – Sustainability

Horsham Rural City Council will actively lead in sustainable growth and development of the community and the economy.

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to Monitoring Achievements included in the Council Plan.

Monitoring Achievements	Result	Comments
1. Reduce Council's net carbon emissions by 24% by 2025		Council has continued to exceed its target of a 24% decrease in emissions by 2025, with the most recent net carbon emissions figure showing a decrease of 46.87% since the inception of the Net Zero Carbon Action Plan.
2. Reduce the municipality's net carbon emission		Council's kerbside food organics and garden organics (FOGO) collection program diverted 1828 tonnes of municipal waste from landfill. This waste would have produced 2560 tonnes of greenhouse waste if sent to landfill. Overall Council has reduced its emissions from over 5000 to 3374 tonnes of CO2 equivalent since the inception of the current Council Plan.
3. Maintain employment in government and health services at current level (as at 2021)		Council continues this through advocacy work for regional employment.
4. Increase the diversion of recyclables from landfill by 40% by 2025		The introduction of the four-bin system has resulted in a 43.62% of waste being diverted from landfill.
5. Increase the utilisation of alternative water sources by 10% by 2025 (reduced use of potable water)		Infrastructure is in place and operational, Urban Stormwater Management Plans have been finalised and relevant community groups have been consulted through an information session. The water use agreement is still to be finalised.



Completed



Underway



Not Achieved

The following statement reviews the progress of Council in relation to Major Initiatives identified in the 2024-25 Budget.

Major Initiatives

Initiative	Initiative Description
<i>Aerodrome Flight Hub Master Plan – Stage 2</i>	The Master Plan will be a key strategic document which underpins all activities and decisions in relation to the development of the Aerodrome. It will communicate Council's long-term future planning intentions and future development opportunities.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Initial plan was completed and presented to Council, however remains in draft form with further work required on plan.	100%	\$15,022	\$0	\$15,022

Initiative	Initiative Description
<i>Dooen Landfill Master Plan</i>	Development of long-term Master Plan to optimise utilisation of the Landfill site for waste management.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Master plan preparation is on hold while a potential internal management approach is explored.	30%	\$24,793	\$0	\$24,793

Initiative	Initiative Description
<i>Housing Affordability and Diversity Strategy</i>	The Housing Affordability and Diversity Strategy seeks to inform Council's strategic direction to implement Planning Scheme provisions, which support alternative and innovative ways of providing affordable housing options within Horsham and Natimuk, as well as providing equitable housing outcomes for the community.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Community Engagement undertaken, with a Draft Strategy developed, with further community engagement scheduled.	70%	\$89,083	\$51,967	\$37,116

Initiative	Initiative Description
<i>Waste Plan Implementation</i>	Review and implement a series of aspects of Council's waste management operations to deliver efficiencies and customer service improvements.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Haven service review completed, results provided to Council in December 2024. Project complete.	100%	\$25,000	\$23,003	\$1,997

Major Initiatives continued...

Initiative	Initiative Description				
<i>Wimmera River Discovery Trail – Dimboola to Horsham – Feasibility Study</i>	Promote recreation activities in our natural environment to increase destination tourism and visitation.				
2024-25 Progress Comment		Project Progress	Budget	YTD Actual	Variance
Project not proceeding due to no external funding.		0%	\$110,990	\$0	\$110,990

Initiative	Initiative Description				
<i>Safety Audit of Lighting Deficiencies across Council Facilities & Open Spaces</i>	Ensure the design of council facilities and open spaces considers access, lighting, entrapment points and passive surveillance so they are family friendly and meet the needs of different genders.				
2024-25 Progress Comment		Project Progress	Budget	YTD Actual	Variance
Consultant report completed. Actions were considered and project finalised.		100%	\$0	\$7,636	(\$7,636)

Initiative	Initiative Description				
<i>Small Business Assistance Program</i>	The funding program supports business innovation, operational improvements, marketing strategies, accessibility, inclusiveness, and business growth.				
2024-25 Progress Comment		Project Progress	Budget	YTD Actual	Variance
Incorporated into operational budget as an ongoing. Business Enhancement Grants have all been received.		100%	\$0	\$18,684	(\$18,684)

Initiative	Initiative Description				
<i>Boosting Business – Tourism & the Economy – Natimuk</i>	Implement the strategic objective of boosting business, tourism and economy that forms part of the Natimuk Economic and Social Plan. This initiative aims to enhance business, tourism, and the economy in Natimuk, providing a diverse and collaborative hub of opportunities for all to enjoy. This not only benefits the Natimuk community but also positively impacts the entire municipality.				
2024-25 Progress Comment		Project Progress	Budget	YTD Actual	Variance
Marketing campaign completed October 24. Top Tiny Towns Award entry completed. Final payment made to Tiny Towns award consultant.		100%	\$40,000	\$40,880	(\$880)

Major Initiatives continued...

Initiative	Initiative Description
<i>Business and Tourism Development Incentives Framework</i>	Establish a framework that encourages economic growth and tourism within the region. This project will provide businesses with valuable resources to help them grow. Council hopes to continue to create a high-quality business and tourism environment that brings more jobs and visitors to the region, resulting in benefits to the whole community.
2024-25 Progress Comment	Project Progress Budget YTD Actual Variance
Council continues to establish a framework that encourages economic growth and tourism in the region. Council have assisted businesses with valuable resources to help them grow.	90% \$20,000 \$7,933 \$12,067

Initiative	Initiative Description
<i>Closed (Legacy) Landfill Strategy</i>	Develop management plans for closed landfills using a prioritised approach to ensure the long-term environmental safety of Council's closed landfills.
2024-25 Progress Comment	Project Progress Budget YTD Actual Variance
Plan was drafted with work completed in-house. Project finalised internally.	100% \$20,000 \$0 \$20,000

Initiative	Initiative Description
<i>Development of Landscape Design Guidelines</i>	Development of Landscape Design Guidelines for use by individual and commercial property developers. The Landscape Design Guidelines empower individual and commercial property developers in our community. By adhering to Horsham's Planning Scheme, these guidelines will enhance urban spaces, improve liveability, reduce maintenance costs for public areas, and ensure project quality and compliance.
2024-25 Progress Comment	Project Progress Budget YTD Actual Variance
Working group established across Council departments. Project brief developed and all works completed internally. Consultant engaged with project plan established.	35% \$20,000 \$0 \$20,000

Initiative	Initiative Description
<i>Dooen Landfill Contingency Plan</i>	Develop contingency arrangements for continuity of waste service provision in the event of unavailability of Dooen Landfill.
2024-25 Progress Comment	Project Progress Budget YTD Actual Variance
Project will be completed internally.	0% \$10,000 \$0 \$10,000

Major Initiatives continued...

Initiative	Initiative Description				
<i>Recycling Service – Regulatory Compliance and Customer Compliance Support</i>	Employment of a Waste Education Officer to monitor compliance with kerbside collection requirements, and educate customers on required practices.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Staff changes delayed progress. Project to be reconsidered in a future year.	100%	\$50,000	\$0	\$50,000	

Initiative	Initiative Description				
<i>Significant Tree Register</i>	Develop a register of significant trees in the municipality to enable them to be appropriately protected or managed in the long-term.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Project and community engagement plan was prepared and significant tree register advanced. However, project was rescoped to also carry out community consultation to determine significant trees on private property as well.	35%	\$40,000	\$5,348	\$34,652	

Initiative	Initiative Description				
<i>Climate Change Adaptation Plan</i>	Develop a Climate Change Adaptation Plan to guide how Council and the municipality will adapt to the impacts of Climate Change.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Proposals were received from consultants. Project not advancing this year due to resourcing. Priority for 2025-26.	5%	\$40,000	\$0	\$40,000	

Initiative	Initiative Description				
<i>Open Space Contributions Planning Scheme Amendment</i>	Undertake a peer review of the Horsham Rural City Council Open Space Strategy 2019 and undertake an analysis of an appropriate level of open space contributions.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
SGS Economics & Planning Review and Recommendations now complete.	100%	\$0	\$6,825	(\$6,825)	

The following statement provides information in relation to the services funded in the 2024-25 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of Service Provided		2024-25 Budget \$'000	2024-25 Actual \$'000	2024-25 Variance \$'000
Business Development & Tourism	This service provides covers tourism marketing and development as well as promotion for major events and festivals.	Rev	1	4	3
		Exp	(654)	(531)	123
		Net	(653)	(528)	126
Commercial Operations	This service includes the contracted facilities such as the Caravan Park and the Wimmera Intermodal Freight Terminal. Also included is the Horsham Regional Livestock Exchange, which provides weekly sheep sales at the Burnt Creek Drive facility servicing primary industry across the Wimmera. Horsham Regional Livestock Exchange is the fourth largest sheep selling centre in Victoria. This service also includes the operations of the Horsham Aerodrome which provides a regional airport for commercial and private aircraft.				
		Rev	953	985	32
		Exp	(1,195)	(1,148)	47
		Net	(242)	(163)	78
Economic Development	This service provides support to the WSM Development, maintenance and administration for the Wimmera Business Centre and general economic development and promotion for the municipality. Land sales and acquisitions, tree plantation and land management costs for the Burnt Creek and Enterprise Industrial estates and Wimmera Agricultural Logistics (WAL) Hub, are also provided under this service.				
		Rev	408	328	(80)
		Exp	(1,493)	(1,335)	158
		Net	(1,086)	(1,007)	78
Natural Resource Management	This service provides a mix of environmental services covering fire hazards, fire disaster clean-up, grass removal, fire plugs, their replacement and markers, footpath cleaning in the CBD and weir operations.	Rev	90	72	(18)
		Exp	(134)	(142)	(8)
		Net	(44)	(70)	(26)
Statutory Planning & Regulations	This service provides statutory planning services such as planning permits, notice of applications, information certificates, scheme appeals, subdivision costs, administration of building control services including building approval, inspection fees, easement approval and State Government levies.	Rev	378	346	(32)
		Exp	(938)	(1,031)	(92)
		Net	(561)	(685)	(124)
Strategic Planning Services	The function of strategic planning, aims to strategically plan the municipality's land use needs for the future.	Rev	0	0	0
		Exp	(608)	(451)	157
		Net	(608)	(451)	157
Sustainability	This service manages a range of sustainability related projects from Council's Sustainability Strategy. A reserve has been established to facilitate future energy and water deficiency projects.	Rev	90	85	(5)
		Exp	(422)	(392)	30
		Net	(332)	(307)	25
Waste Management Services	This service manages a range of sustainability related projects from Council's Sustainability Strategy. A reserve has been established to facilitate future energy and water deficiency projects.	Rev	4,912	5,595	683
		Exp	(10,804)	(8,876)	1,928
		Net	(5,892)	(3,280)	2,612
Net Cost to Council for Theme 3 – Sustainability			(9,417)	(6,491)	2,926



Theme 4 – Accessibility

Horsham Rural City Council will meet community needs through connected transport networks and the provision of accessible and welcoming places and spaces.

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to Monitoring Achievements included in the Council Plan.

Monitoring Achievements	Result	Comments
1. A reduction in the number of vehicle crashes and their impacts (e.g. number of injuries/fatalities) by 5% by 2025		Council is actively engaged in widening key rural sealed roads. Council staff regularly monitor compliance with Council's Road Management Plan. Both proactive and reactive measures are employed to ensure road users have access to high-quality, safe roads, leading to a substantial decrease in road injuries and fatalities over time.
2. Increase the % of urban population within 400m of a fully developed open space by 5% by 2025		No new playspace /parks have been committed to development over the last 12 months, due to the finalisation of the Horsham Municipal Playspace Strategy.
3. Increase the percentage of Tree canopy in Horsham urban areas with a 1% increase by 2025		Street tree planting program continuing with three of the four sectors planted to 80% completion in the Horsham urban area. Natimuk planting has started, with selected streets being planted out.
4. Improve sealed road satisfaction – excluding arterial roads by 5% annually		The community satisfaction score for sealed roads increased from 38 to 46 in 2024-25. This increase may be attributed to improvements made including the widening of over 11 km of key rural freight roads, sealing of nearly 130,000 m ² of local roads, and resheeting of 45 km of sealed shoulders. Council continues to proactively inspect and prioritise works and remains committed to further improving satisfaction by addressing critical road issues, aligning with community expectations, and enhancing communication about priorities and outcomes.



Completed



Underway



Not Achieved

The following statement reviews the progress of Council in relation to Major Initiatives identified in the 2024-25 Budget.

Major Initiatives

Initiative	Initiative Description
<i>Investigate Capacity of all Bridges</i>	Review the capacity of Council's bridges to ensure their suitability for approved heavy vehicles.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Final report received and reviewed. Investigation phase now complete. Pilot project awarded for Gross Bridge upgrade using carbon fibre retrofit.	100%	\$0	\$85,200	\$85,200

Initiative	Initiative Description
<i>Community Road Safety Grants Program – Heavy Vehicle Forum</i>	Conduct a road safety event in partnership with relevant agencies and neighbouring Councils to provide road safety information and education to heavy vehicle drivers and operators.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
The event was held at the Nhill Trailer Exchange with a range of various agencies to provide safety and information to heavy vehicle drivers and operators. Planning underway for next event at Horsham Truck Show in November 2025.	90%	\$10,000	\$14,678	\$1,022

Initiative	Initiative Description
<i>Project Management System</i>	Implement an electronic project management system to enhance Council's management and reporting on capital and other projects.

2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance
Co-design and testing progressed. User acceptance testing and training continuing. Capital works program uploaded. Ongoing trials for active tracking of Capex program underway.	98%	\$40,610	\$40,610	\$38,710

The following statement provides information in relation to the services funded in the 2024-25 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of Service Provided		2024-25 Budget \$'000	2024-25 Actual \$'000	2024-25 Variance \$'000
Engineering Services	Has overall responsibility for delivery of Council's capital works delivery and annual programming, traffic planning, waste planning, road, street and drain design and monitoring of standards adherence (quality assurance) for the infrastructure.	Rev Exp	70 (592)	58 (908)	(12) (315)
		Net	(522)	(849)	(327)
Infrastructure - Rural	This service is responsible for maintaining and constructing roads, bridges and related assets in all non-urban areas of Horsham and Natimuk. This includes the Department Transport and Planning maintenance contract (which excludes major highways).	Rev Exp	924 (2,736)	800 (2,956)	(124) (220)
		Net	(1,812)	(2,156)	(344)
Infrastructure - Urban	This service provides maintenance and construction of roads, streets, bridges and related assets to the required standards within Horsham and Natimuk. This also includes maintenance of bicycle tracks, drainage, footpaths and off-street car parks.	Rev Exp	3 (12,573)	24 (12,885)	21 (311)
		Net	(12,570)	(12,861)	(291)
Management & Administration	This service provides administration and support services for the Infrastructure Services Department.	Rev Exp	(9) (551)	0 (490)	9 62
		Net	(560)	(490)	71
Operations Management	This service includes management and administration of the Operations Department to facilitate the delivery of core functions and capital programs.	Rev Exp	23 (749)	26 290	3 1,039
		Net	(727)	316	1,042
Parking & Traffic Management	This service provides management of parking infringements, maintenance of parking meters, car parking fees, fines and associated costs.	Rev Exp	308 (325)	98 (195)	(211) 131
		Net	(17)	(97)	(80)
Strategic Asset Management	Responsible for the strategic management of Council's Infrastructure, including the long-term planning of asset renewal and capital works.	Rev Exp	- (602)	- (584)	- 18
		Net	((602)	(584)	18
Net Cost to Council for Theme 4 – Accessibility			(16,811)	(16,721)	90



Theme 5

– Leadership

Horsham Rural City Council, will build trust and connections with the community through good governance, community consultation, accountability, transparent decision-making and financial stability.

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to Monitoring Achievements included in the Council Plan.

Monitoring Achievements	Result	Comments
1. Improvement in community satisfaction with customer service by 5% annually (Community Satisfaction Survey)		Council successfully achieved its annual target of enhancing customer service and community satisfaction by 5%. Notably, during the 2024–25 period, community satisfaction rose by 12.9% compared to 2023-24 surpassing the set goal.
2. Improvement in community satisfaction with overall Council direction by 5% annually (Community Satisfaction Survey)		Over the last 12 months, perceptions of the direction of Council's overall performance increased significantly to an index score of 61 (up 24 points on last year's result). This is the highest rating ever recorded for this measure and a strong result for Council, with Council now rated significantly higher than both the State-wide and Regional Centres group averages.
3. Improve community satisfaction with Council decisions by 5% annually (Community Satisfaction Survey)		The overall performance index score of 48 for Council is a significant, five-point increase on the 2023-24 result with perceptions increasing most among residents in rural areas. Several key decisions were made by Council in the early stages of their term which may explain the improvement.
4. Improvement in community satisfaction with consultation and engagement by 5% annually		There has been an 11.63% increase from the previous year in community satisfaction relating to engagement and consultation. More work is required however given almost a third of those surveyed mentioned Council needs to continue their efforts on consultation.
5. Improvement in community satisfaction with Council lobbying on behalf of the community by 5% annually		This achievement is no longer measured through Council's Annual Community Satisfaction Survey.



Completed



Underway



Not Achieved

The following statement reviews the progress of Council in relation to Major Initiatives identified in the 2024-25 Budget.

Major Initiatives

Initiative	Initiative Description				
<i>Community Leadership Program</i>	To develop and deliver a program for new, emerging and existing community leaders aged 18 years and over, who want to enhance their leadership skills, create new personal and professional networks and learn more about local government.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Project is complete with 11 participants graduating from the Program.	100%	\$35,000	\$10,214	\$24,786	

Initiative	Initiative Description				
<i>Grants Guru Community Workshops</i>	Provide support and educate community groups on grant applications to external funding bodies.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
No further funds were necessary this financial year as Grants Guru has been implemented to provide grant information for community.	100%	\$14,000	\$0	\$14,000	

Initiative	Initiative Description				
<i>Replacement of Electronic Document Management System</i>	Replacement of the current Records Management System with an improved system that operates as a complete Electronic Document Management System with contemporary functionality.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Scoping and rollout progressed. The project is currently paused pending resolution of some technical issues by the service provider with roll out to continue once resolved.	50%	\$150,000	\$56,947	\$93,053	

Initiative	Initiative Description				
<i>Strategic and Operations Risk Registers</i>	Strategic and Operational Risk Registers to be made current and a system for maintaining them embedded into the organisation.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Initial work undertaken however project required rescoping due to Software limitations, new software was implemented with data migration complete and data validation now in progress.	100%	\$55,000	\$75,237	(\$20,237)	

Initiative	Initiative Description				
<i>Update of HRCC Advocacy Priority Resources to support funding applications – Grant Finder Software</i>	Design and printing of advocacy priority resources to support applications for funding.				
2024-25 Progress Comment	Project Progress	Budget	YTD Actual	Variance	
Fully implemented and in use. Project complete.	100%	\$5,000	\$0	\$5,000	

The following statement provides information in relation to the services funded in the 2024-25 Budget and the persons or sections of the community who are provided the service.

Service Area	Description of Service Provided		2024-25 Budget \$'000	2024-25 Actual \$'000	2024-25 Variance \$'000
Accounting Services	Provides financial services internally to all staff, department managers, project leaders, Council, plus delivers external services in the form of information to Government and the community.	Rev	101	283	181
		Exp	(1,119)	(2,662)	(1,543)
		Net	(1,018)	(2,379)	(1,361)
Community Relations & Advocacy	Responsible for three key areas: advocacy and grant seeking, media and communications, and community engagement.	Rev	-	-	-
		Exp	(684)	(615)	69
		Net	(684)	(615)	69
Governance & Leadership	This service manages and facilitates Council's governance services, the implementation of Council decisions and policies, and compliance with legislative requirements. This also includes the customer service, the management of Council's property portfolio (including leases/licences and land sales/purchases), Records Management, the office of the Mayor and Councillors, and the office of the Chief Executive.	Rev	884	866	(18)
		Exp	(4,110)	(3,948)	162
		Net	(3,226)	(3,082)	144
Information Technology	Provides IT hardware and software systems, IT support services to staff, customer services at Horsham and Natimuk and the Council's Records Management service. The goal of this service is to provide efficient and effective access to the information needs of staff and the community, and the management of systems that support this whilst at all times keeping secure Council's information assets from accidental or malicious access, modification or destruction.	Rev	44	109	65
		Exp	(1,734)	(1,885)	(150)
		Net	(1,690)	(1,776)	(85)
Management & Administration	This service provides management across the areas of finance, IT, rates and organisation development.	Rev	9	30	21
		Exp	(1,934)	(1,803)	131
		Net	(1,925)	(1,773)	152
People & Safety	This service is responsible for human resources, payroll, OHS, risk management, industrial relations and organisational performance functions.	Rev	0	0	0
		Exp	(1,096)	(1,133)	(38)
		Net	(1,096)	(1,133)	(38)
Revenue Services	Rate collection services encompasses collection of Council rateable income which ensures consistency in debt management, general rate, municipal and garbage charges. Property services encompasses collection of property valuations, maintaining a strategically focused property management system.	Rev	81	88	8
		Exp	(581)	(555)	26
		Net	(501)	(467)	34
Net Cost to Council for Theme 5 – Leadership			(10,141)	(11,225)	(1,085)



Reconciliation of Council Plan Theme Service Performance to the Financial Report

The financial tables under each of the Council Plan themes demonstrates how Council allocates the various service revenues and expenses to support the activities and initiatives outlined in the Council Plan.

Non-attributable revenues and expenses are then added to demonstrate the surplus or deficit as shown in the Comprehensive Income statement in both the Adopted Budget and Financial Report.

It should be noted that during the year some services under the theme headings were realigned to more accurately reflect the Council Plan theme under which they belong. This has meant some minor differences in service revenue and expense numbers. However, the sum of all services and non-attributable expenses matches the Adopted 2024-25 Budget and Financial Report.



Adopted Budget 2024-25				Financial Report 2024-25		
Annual Actuals	Income	Expenditure	NET Cost	Income	Expenditure	NET Cost
Theme 1 - Community	1,138	(2,719)	(1,580)	1,449	(2,562)	(1,112)
Theme 2 - Liveability	3,092	(14,541)	(11,449)	3,057	(14,734)	(11,677)
Theme 3 - Sustainability	6,832	(16,248)	(9,417)	7,414	(13,905)	(6,491)
Theme 4 - Accessibility	1,319	(18,130)	(16,811)	1,006	(17,727)	(16,721)
Theme 5 - Leadership	1,118	(11,259)	(10,141)	1,375	(12,601)	(11,225)
NET Cost	13,500	(62,898)	(49,398)	14,302	(61,529)	(47,227)
Non-attributable Expenses						
– Borrowing Costs			(171)			(170)
– Loss on disposal of Assets			0			(823)
– Capital Program items expensed			0			(1,199)
– Share of Associates Loss			0			0
– Other Non-attributable Expenses			0			0
Total costs before funding sources			(49,569)			(49,419)
Funding Sources						
– Rates & Charges Revenue			28,730			28,957
– Waste Charge Revenue			4,958			4,974
– Financial Assistance Grants			8,045			12,357
– Interest Revenue			900			1,521
– Capital Project Revenue			8,420			8,331
– Investment Property Fair Value Adjustments			0			50
– Gain on disposal of assets			394			416
Operating Surplus/(Deficit) <i>(as per Comprehensive Income Statement)</i>			1,878			7,187

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Results					Comments
Service indicator measure	2022	2023	2024	2025	
Aquatic Facilities Service standard <i>Health inspections of aquatic facilities</i>					Aquatic facility is inspected annually.
	1.00	1.00	1.00	1.00	
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
Utilisation <i>Utilisation of aquatic facilities</i>					Utilisation of Aquatic facilities has been steadily increasing over the past number of years as a result of program changes and improved marketing.
	4.17	5.05	5.18	6.14	
[Number of visits to aquatic facilities / Municipal population]					
Service cost <i>Cost of aquatic facilities</i>					Council experienced an issue with the recording of Gas usage (used by the centre for water heating) which resulted in a lower cost in the 2023/24 year and a higher cost in 2024/25.
	\$12.54	\$8.86	\$8.28	\$9.33	
[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]					



Results					
Service indicator measure	2022	2023	2024	2025	Comments
Animal Management					
Timeliness					
<i>Time taken to action animal management requests</i>	1.00	1.00	1.00	2.45	New customer request management system has enabled HRCC to track time to action more accurately than previously available.
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					
Service standard					
<i>Animals reclaimed</i>	57.17%	59.47%	57.34%	57.11%	
[Number of animals reclaimed / Number of animals collected] x100					
<i>Animals rehomed</i>	27.00%	23.13%	66.67%	70.86%	Indicator changed in 2023/24 with subsequent figures now excluding animals reclaimed.
[Number of animals rehomed / Number of animals collected] x100					
Service cost					
<i>Cost of animal Management service per population</i>	\$22.41	\$28.28	\$26.57	\$16.61	Decrease due to reduced overall expenditure on animal services.
[Direct cost of the animal management service / Population]					
Health and safety					
<i>Animal management prosecutions</i>	0.00%	0.00%	0.00%	100.00%	One case has been undertaken and was successful.
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100					

Results					
Service indicator measure	2022	2023	2024	2025	Comments
Food Safety					
Timeliness					
<i>Time taken to action food complaints</i>	1.00	1.20	2.20	3.33	Whilst time taken to action the complaints has increased due to resourcing, Council continues to provide timely responses to food complaints.
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
Service standard					
<i>Food safety assessments</i>	67.76%	103.40%	94.20%	45.71%	Staff resourcing challenges throughout the year did not enable a higher number of food safety assessments to occur.
[Number of registered Class 1 food premises and Class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered Class 1 food premises and Class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100					
Service standard					
<i>Food Samples</i>	New	New	130%	103.85%	Council's environmental health team completed all food samples as required by Section 32 of the Food Act 1984 for this reporting period.
[Number of food samples obtained / Required number of food samples] × 100					
Service cost					
<i>Cost of food safety service</i>	\$742.39	\$616.65	\$518.17	\$845.15	The cost to provide the service is impacted heavily by staff resourcing and the balance between Council employees and the need to backfill with contracted staff to maintain the required service level.
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]					
Health and safety					
<i>Critical and major non-compliance outcome notifications</i>	70.00%	100.00%	59.50%	57.45%	Council continues to aim to ensure 100% are completed, resourcing the service over the past 2 years has been extremely difficult and has led to this target not achieved. Council continues to set 100% as its desired target into the future.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					

Results					
Service indicator measure	2022	2023	2024	2025	Comments
Governance				30.00%	This number reflects the number of closed meetings relating to the resignation of the former CEO, and appointment of acting, interim and then substantive CEO. Other meetings were closed due to commercial in confidence or private information included in the report.
Transparency					
<i>Council decisions made at meetings closed to the public</i>	3.77%	34.96%	23.45%		
[Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x100					
Consultation and engagement				48.00	While the increase is positive, the community have indicated that Council needs to continue their efforts on consultation.
<i>Satisfaction with community consultation and engagement</i>	53.00	43.00	43.00		
[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]					
Attendance				93.28%	
<i>Councillor attendance at council meetings</i>	96.94%	89.29%	89.01%		
[The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) × (Number of Councillors elected at the last Council general election)] x100					
Service cost				\$58,894.04	Councillor allowances are increased by the Victorian Independent Remuneration Tribunal which is outside Council's control. Council also incurred costs related to the induction program for new councillors.
<i>Cost of elected representation</i>	\$45,389.00	\$55,496.08	\$50,138.99		
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
Satisfaction				47.00	Several key decisions were made by Council in the early stages of their term which may explain the improvement in satisfaction rating.
<i>Satisfaction with council decisions</i>	52.00	42.00	40.00		
[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]					

Results					
Service indicator measure	2022	2023	2024	2025	Comments
Libraries					
Resource currency					
Recently purchased library collection	41.65%	44.83%	37.05%	36.71%	
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100					
Service cost					
Cost of library service per population	\$25.67	\$26.38	\$29.80	\$37.37	Council is continuing to review the level of service and costs for library services as it moved from purchasing services from a library corporation to delivering the service directly as well as providing services to West Wimmera Shire Council.
[Direct cost of the library service / Population]					
Utilisation					
Loans per head of population	New	New	3.78	3.42	Loans, like memberships, have been trending down over a number of years, while other library uses (programs, technology) have trended up. Open Access and other initiatives aim to drive loans and membership in 2025-26.
[Number of library collection item loans / Population]					
Participation					
Library membership	New	New	19.10%	19.89%	Membership has seen a slight increase this year after trending downwards the previous 5 years. Open Access and other initiatives seek to reduce barriers to membership in 2025-26.
[Number of registered library members / Population] x100 Library visits per head of population					
Library visits per head of population	New	New	2.51	2.78	The Library is actively working to increase library visits by providing a broad range of activities to activate the space.
[Number of library visits / Population]					

Results					Comments
Service indicator measure	2022	2023	2024	2025	
Maternal and Child Health (MCH)					
Service standard					
<i>Infant enrolments in the MCH service</i>	101.07%	102.00%	100.86%	101.36%	
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100					
Service cost					
<i>Cost of the MCH service</i>	\$64.49	\$61.12	\$65.20	\$90.04	While cost of service has increased, the number of direct service hours have decreased which has exacerbated the result. Council is also utilising improved data capture to ensure costs of the immunisation program are not impacting on this indicator.
[Cost of the MCH service / Hours worked by MCH nurses]					
Participation					
<i>Participation in the MCH service</i>	85.91%	90.58%	88.56%	86.95%	
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	89.13%	93.55%	90.91%	91.67%	
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					
Satisfaction					
<i>Participation in four-week Key Age and Stage visit</i>	93.93%	100.00%	96.12%	94.12%	
[Number of four-week Key Age and Stage visits / Number of birth notifications received] x100					

Results					
Service indicator measure	2022	2023	2024	2025	Comments
Roads					
Satisfaction of use					
<i>Sealed local road requests</i>	10.89	11.46	10.88	11.95	
[Number of sealed local road requests / Kilometres of sealed local roads] x100					
Condition					
<i>Sealed local roads maintained to condition standards</i>	99.55%	100.00%	98.71%	99.83%	
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
Service cost					
<i>Cost of sealed local road reconstruction</i>	\$35.13	\$36.96	\$42.26	\$45.25	Rise in costs is generally attributed to higher prices for materials and associated expenses.
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]					
Service Cost					
<i>Cost of sealed local road resealing</i>	\$7.18	\$8.95	\$10.48	\$7.49	Costs are below the previous year, benefitting from a new contract arrangement.
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	45.00	38.00	38.00	46.00	Improvement noted in satisfaction being a result of various improvement programs.
[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]					
Statutory Planning					
Timeliness					
<i>Time taken to decide planning applications</i>	47.00	56.00	46.00	49.00	
[The median number of days between receipt of a planning application and a decision on the application]					
Service standard					
<i>Planning applications decided within required time frames</i>	100.00%	100.00%	93.51%	89.89%	In 2023, Council identified an error in its data source that affected figures reported in previous years. Following a recalculation, the ratios were revised to 93.75% for 2021/22 and 93.92% for 2022/23.
[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100					

Results					
Service indicator measure	2022	2023	2024	2025	Comments
Service cost					
<i>Cost of statutory planning service</i>	\$2,378.54	\$2,841.25	\$4,628.39	\$4,391.35	In 2023/24, regulatory changes meant that certain shed planning applications were no longer required, leading to a decrease in application numbers. Despite this, overall costs remained in line with previous years. The 2024/25 period showed similar trends, with costs remaining stable even as shed application volumes continued to decline due to the same regulatory adjustments.
[Direct cost of the statutory planning service / Number of planning applications received]					
Decision-making					
<i>Council planning decisions upheld at VCAT</i>	0.00%	0.00%	0.00%	33.33%	Four Council Planning Decision have been appealed to VCAT, with one not set aside, two set aside and one still pending resolution.
Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					
Waste Management Service standard					
<i>Kerbside collection bins missed</i>	1.90	2.71	3.98	4.16	The number of missed bins has increased since the introduction of the four bin system in 2023/24.
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					
Service cost					
<i>Cost of kerbside garbage bin collection service</i>	\$140.81	\$151.66	\$111.13	\$105.30	
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]					
Service cost					
<i>Cost of kerbside recyclables collection service</i>	\$73.58	\$88.12	\$52.34	\$57.65	Council continues to monitor waste costs and improve recording mechanisms to ensure costing is correct as well as identify actions which can be taken to minimise waste via education programs or efficiencies.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i>	19.07%	25.90%	48.63%	43.62%	Council continues to identify actions which can be taken to divert waste from landfill.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

Governance

Horsham Rural City Council is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. Council is responsible for a range of duties, including:

- Ensuring decision-making reflects the diverse requirements of the community
- Providing leadership by establishing strategic objectives and monitoring achievements
- Managing resources with responsibility and transparency
- Fostering community cohesion and encouraging active participation in civic life

The Council is dedicated to maintaining effective and sustainable democratic and corporate governance, ensuring its administration aligns with community priorities. The community has many opportunities to provide input into Council's decision-making processes, including community consultation public forums.

Council's formal decision-making processes are conducted through meetings of Council. Council delegates the majority of decision-making to Council staff. These delegations are exercised in accordance with adopted Council policies.

Meetings of Council

Council conducts open public meetings on the fourth Monday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the Council, make a submission or speak to an item.

Seventeen (17) Council Meetings were held between 1 July 2024 and 30 June 2025, comprising six (6) meetings with the Councillor group elected in 2020 and eleven (11) with the newly elected group from October 2024.

The following table provides a summary of Councillor attendance at Council meetings for the 2024-25 financial year.

Meetings held from 1 July to 20 November 2024.

Councillor	2024-25 Council meetings attended
Cr Robyn Gulline (Mayor)	6
Cr David Bowe	6
Cr Penny Flynn	6
Cr Claudia Haenel	4
Cr Les Power	6
Cr Bob Redden*	1
Cr Ian Ross	5

*Note: Cr Redden passed away on 8 August 2024

Meetings held from 21 November 2024 to 23 June 2025

Councillor	2024-25 Council meetings attended
Cr Ian Ross (Mayor)	11
Cr Cam McDonald	11
Cr Rebecca Sluggett	11
Cr Dean O'Loughlin	11
Cr Angela Munn	11
Cr Todd Wilson	11
Cr Brian Klowss	11

Delegated committees

The *Local Government Act 2020* allows Councils to establish one or more delegated committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above

Council has one delegated Committee which is the Community Asset Committee.

The Community Asset Committee is a delegated committee that enables the ongoing management and oversight of designated community halls within the municipality.

This committee consists of ten (10) Community members and one (1) council officer (Ex-Officio).

Code of Conduct

Since 26 October 2024, the *Local Government Act 2020* has required that Councillors observe the Model Councillor Code of Conduct. This replaced the previous statutory requirement for each Council to develop its own Councillor Code of Conduct.

The purpose of the Model Councillor Code of Conduct is to include the standards of conduct expected to be observed by Councillors in the course of performing their duties and functions as Councillors, including prohibiting discrimination, harassment (including sexual harassment) and vilification.

The Model Code of Conduct also applies to the conduct of Councillors in various other contexts and settings when interacting with fellow Councillors, members of Council staff and the public, and across all forms of communication including:

- in-person, electronic or hybrid meetings, including briefings and meetings with stakeholders or members of the community
- written, verbal and non-verbal communication
- electronic and social media communication.

Conflict of interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. As trusted representatives, councillors are required to act in the public interest. When a council delegates its powers to a council officer or a committee, those entrusted with those powers must also uphold the same expectations to act in the community's best interests. This responsibility includes managing conflicts of interest.

A conflict of interest occurs when a personal or private interest could compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Committee meetings. While the procedures vary depending on the role and circumstances, in general they involve disclosing the relevant interests and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests. During 2024-2025, fourteen (14) conflicts of interest were declared at Council and there was one (1) conflict of interest exemption.



Councillor Allowances and Expenses

In accordance with Section 39 of the Act, Councillors are entitled to receive an allowance while performing their duty as Councillor. The Mayor is entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. In this instance Horsham Rural City Council is recognised as a Category Two Council.

In accordance with Section 40 of the Act, Council is required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor. Council is also required to adopt and maintain a policy in relation to reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support provided to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by Council.

The details of the expenses, including reimbursement of expenses for each Councillor and member of a Council committee paid by the Council for the 2024-25 year are set out in the following table.



Councillor	A \$	C \$	CS \$	DT \$	T \$	TR \$	M \$	O \$	Actual 2024-25 \$
Cr Robyn Gulline* <i>(Mayor to 26/10/2024)</i>	34,611.38	-9.36	695.00	-	-	-	-	295.62	35,592.64
Cr David Bowe*	9,157.52	-9.37	-	-	-	-	-	-	9,148.15
Cr Penny Flynn*	10,793.73	-9.37	-	-	-	-	100.00	180.49	11,064.85
Cr Claudia Haenel*	10,793.73	-9.37	695.00	-	1,667.12	711.15	-	370.13	14,227.76
Cr Les Power*	10,793.73	-9.37	-	-	-	208.18	-	80.45	11,072.99
Cr Robert Redden* <i>Note: Cr Redden passed away 08/08/2024</i>	5,671.28	-9.36	-	-	-	-	-	-	5,671.28
Cr Ian Ross** <i>(Mayor from 22/11/2024 and Re-elected in 2024)</i>	61,319.35	-	-	2,983.61	-	1,164.95	-	108.18	65,566.73
Cr Rebecca Sluggett**	16,322.58	-	1,800.00	2,064.43	-	-	-	90.00	20,277.01
Cr Dean O'Loughlin**	16,322.58	-	-	2,063.43	-	-	-	-	18,386.01
Cr Cam McDonald**	16,322.58	-	-	2,063.43	4,614.77	-	-	-	23,000.78
Cr Brian Klowss**	16,322.58	-	-	2,063.43	1,198.54	-	-	-	19,584.55
Cr Angela Munn**	16,322.28	-	-	2,063.43	-	-	-	90.00	18,475.71
Cr Todd Wilson**	16,322.58	-	-	2,063.42	-	-	-	90.00	18,476.00

Legend:

A-Allowance | **C**-Communication | **CS**-Conferences & Seminars | **DT**-Development & Training
T-Transportation | **TR**-Travel & Accommodation | **M**-Memberships | **O**-Other |

* Councillors elected in 2020 with terms ceasing in October 2024

** Councillors elected in October 2024

Management

The Council has introduced various statutory and best practice measures to strengthen its management framework. Effective governance and management structures support better decision-making. As required by the *Local Government Act 2020*, the Council must assess itself against the prescribed governance and management checklist and include the results in its report of operations. This section highlights key elements of the management framework with the Governance and Management Checklist on the following pages.

Audit and Risk Committee

The Audit and Risk Committee is an independent advisory committee established to assist Council in fulfilling its oversight responsibilities in relation to financial reporting, risk management, internal control, and compliance with laws and regulations.

The Committee provides assurance and advice to Council on:

- The integrity of financial reporting processes and annual financial statements.
- The effectiveness of Council's risk management framework and internal control systems.
- The performance of internal and external audit functions.
- Compliance with relevant legislation, regulations, and policies.
- Fraud prevention and ethical conduct.

The Committee includes three independent members with expertise in finance, risk, and governance, along with two

Councillor representatives with the Chair elected from the independent members. The mix ensures a broad range of perspectives and strong oversight.

Audit and Risk Committee meetings are held quarterly throughout the year with recommendations from each meeting subsequently reported to Council. A biannual audit and risk report plus an annual assessment of performance against the Committee's Charter is also provided for tabling at Council.

Members of Council's executive team, along with internal and external auditors, attend all meetings. Other management representatives participate as required to present reports. External auditors are invited each year to present the audit strategy, interim management letter, and independent audit report.

Internal Audit

Council's internal audit function plays an important role in helping ensure operations are efficient, transparent, and well-managed. Internal audit provides independent assurance that Council's systems and processes are working effectively and identifies opportunities for improvement.

The internal auditor:

- Reviews Council's activities to ensure they comply with laws, policies, and best practices.
- Assesses the effectiveness of internal controls that safeguard public assets and support service delivery.
- Identifies risks and recommends ways to reduce or manage them.

- Provides practical advice to improve systems, processes, and decision making.
- Follows up on previous audit recommendations to ensure they have been addressed.

The internal auditors develop a Strategic Internal Audit Plan (SIAP) which is a multi-year roadmap that guides Council's internal audit activities. It ensures that audit resources are focused on the areas of greatest risk and importance to the organisation and the community. The Audit and Risk Committee endorsed the audit plan based on areas of risk and priority.

Once developed and approved, the SIAP is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers council's risk framework, the council plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input.

Audits are conducted independently and reported to the Audit and Risk Committee, which oversees the process and monitors progress.

The benefits of internal audit are that it:

- Helps Council proactively manage risks and improve performance.
- Ensures transparency and accountability in the use of public resources.
- Strengthens internal controls and supports compliance with laws and policies.
- Provides assurance to the Audit and Risk Committee and the community.

The Internal Auditor attends each Audit and Risk Committee meeting to report on the status of the SIAP, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated. Quality assurance is measured through the annual Audit and Risk Committee self-assessment, completion of the internal audit plan and benchmarking against other internal audit functions.

In June 2025, Council entered a contract with a new internal audit provider who immediately commenced work developing a comprehensive, organisation-wide SIAP.

External Audit

The Victorian Auditor-General's Office (VAGO) is responsible for conducting independent audits of Council's Financial Report and Performance Statement. VAGO plays a vital role in ensuring transparency, accountability, and public confidence in how Council manages its finances and delivers services.

Each year VAGO:

- Audits Council's Financial Report and Performance Statement to confirm they are accurate, complete, and comply with accounting standards and legislation.
- Assesses financial sustainability and identifies any risks or areas for improvement.
- Report findings to both Council and Parliament, helping ensure public funds are used responsibly.
- Provides assurance that Council's financial reporting reflects its true financial position.

For the 2024-25 financial year the annual external audit of Council's Financial Report and Performance Statement was conducted by the Victorian Auditor-General's representative, Crowe Australasia.

Risk Management

Risk management is increasingly vital in Local Government, necessitating commitment throughout the entire organisation. It represents a structured approach to identifying, assessing, and managing risks that could impact the achievement of strategic objectives, service delivery, and community wellbeing.

Horsham Rural City Council recognises the importance of such an approach and is working to embed risk management in governance, planning, and operational processes. It is also working to ensure alignment with the international Risk Management Standard that provides principles and guidelines for risk management and outlines a comprehensive approach to identifying, analysing, evaluating, treating, monitoring, and communicating risks across an organisation.

To assist in the work required, Council implemented risk management software in 2024-25. This software will assist with identifying and addressing potential risks which in turn will enhance operational efficiency, safeguard resources, and maintain public trust. Further, this approach will help support informed decision-making and promote the identification of opportunities for ongoing improvement.

A full review of Council's strategic and operational risks will be undertaken once the 2025-29 Council Plan is adopted.

Governance and Management Checklist

The following are the results in the prescribed form of Council's assessment against the Governance and Management Checklist.

Governance and Management Items	Assessment
1. Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act. Date of adoption: 27/05/2024
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation. Date of commencement: 15/02/2016
3. Financial Plan (Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act. Date of adoption: 27/06/2022
4. Asset Plan (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act. Date of adoption: 25/10/2021
5. Revenue and Rating Plan (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act. Date of adoption: 23/06/2025
6. Annual budget (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 94 of the Act. Date of adoption: 23/06/2025
7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to council's operations)	Current policy in operation. Date of commencement: 22/04/2024
8. Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation. Date of commencement: 26/06/2023
9. Municipal emergency management planning (Participation in meetings of the Municipal Emergency Management Planning Committee (MEMPC))	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year. Dates of MEMPC attended: 12/09/2024, 12/12/2024, 13/03/2025, 12/06/2025
10. Procurement policy (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act. Date of adoption: 30/01/2023
11. Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation. Date of commencement: 23/03/2018
12. Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation Date of commencement: 29/06/2015
13. Complaint policy (policy under section 107 of the Act outlining Council's commitment and approach to managing complaints)	Policy developed in accordance with section 107 of the Act. Date of commencement: 13/12/2021
14. Workforce plan (plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation)	Plan developed in accordance with section 46 of the Act. Date of commencement: 31/12/2021
15. Payment of rates and charges hardship policy (policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates)	Current policy in operation. Date of commencement: 28/08/2023

Governance and Management Items	
16. Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation. Date of commencement: 22/04/2024
17. Audit and Risk Committee (advisory committee of Council under section 53 and section 54 of the Act)	Established in accordance with section 53 of the Act. Date of commencement: 24/08/2020
18. Internal audit (independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged. Date of engagement: 06/06/2025
19. Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Current framework in operation. Date of adoption: 30/06/2022
20. Council Plan report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report. Dates of reports: Q1: 16 Dec 2024, Q2: 24 Mar 2025, Q3: 26 May 2025
21. Quarterly budget reports (quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Quarterly reports presented to Council in accordance with section 97(1) of the Act. Dates of reports: Q1: 16 Dec 2024, Q2: 24 Mar 2025, Q3: 26 May 2025
22. Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented. Dates of reports: 20/03/2025 and 19/06/2025
23. Performance reporting (six-monthly reports of indicators measuring results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Performance reports prepared. Dates of reports: Q1: 16 Dec 2024, Q2: 24 Mar 2025, Q3: 26 May 2025, Q4:
24. Annual report (Annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	Annual report presented at a meeting of Council in accordance with section 100 of the Act. Date of presentation: 21/10/2024
25. Councillor Code of Conduct (Code setting out the standards of conduct to be followed by Councillors and other matters)	Code of conduct reviewed and adopted in accordance with section 139 of the Act. Date reviewed and adopted: Effective from 26 October 2024, all Councillors must adhere to the Model Councillor Code of Conduct outlined in Schedule 1 of the Local Government (Governance and Integrity) Amendment Regulations 2024. This Model Councillor Code of Conduct supersedes the previous requirement for Councils to create their own Councillor Code of Conduct.
26. Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act. Date reviewed: 26/08/2024 & 24/03/2025
27. Meeting procedures (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act. Date rules adopted: 26/06/2023

Statutory Information

Contracts

The following list details contracts entered by the Horsham Rural City Council valued at \$150,000 or more during the financial year. As per the Horsham Rural City Council's Procurement Policy, this value is the public tender threshold above which tenders or expressions of interest for contracts must be publicly invited, unless an approved Procurement Exemption applies.

Tenders with a value of \$150,000 or above and were awarded following a competitive process, are as follows:

- Bituminous Surfacing Program
- Construction Sidewalk Riverside Road Bridge
- Reconstruction North East Wonwondah Road – Stage 4
- Noradjuha Tooan East Road Widening
- City Oval Play Space
- Dadswells Bridge Pedestrian Bridge
- Gross Bridge Retrofitting and Defect Repairs on Multiple Bridges

During 2024-25, Council entered the following contracts based on schedule of rates. While these agreements do not carry a fixed total value, the expected expenditure over their duration is anticipated to exceed \$150,000:

- Supply of Landfill Capping
- Supply and Delivery of Bituminous Products
- Pavement and Linemarking Services
- Supply of Aggregates, Crushed Rocks and Gravels
- Supply of Fuel

During 2024-25, Council procured goods and services valued at or above \$150,000, without engaging in a public competitive tender process, in accordance with Council's procurement policy:

- Construction of a shipping container kiosk
- Provision of election services for the 2024 general election

Third Party Contracts

New contracts entered into via a third-party purchasing organisation such as Municipal Association Victoria that were in excess of \$150,000 are as follows:

- Recruitment Services
- Trucks and Specialised Bodies

Documents available for public inspection

Horsham Rural City Council adopted a Public Transparency Policy in September 2024 in accordance with section 57 of the *Local Government Act 2020*. This policy is available on Council's website and specifies information which is publicly available and the ways in which it can be accessed.

Statutory Information *continued...*

Disability Access and Inclusion Plan

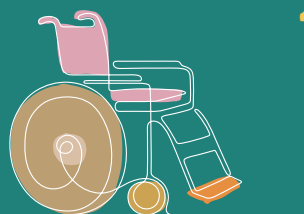
In accordance with Section 38(3) of the *Disability Act 2006*, as Council has prepared a Disability Access and Inclusion Plan 2023-2026 it must report on the implementation of the Disability Action Plan in its Annual Report.

Council implemented the following actions from the Plan in 2024-25:

- Established a Disability Advisory Committee to provide feedback on key Council projects, policies and processes.
- Staff working on community facing projects have engaged with people with lived experience of disability on a regular basis through the Disability Advisory Committee or other external advocacy groups.
- Recognised and celebrated International Day of People with a Disability and Carers Week.
- Improved the accessibility of Councils website and content, complying with accessibility standards.
- Coordinated and delivered staff training on providing inclusive and accessible customer support.
- Organised Universal Design Training for appropriate Council staff to participate in.
- Continued the development of design specifications for amenities to ensure best practice accessibility.
- Supported local businesses to become more inclusive by considering physical access, communication, disability awareness and inclusive employment.
- Developed guidelines for accessible signage and wayfinding in public places.
- Continued to upgrade and maintain public infrastructure, spaces, and equipment to improve safety and access for people with disability.



**DISABILITY ACCESS
AND INCLUSION PLAN**
2023-2026
MARCH 2023



HORSHAM
Rural City Council

Statutory Information *continued...*

Domestic Animal Management Plan

In accordance with the *Domestic Animals Act 1994* Section 68a, Council is required to prepare a Domestic Animal Management Plan at four-yearly intervals and provide a summary of its implementation in the Annual Report.

Council adopted the Domestic Animal Management Plan 2022–2025 in June 2022. The plan was prepared in consultation with the Domestic Animal Management Advisory Group, and extensive public engagement in accordance with the requirements and responsibilities under Section 68A of the Act and with reference to the Council Plan and Council Local Laws.

In the 2024-25 financial year Council made significant progress towards the achieving the actions identified in the Domestic Animal Management Plan which are listed below:

- Council was successful in an application for a \$25,000 grant from the Department of Energy, Environment and Climate Action (DEECA) for a targeted cat desexing program in 2024. This program is currently underway with the desexing and microchipping of semi-owned cats in hot spots throughout Horsham municipality, encouraging participation amongst residents in low socio-economic areas. Flyers have been provided to Community Services, for example: Centre for Participation; Goolum Aboriginal Co-operative; Department of Families, Fairness and Housing; Uniting Wimmera; Orange Door; Community Food Bank, etc. We have also door-knocked approximately 200 properties in known areas where cats freely roam. This project runs until March 2026
- Community Safety Officers have engaged in a range of training:
 - OVA Training – Occupational Violence and Aggression training which includes de-escalation techniques
 - Fire Prevention Officer training
 - CAIT – Canine Anatomy Identification training has commenced. This allows officers to investigate reports of restricted breed dogs within the municipality
- Development of the Domestic Animal Management Plan 2026-2029 has commenced, with the Project Management Plan and first round of engagement completed. Survey responses are being evaluated to assist with finalising the Draft Domestic Animal Management Plan. The project is on track to be completed by the due date
- Council continues to utilise all Council media outlets to assist with unidentified animals which are impounded being reunited with their owners, which reduces the number of animals seeking placement with rescue groups
- Reviews of all processes are being regularly conducted to ensure they align with best practice and transparency with investigations
- This year we have seen an increase in animal registration renewal compliance
- Council continues to support our local Rescue Organisations
- We continue to investigate all received complaints in a timely manner and update respondents of these outcomes when required
- In 2024 Council introduced a microchipping service at its pound facility allowing the animals to be microchipped and registered and reunited with their owners promptly, avoiding delays in release

Food Act Ministerial directions

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report.

No such Ministerial Directions were received by Council during the financial year.

Freedom of Information

In accordance with sections 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, Council is required to publish certain statements in its Annual Report or separately, such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately on their website.

The following summary is provided to outline Council's application and operation of the *Freedom of Information Act 1982*.

- Access to documents may be obtained via a request to the Freedom of Information Officer, as detailed in section 17 of the *Freedom of Information Act 1982*. In summary the request should:
 - Be in writing ideally using the FOI request form
 - Identify as clearly as possible the document(s) being requested
 - Be accompanied by the appropriate statutory application fee (the fee may be waived in certain circumstances).
- Requests for documents in the possession of Council should be lodged online using the relevant form or made via email to FOI@hrcc.vic.gov.au.
- Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Further information regarding FOI can be found on the Horsham Rural City Council's website or at the Victorian Information Commissioner website.

Protected Disclosure Procedures

In accordance with section 69 of the *Protected Disclosure Act 2012* a Council must include in their annual report information about how to access the procedures established by the Council under part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available on Council's website.

During the 2024-25 financial year, no disclosures were notified to Council officers appointed to receive disclosures, or to the Independent Broad-based Anti-corruption Commission (IBAC).

Road Management Act Ministerial Direction

In accordance with section 22 of the *Road Management Act 2004*, a Council must publish a copy or summary of any Ministerial Direction in its annual report.

No such Ministerial Directions were received by Council during the financial year.

Infrastructure and Development Contributions

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's report of operations.

No such contributions were received during the financial year.

Financial Summary

Council's financial position remains sound. A summary of our performance is outlined below with detailed information relating to council's financial performance included within the Financial Report and Performance Statement sections of this report.

Operating Position

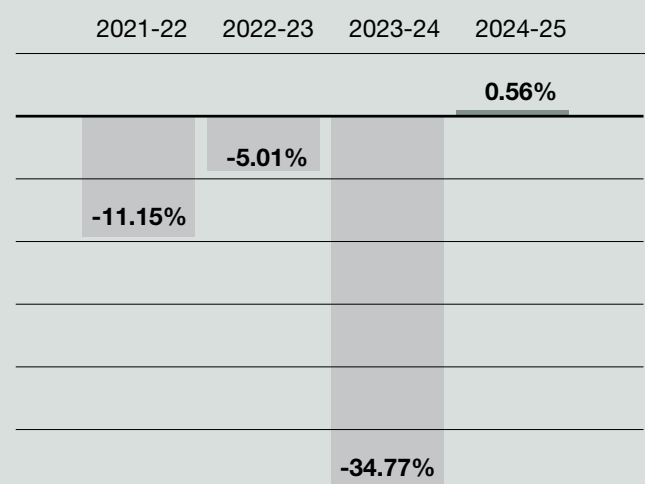
Council achieved an operating surplus of \$7.186 million in 2024-25. This surplus compares to the prior year operating deficit of \$5.194 million. This variance is due partly to the timing of financial assistance grants received from the Commonwealth Government. In some years, these grants are prepaid requiring Council to recognise them in the year received rather than the year they relate to. The amount of financial assistance grants received in 2024-25 was \$12.358m of which \$4.284m was a prepayment of the 2025-26 allocation. The surplus also included \$1.5m payment for an insurance settlement.

Whilst no classes of assets were revalued during the year, there was a favourable increase in the value of assets relating to the adjustment of the value of land held for resale to market values and the recognition of some road formations that were found during asset inspections. The combined comprehensive result being a \$11.470 million surplus for the year compared to \$25.292 million in the prior year.

Council's underlying result (the operating result after removing non-recurrent capital grants and contributions to capital works) was a surplus of \$0.362m compared to an underlying operating deficit of \$17.782m in the 2023-24 year. These items of revenue distort the operating statement as they are for specific purposes related to one-off transactions rather than those of a repetitive or operating nature.

The below graph demonstrates Council's underlying result for the past 4 years. Ideally, Council would have a ratio >0% to demonstrate they are able to fund operational expenses from underlying revenue. Whilst the 2024-25 year does have an underlying surplus, it is significantly due to the early payment of the financial assistance grants. Without this money, the underlying result would be \$3.923m deficit.

Adjusted Underlying Result Ratio %



[Adjusted underlying surplus (deficit)/Adjusted underlying revenue] x100

Financial Summary *continued...*

Liquidity/Working Capital

The Liquidity Ratio or Working Capital Ratio presented below reflects an assessment of council's ability to meet its current commitments. The ratio is calculated by measuring council's current assets as a percentage of its current liabilities.

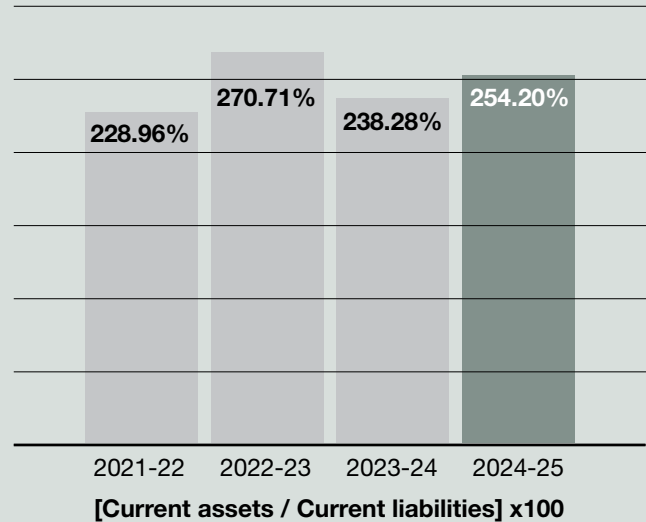
Total Cash has increased by \$11.673m from the prior year to \$37.239m. Council had forecast to hold \$28.600m. The difference (\$8.639m) is predominantly due to the early payment of financial assistance grants of \$4.284m and incomplete capital works of \$3.352m.

Other current assets are trade receivables, which was \$2.924m less than the prior due to the payment of funds relating to natural disaster claims, and inclusion of \$3.490m of land held for resale in the 2024-25 year.

Current liabilities have increased due to an interest only loan becoming due in 2025-26 resulting in \$4.305m moving from noncurrent liabilities to current liabilities. Other current liabilities are at similar levels.

The result of these movements has meant that the 2024-25 indicator is 254.2% which demonstrates Council has more than enough cash to meet its current obligations.

Liquidity Ratio %



Financial summary *continued...*

Obligations

Council aims to ensure that it can maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community.

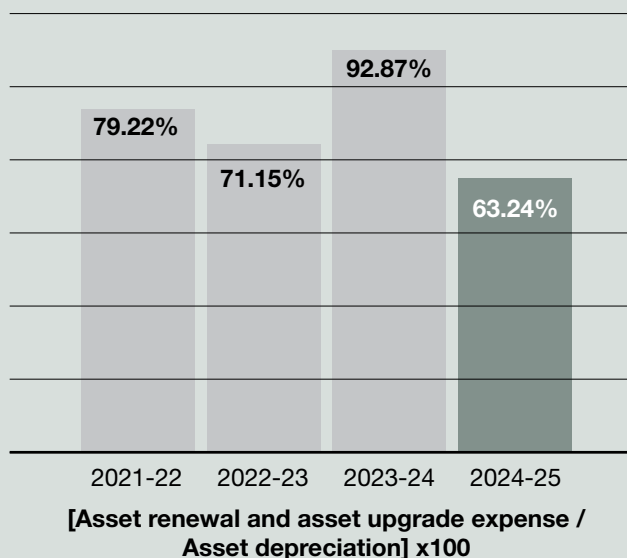
Council invested \$10.596m in renewal works during the 2024-25 year. A further \$6.278m was invested in upgraded or new assets taking the total capital expenditure to \$16.874m.

This was funded from \$6.105m in grants, \$4.240m of specific purpose reserves and \$0.617m in monetary contributions, with the remaining \$5.9125m from retained cash from prior years.

Council was also gifted a further \$1.609m worth of assets.

Council's asset renewal ratio, which is measured by comparing asset renewal plus asset upgrade expenditure to depreciation, was 63.24%.

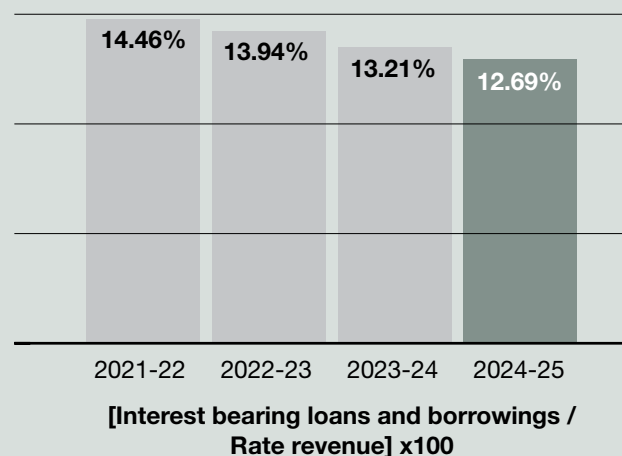
Asset Renewal Ratio %



Council did not borrow during the financial year and has no immediate plans to borrow. Outstanding borrowings at year end were \$4.305m against an interest only loan until the 2025-26 year when the loan will be repaid in full. Council has been setting aside funds in a reserve to make this repayment.

At the end of the 2024-25 financial year council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 12.69%.

Loans & Borrowings Ratio %



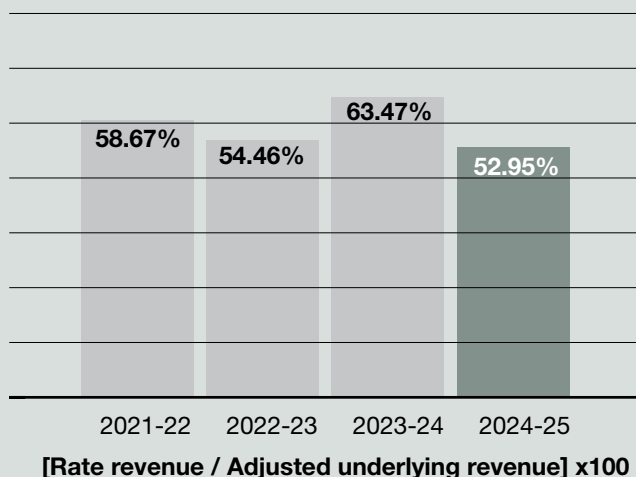
Financial summary *continued...*

Stability and Efficiency

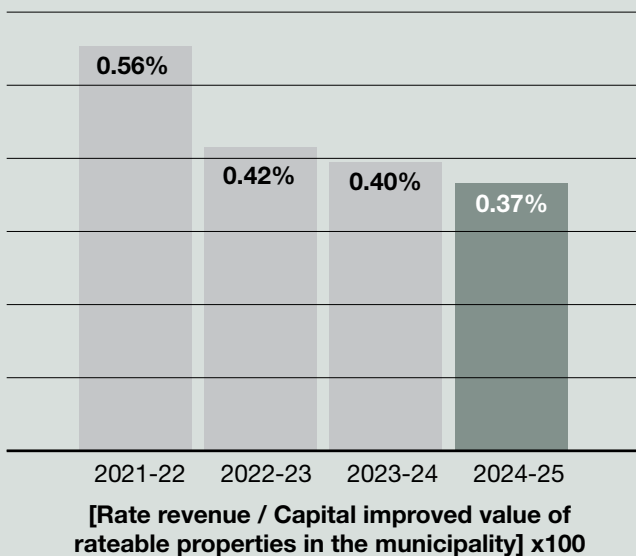
Council collects a wide range of revenues including rates, user fees, fines, grants and contributions. Of these, Council's rates concentration (a comparison of rate revenue to adjusted underlying revenue) was 52.95% for the 2024-25 year.

Council continues to generate rates in accordance with the Ministerial Rate Capping mechanism. However, noting property values are increasing at a rate higher than this percentage, rate revenue as a % of the Capital improved values of rateable properties is decreasing.

Rates Concentration Ratio %



Rates Effort Ratio %



Economic Factors

Over recent years, Council has continued to deliver a broad range of projects aimed at improving infrastructure, services, and community outcomes. However, the delivery of these projects has been increasingly impacted by external economic pressures, including rising material costs, limited resource availability, and contractor capacity. These factors have contributed to delays and cost escalations, particularly in larger and more complex construction initiatives.

As a regional city and key service centre for the surrounding area, Horsham faces unique challenges. Council is under continual pressure to provide high-quality assets and services to meet both local and regional needs, despite the absence of corresponding increases in revenue to support this demand. The compounded effect of escalating material costs, constrained contractor availability, and limited internal resources has impacted Council's ability to deliver both operational programs and capital works.

Horsham Rural City Council



ANNUAL PERFORMANCE STATEMENT

For the Year Ended 30 June 2025

Performance Statement

For the year ended 30 June 2025

Table of Contents

Certification of the Performance Statement	80
Victorian Auditor-General's Office audit report	81
Section 1 Description of the Municipality	83
Section 2 Service performance indicators	84
Section 3 Financial performance indicators	85
Section 4 Sustainability capacity indicators	86
Section 5 Notes to the accounts	
5.1 Basis of Preparation	87
5.2 Definitions	88
5.3 Other Matters	88

Horsham Rural City Council
2024/25 Performance Statement

Certification of the Performance Statement

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



Belinda Johnson, CPA, BComm
Chief Financial Officer

Dated : 13 October 2025
Horsham

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

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

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance 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 performance statements in their final form.



Cr Brian Klowss
Councillor

Dated : 13 October 2025
Horsham



Cr Angela Munn
Councillor

Dated : 13 October 2025
Horsham



Gail Gatt
Chief Executive Officer

Dated : 13 October 2025
Horsham



Independent Auditor's Report

To the Councillors of Horsham Rural City Council

Opinion	I have audited the accompanying performance statement of Horsham Rural City Council (the council) which comprises the: • description of municipality for the year ended 30 June 2025 • service performance indicators for the year ended 30 June 2025 • financial performance indicators for the year ended 30 June 2025 • sustainable capacity indicators for the year ended 30 June 2025 • notes to the accounts • certification of the performance statement. In my opinion, the performance statement of Horsham Rural City Council in respect of the year ended 30 June 2025 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council 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 performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the performance statement

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement 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 Standards on Assurance Engagements 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 decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, 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 internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

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.



MELBOURNE
17 October 2025

Travis Derricott
as delegate for the Auditor-General of Victoria

Performance Statement

For the year ended 30 June 2025

Section 1 - Description of municipality

Horsham Rural City is a regional city in the Wimmera Southern Mallee region of Western Victoria. The Wimmera Southern Mallee encompasses 20 percent of the area of Victoria and only 1 percent of the population. Horsham Rural City Council has an estimated residential population of 20,429 people (2021). Approximately three quarters of residents live within the urban area of Horsham.

Horsham is a hub in the Wimmera for health care, niche retail, community services and arts and culture opportunities. A dryland and broad acre agricultural municipality, Horsham is home to the Grains Innovation Park (a nationally acclaimed agricultural research centre) and quality educational facilities including private and public secondary colleges, a university and an agricultural college.

The municipality also has a rich indigenous history and an abundance of diverse natural assets including recreational lakes, wetlands, the Wimmera River, Mount Arapiles and the Wartook Valley with the Grampians National Park nearby.

At the 2021 Census, Aboriginal and/or Torres Strait Islander people made up 2.2 percent of the population and 90.9 percent of the population were born in Australia. India, England, Philippines, New Zealand and Italy were the most common countries of birth outside Australia.

Localities covered with the authority boundaries include:

Arapiles	Grass Flat	McKenzie Creek	Telangatuk East
Blackheath	Haven	Mitre	Tooan
Brimpaen	Jilpanger	Mockinya	Toolondo
Bungalally	Jung	Murra Warra	Vectis
Clear Lake	Kalkee	Noradjuha	Wail
Dadswells Bridge	Kanagulk	Nurrabiel	Wartook
Dooen	Kewell	Pimpinio	Wonwondah
Douglas	Laharum	Quantong	
Drung	Longerenong	Riverside	
Duchembegarra	Lower Norton	St Helen's Plains	

Section 2 - Service Performance Indicators

Service / Indicator / Measure [Formula]	Results					Comment
	2022 Actual	2023 Actual	2024 Actual	2025 Target as per budget	2025 Actual	
Aquatic Facilities Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	4.17%	5.05%	5.18%	6.00%	6.14%	Utilisation of Aquatic facilities has been steadily increasing over the past number of years as a result of program changes and improved marketing.
Animal Management Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0.00%	0.00%	0.00%	100.00%	100.00%	One case has been undertaken and was successful.
Food Safety Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	70.00%	100.00%	59.50%	100.00%	57.45%	Council continues to aim to ensure 100% are completed, resourcing the service over the past 2 years has been extremely difficult and has led to this target not achieved. Council continues to set 100% as its desired target into the future.
Governance Consultation and engagement Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	53	43	43	47	48	There has been an increase in community consultation and engagement following the election of a new Council and a resultant increase in community satisfaction.
Libraries Participation Library membership [Number of registered library members / Population] x100	#N/A	#N/A	19.10%	21.00%	19.89%	Membership has seen a slight increase this year after trending downwards the previous 5 years. Open Access and other initiatives seek to reduce barriers to membership in 2025-26.
Maternal and Child Health (MCH) Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	85.91%	90.58%	88.56%	95.00%	86.95%	
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	89.13%	93.55%	90.91%	95.00%	91.67%	
Roads Condition Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.55%	100.00%	98.71%	90.29%	99.83%	
Statutory Planning Service standard Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	100.00%	100.00%	93.51%	95.00%	89.89%	
Waste Management Waste diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	19.07%	25.90%	48.63%	50.00%	43.62%	Council continues to identify actions which can be taken to divert waste from landfill.

Section 3 - Financial Performance Indicators

Dimension / Indicator / Measure [Formula]	Results				Forecasts				Material Variations and Comments
	2022	2023	2024	2025	2026	2027	2028	2029	
	Actual	Actual	Actual	Target as per budget	Actual	Forecasts	Forecasts	Forecasts	
Efficiency									
Expenditure level Expenses per property assessment [Total expenses / Number of property assessments]	\$4,339.08	\$4,579.62	\$5,322.08	\$4,908.00	\$4,965.87	\$4,911.39	\$5,058.42	\$5,165.45	
Revenue level Average rate per property assessment [Sum of all general rates and municipal charges / Number of property assessments]	\$1,965.38	\$2,032.15	\$2,123.23	\$2,631.00	\$2,228.10	\$2,363.23	\$2,428.93	\$2,496.49	
Liquidity									
Working capital Current assets compared to current liabilities [Current assets / Current liabilities] x100	228.96%	270.71%	238.28%	150.00%	254.20%	295.65%	265.47%	283.73%	Council's current assets were substantially higher than budgeted compared to current liabilities which were only marginally above target. Contributing factor included the prepayment of Financial Assistance Grants (cash) and land that has been classified as held for re-sale in the coming year.
Unrestricted cash Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	-32.14%	79.66%	29.68%	56.00%	73.27%	43.58%	43.79%	66.27%	Council continues to maintain cash holdings to mitigate current liabilities. Council also received prepayment of Financial Assistance grants in late 2024/25 which will be spent in 2025/26. Council also maintains low liabilities in its longer term financial plan.
Obligations									
Loans and borrowings Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	14.46%	13.94%	13.21%	13.00%	12.69%	0.00%	4.03%	6.74%	Council will repay a loan in 2025/26. This has significantly impacted this ratio in a positive manner. Council is not anticipating any new loans for the 2026 & 2027 year.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	1.05%	0.55%	0.52%	1.00%	0.50%	12.83%	0.04%	0.54%	
Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	26.80%	22.29%	20.25%	11.00%	11.05%	9.75%	15.75%	17.34%	Council will repay a loan in 2025/26 which has seen it move from non-current liabilities to current liabilities. This has significantly impacted this ratio in a positive manner.
Asset renewal and upgrade Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	79.22%	71.15%	92.87%	101.00%	63.24%	69.60%	65.42%	59.35%	The classification of asset expenses is broadly classified at the time of setting the target, whereas the end of year measure if scrutinised more carefully. Some larger renewal projects were also deferred during the year.
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	-11.15%	-5.01%	-34.77%	-7.80%	0.56%	1.12%	-4.62%	-4.57%	The adjusted underlying surplus has been impacted significantly due to the prepayment of Financial Assistance grants in late 2024/25 which will be spent in 2025/26.
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	58.67%	54.46%	63.47%	58.00%	52.95%	55.79%	59.60%	60.02%	The adjusted underlying surplus has been impacted significantly due to the prepayment of Financial Assistance grants in late 2024/25 which will be spent in 2025/26.
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.56%	0.42%	0.40%	0.37%	0.37%	0.38%	0.40%	0.41%	

Section 4 - Sustainable Capacity Indicators

Indicator / Measure [Formula]	Results				Comment
	2022	2023	2024	2025	
Population	Actual	Actual	Actual	Actual	
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,825.91	\$2,928.86	\$3,405.71	\$3,127.31	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$26,502.28	\$28,796.77	\$30,344.43	\$32,709.61	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	6.69	6.81	6.80	6.81	
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,918.44	\$2,045.98	\$2,217.47	\$2,313.60	
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$559.94	\$626.31	\$175.19	\$902.73	Grant revenue has been impacted significantly due to the prepayment of Financial Assistance grants in late 2024/25 which will be spent in 2025/26.
Disadvantage					
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	4.00	4.00	4.00	4.00	
Workforce turnover					
<i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	22.0%	15.2%	14.7%	17.1%	Staff turnover continues to fluctuate from year to year pending organisational changes. Council continues to implement strategies to reduce the workforce turnover through staff engagement strategies, recruitment and retention initiatives.

Horsham Rural City Council
2024/2025 Performance Statement

Section 5.1 - Basis of preparation

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

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

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2025-26 to 2028-29 by the council's financial plan/adopted budget.

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

Horsham Rural City Council
2024/2025 Performance Statement

Section 5.2 - Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>
adjusted underlying revenue	means total income other than: · non-recurrent grants used to fund capital expenditure; and · non-monetary asset contributions; and · contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

Section 5.3 - Other Matters

There were no significant overarching events impacting the performance statement, however Council has completed significant work reviewing its Council Vision and preparing for a new Financial Plan. For this reason, the forecast indicators have been taken from the 2025/26 Budget adopted on 23 June 2025 rather than the 2022/23-2031/32 Financial Plan which contains outdated statements and forecasts.

Horsham Rural City Council



ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2025

Horsham Rural City Council

Financial Report

Table of Contents

Financial Report

Certification of the Financial Statements	92
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Financial Statements

Comprehensive Income Statement	95
Balance Sheet	96
Statement of Changes in Equity	97
Statement of Cash Flows	98
Statement of Capital Works	99

Notes to the Financial Statements

Note 1	Overview	100
Note 2	Analysis of our results	
	2.1. Performance against budget	101
	2.2. Analysis of council results by program	105
	2.3. Summary of income/revenue, expenses, assets and capital expenses by program	105
Note 3	Funding for the delivery of our services	
	3.1. Rates and charges	106
	3.2. Statutory fees and fines	106
	3.3. User fees	106
	3.4. Funding from other levels of government	107
	3.5. Contributions	109
	3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	109
	3.7. Other income	109
Note 4	The cost of delivering services	
	4.1. Employee costs	110
	4.2. Materials and services	110
	4.3. Depreciation	110
	4.4. Amortisation - Intangible assets	111
	4.5. Depreciation - Right of use assets	111
	4.6. Allowance for impairment losses	111
	4.7. Borrowing costs	111
	4.8. Finance Costs - Leases	111
	4.9. Other expenses	111

Horsham Rural City Council

Financial Report

Table of Contents

Note 5	Investing in and financing our operations	
	5.1. Financial assets	112
	5.2. Non-financial assets	114
	5.3. Payables, trust funds and deposits and contract and other liabilities	115
	5.4. Interest-bearing liabilities	116
	5.5. Provisions	116
	5.6. Financing arrangements	118
	5.7. Commitments	119
	5.8. Leases	120
Note 6	Assets we manage	
	6.1. Non current assets classified as held for sale	121
	6.2. Property, infrastructure plant and equipment	122
	6.3. Investments in associates, joint arrangements and subsidiaries	129
	6.4. Investment property	131
Note 7	People and relationships	
	7.1. Council and key management remuneration	132
	7.2. Related party disclosure	133
Note 8	Managing uncertainties	
	8.1. Contingent assets and liabilities	134
	8.2. Change in accounting standards	135
	8.3. Financial instruments	135
	8.4. Fair value measurement	137
	8.5. Events occurring after balance date	137
Note 9	Other matters	
	9.1. Reserves	138
	9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	140
	9.3. Superannuation	140
Note 10	Change in accounting policy	143

Horsham Rural City Council
2024/2025

Certification of the Financial Statements

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



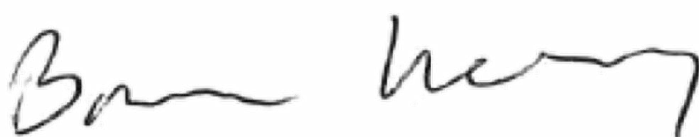
Belinda J Johnson, CPA, B Comm
Chief Financial Officer

Dated : 13 October 2025
Horsham

In our opinion, the accompanying financial statements present fairly the financial transactions of the Horsham 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 that would render any particulars in the financial statements to be misleading or inaccurate.

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



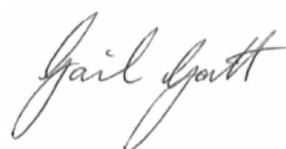
Cr Brian Klowss
Councillor

Dated : 13 October 2025
Horsham



Cr Angela Munn
Councillor

Dated : 13 October 2025
Horsham



Gail Gatt
Chief Executive Officer

Dated : 13 October 2025
Horsham



Independent Auditor's Report

To the Councillors of Horsham Rural City Council

Opinion	I have audited the financial report of Horsham Rural City Council (the council) which comprises the: • balance sheet as at 30 June 2025 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including material accounting policy information • certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of 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.
Basis for Opinion	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. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	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. In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, 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.

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:

- 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 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 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 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.

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.



MELBOURNE
17 October 2025

Travis Derricott
as delegate for the Auditor-General of Victoria

Horsham Rural City Council
2024/2025

Comprehensive Income Statement For the Year Ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Income / Revenue			
Rates and charges	3.1	33,931	32,584
Statutory fees and fines	3.2	1,197	1,164
User fees	3.3	6,386	6,692
Grants - operating	3.4	15,178	4,848
Grants - capital	3.4	6,105	11,881
Contributions - monetary	3.5	874	401
Contributions - non monetary	3.5	1,609	1,815
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	416	636
Fair value adjustments for investment property	6.4	50	95
Other income	3.7	5,162	3,877
Total income / revenue		70,908	63,993
Expenses			
Employee costs	4.1	24,016	23,163
Materials and services	4.2	20,999	25,977
Depreciation	4.3	16,818	16,317
Amortisation - intangible assets	4.4	330	330
Depreciation - right of use assets	4.5	67	55
Allowance for impairment losses	4.6	129	123
Borrowing costs	4.7	170	172
Finance costs - leases	4.8	12	8
Share of net loss of associates and joint ventures	6.3	-	63
Written down value of assets disposed	3.6	823	2,582
Other expenses	4.9	358	397
Total expenses		63,722	69,187
Surplus/(deficit) for the year		7,186	(5,194)
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss) - property, infrastructure, plant and equipment	6.2	1,894	22,813
Net asset revaluation gain/(loss) - land held for sale	9.1	2,390	-
Net impairment of revalued assets increment/(decrement)	6.2	-	7,673
Total other comprehensive income		4,284	30,486
Total comprehensive result		11,470	25,292

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

Horsham Rural City Council
2024/2025

Balance Sheet As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	13,239	4,566
Trade and other receivables	5.1	3,944	6,868
Other financial assets	5.1	24,000	21,000
Inventories	5.2	344	217
Prepayments	5.2	343	468
Non-current assets classified as held for sale	6.1	3,490	79
Other assets	5.2	571	3,459
Total current assets		45,931	36,657
Non-current assets			
Trade and other receivables	5.1	363	418
Investments in associates, joint arrangements and subsidiaries	6.3	1,022	1,022
Property, infrastructure, plant and equipment	6.2	666,491	665,493
Right-of-use assets	5.8	492	219
Investment property	6.4	2,700	2,650
Intangible assets	5.2	723	1,020
Total non-current assets		671,791	670,822
Total assets		717,722	707,479
Liabilities			
Current liabilities			
Trade and other payables	5.3	6,486	7,016
Trust funds and deposits	5.3	813	823
Contract and other liabilities	5.3	89	892
Provisions	5.5	6,297	6,597
Interest-bearing liabilities	5.4	4,305	-
Lease liabilities	5.8	79	56
Total current liabilities		18,069	15,384
Non-current liabilities			
Provisions	5.5	4,781	4,639
Interest-bearing liabilities	5.4	-	4,305
Lease liabilities	5.8	430	179
Total non-current liabilities		5,211	9,123
Total liabilities		23,280	24,507
Net assets		694,442	682,972
Equity			
Accumulated surplus		248,554	244,106
Discretionary Reserves	9.1	21,667	18,929
Reserves	9.1	424,221	419,937
Total Equity		694,442	682,972

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

Horsham Rural City Council
2024/2025

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

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2025					
Balance at beginning of the financial year		682,972	244,106	419,937	18,929
Surplus/(deficit) for the year		7,186	7,186	-	-
Net asset revaluation gain/(loss) - property, infrastructure, plant and equipment	6.2	1,894	-	1,894	-
Net asset revaluation gain/(loss) - land held for sale	9.1	2,390	-	2,390	-
Transfers from other reserves	9.1	-	4,240	-	(4,240)
Transfers to other reserves	9.1	-	(6,978)	-	6,978
		<u>694,442</u>	<u>248,554</u>	<u>424,221</u>	<u>21,667</u>
Balance at end of the financial year		694,442	248,554	424,221	21,667

		Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Discretionary Reserves \$'000
2024					
Balance at beginning of the financial year		657,679	250,225	389,450	18,004
Surplus/(deficit) for the year		(5,194)	(5,194)	-	-
Net asset revaluation gain/(loss) - property, infrastructure, plant and equipment	6.2	30,487	-	30,487	-
Transfers from other reserves	9.1	-	3,166	-	(3,166)
Transfers to other reserves	9.1	-	(4,091)	-	4,091
		<u>682,972</u>	<u>244,106</u>	<u>419,937</u>	<u>18,929</u>
Balance at end of the financial year		682,972	244,106	419,937	18,929

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

Horsham Rural City Council

2024/2025

Statement of Cash Flows

For the Year Ended 30 June 2025

		2025	2024
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		33,778	32,204
Statutory fees and fines		1,000	973
User fees		7,200	6,185
Grants - operating		16,645	1,134
Grants - capital		9,147	6,864
Contributions - monetary		945	408
Interest received		1,423	72
Trust funds and deposits taken			130
Other receipts		3,681	2,874
Employee costs		(23,912)	(22,679)
Materials and services		(21,451)	(23,528)
Trust funds and deposits repaid		(10)	-
Other payments		(439)	(449)
Net cash provided by/(used in) operating activities		28,007	4,188
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(16,965)	(19,306)
Proceeds from sale of property, infrastructure, plant and equipment		880	1,065
Payments for investments		(3,000)	-
Proceeds from sale of investments		-	6,000
Net cash provided by/(used in) investing activities		(19,085)	(12,241)
Cash flows from financing activities			
Finance costs		(171)	(171)
Interest paid - lease liability		(11)	(8)
Repayment of lease liabilities		(67)	(55)
Net cash provided by/(used in) financing activities		(249)	(234)
Net increase (decrease) in cash and cash equivalents		8,673	(8,287)
Cash and cash equivalents at the beginning of the financial year		4,566	12,853
Cash and cash equivalents at the end of the financial year		13,239	4,566

Financing arrangements

5.6

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

Horsham Rural City Council

2024/2025

Statement of Capital Works For the Year Ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Property			
Land		313	-
Works in Progress		-	-
Total land		313	-
Buildings		2,325	1,916
Works in Progress		1,944	2,682
Total buildings		4,269	4,598
Total property		4,582	4,598
Plant and equipment			
Plant, machinery and equipment		1,691	2,274
Fixtures, fittings and furniture		285	78
Art Collection		77	9
Library books		104	81
Work in Progress		1	39
Total plant and equipment		2,158	2,481
Infrastructure			
Roads		7,628	7,569
Bridges		-	-
Footpaths and cycleways		207	475
Drainage		204	130
Recreational, leisure and community facilities		152	1,198
Waste management		17	452
Parks, open space and streetscapes		614	473
Aerodromes		7	31
Off street car parks		23	53
Other infrastructure		96	160
Work in Progress		1,186	1,623
Total infrastructure		10,134	12,164
Total capital works expenditure		16,874	19,243
Represented by:			
New asset expenditure		5,720	4,090
Asset renewal expenditure		10,596	12,993
Asset upgrade expenditure		558	2,160
Total capital works expenditure		16,874	19,243

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 Horsham Rural City Council was established by an Order of the Governor in Council on 20th January 1995 and is a body corporate. The Council's main office is located at 18 Roberts Avenue Horsham.

Statement of compliance

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

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

Accounting policy information

1.1 Basis of accounting

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

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

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

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

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and 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:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- 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 (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

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

Goods and 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 taxation authority is included with other receivables or payables in the balance sheet.

1.2 Impact of emergencies and natural disasters

During 2024-25 no emergencies or natural disasters have impacted Council's operations.

Horsham Rural City Council
2024/2025

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

Note 2 ANALYSIS OF OUR RESULTS

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 \$400,000 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	33,687	33,931	244	0.72%	
Statutory fees and fines	1,036	1,197	161	15.54%	
User fees	6,086	6,386	300	4.93%	
Grants - operating	10,966	15,178	4,212	38.41%	1
Grants - capital	7,889	6,105	(1,784)	-22.61%	2
Contributions - monetary	586	874	288	49.15%	
Contributions - non monetary	25	1,609	1,584	6336.00%	3
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	394	416	22	5.58%	
Fair value adjustments for investment property	-	50	50	-	
Share of net profits/(losses) of associates and joint ventures	-	-	-	-	
Other income	4,277	5,162	885	20.69%	4
Total income / revenue	64,946	70,908	5,962	9.18%	
Expenses					
Employee costs	23,778	24,016	(238)	-1.00%	
Materials and services	22,592	20,999	1,593	7.05%	
Depreciation	15,719	16,818	(1,099)	-6.99%	
Amortisation - intangible assets	330	330	-	0.00%	
Depreciation - right of use assets	55	67	(12)	-21.82%	
Allowance for impairment losses	-	129	(129)	-	
Borrowing costs	171	170	1	0.58%	
Finance costs - leases	-	12	(12)	-	
Other expenses	437	358	79	18.08%	
Written down value of assets disposed	-	823	(823)	-	
Total expenses	63,082	63,722	(640)	-1.01%	
Surplus/(deficit) for the year	1,864	7,186	5,322	285.52%	

Horsham Rural City Council

2024/2025

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

(i) Explanation of material variations

Variance Ref	Explanation
1	Financial Assistance Grants which ostensibly relate to the 2025/26 financial year were received late in the 2024/25 year (\$4.323m). This is offset by library funding which was originally budgeted as a grant, however actually recognised as a contribution to operations (\$113k). Other variances are of a minor nature.
2	Grants were budgeted but not received for the following projects: City Oval Clubroom \$937k, Local Roads & Community Infrastructure Program \$494k, Noradjuha-Tooan East Road \$769k, Gross Bridge Load modelling and Retrofitting \$272k, Wesley PAC Major Refurbishment \$250k and Polkemmet Bridge renewal \$250. Some of these were timing issues and will be received in future years. Additional grants were received for Dadswell Bridge Pedestrian Bridge replacement \$305k and Horsham Lubeck Road improvements \$473k.
3	Donated assets were received from various bodies and included assets in the following classes: Waterways and Drainage \$1,276k, Roads and land under roads \$184k, Footpaths \$10k, Aerodrome \$9k, Open Spaces \$5k, Library lending materials \$6k and Works of Art \$120k.
4	Additional interest revenue of \$621k was received. Workers compensation and insurance reimbursements were \$140k more than anticipated. External works income was \$152 less than anticipated. Of the remaining difference of \$ 229k, \$138k was an adjustment to landfill provisions and an accumulation of some minor variances(\$91k).

Horsham Rural City Council
2024/2025

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					
Land	2,165	313	(1,852)	-85.54%	5
Total land	2,165	313	(1,852)	-85.54%	
Buildings	7,878	2,325	(5,553)	-70.49%	6
Works in Progress	-	1,944	1,944	-	
Total buildings	7,878	4,269	(3,609)	-45.81%	
Total property	10,043	4,582	(5,461)	-54.38%	
Plant and equipment					
Plant, machinery and equipment	2,082	1,691	(391)	-18.78%	
Fixtures, fittings and furniture	352	285	(67)	-19.03%	
Art Collection	-	77	77	-	
Library books	111	104	(7)	-6.31%	
Works in Progress	-	1	1	-	
Total plant and equipment	2,545	2,158	(387)	-15.21%	
Infrastructure					
Roads	9,121	7,628	(1,493)	-16.37%	7
Bridges	1,309	-	(1,309)	-100.00%	8
Footpaths and cycleways	467	207	(260)	-55.67%	
Drainage	40	204	164	410.00%	
Recreational, leisure and community facilities	199	152	(47)	-23.62%	
Waste management	527	17	(510)	-96.77%	9
Parks, open space and streetscapes	840	614	(226)	-26.90%	
Aerodromes	80	7	(73)	-91.25%	
Off street car parks	-	23	23	-	
Other infrastructure	1,090	96	(994)	-91.19%	10
Works in Progress	-	1,186	1,186	-	
Total infrastructure	13,673	10,134	(3,539)	-25.88%	
Total capital works expenditure	26,261	16,874	(9,387)	-35.74%	
Represented by:					
New asset expenditure	10,430	5,720	(4,710)	-45.16%	
Asset renewal expenditure	14,823	10,596	(4,227)	-28.52%	
Asset upgrade expenditure	1,008	558	(450)	-44.64%	
Total capital works expenditure	26,261	16,874	(9,387)	-35.75%	

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

(i) Explanation of material variations

Variance Ref	Explanation
5	Special Purpose land purchases were budgeted at \$2m, however these did not proceed. The \$313k spent relates to the land component of the purchase of a Plumpton Road building purchased during the year.
6	Council budgeted to spend \$7.9m on buildings. Of this amount \$3.2m of works were delayed (Depot relocation \$1.4m, City Oval Netball Court Clubrooms \$1.2m, Wesley PAC \$600k). The purchase of a Plumpton Road property was budgeted at \$1.8m with the purchase being split between buildings \$1.5m and Land \$300k. Works amounting to \$1.944m were not completed at year end and were transferred to Works In Progress. These will be transferred to the buildings asset class when ready for their intended purpose.
7	Of the \$9.121m to be spend on roads, \$7.628m of this was achieved. Council does amend priorities throughout the year if specific roads need attention. Works to the value of \$1.493 were reprioritised or incomplete at 30 June 2025. These included Mathoura street reconstruction \$352k, Enterprise Estate Stage 1 Roads & Drainage \$330k, Burnt Creek Industrial Estate Development Roads & Drainage \$180k and Urban Microsurfacing works of \$393k.
8	Works were commenced on Gross' Road Bridge (\$205k) and Riverside Road Bridge (\$453k), however works were not complete so these amounts were transferred to Works in Progress. \$314k of works were re-prioritised to future years.
9	Minor works valuing \$33k were partially completed and transferred to Work in Progress. Design works at both the Dooen Landfill and Transfer Station did not proceed (\$191k). Rehabilitation funds of \$100k were not used and upgrade works at the transfer station were only partially completed (\$10k out of \$150k budget).
10	Works completed under the Council Flood Support Fund \$347k and Depot Fuel tank remediation works were not considered capital expenses and therefore not transferred to asset classes. The works at Apex (Adventure) Island of \$170k were delayed along with works at the livestock exchange (\$50k). Other works totally \$230 at various estates were transferred to Works in Progress.

Horsham Rural City Council

2024/2025

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

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Communities and Place Directorate

Communities and Place Directorate provides community care, family services, emergency management, arts and culture, performance and events, recreation and open space planning. The directorate also provides planning and building services, health and community safety, investment and attraction services, commercial operations, tourism and events.

Corporate Services Directorate

Corporate Services provides administration, management and governance of the municipality including financial services, revenue services (rates), information technology, human resource management, payroll, governance, communications, customer service and information and knowledge.

Infrastructure Directorate

Infrastructure is responsible for the maintenance and construction of new infrastructure across the municipality. This includes capital works, engineering services, project management, environmental and water, parks and gardens, emergency management, facilities management and strategic asset management.

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

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2025					
Communities and Place	6,224	(14,868)	(8,644)	1,846	57,470
Corporate Services	39,750	(13,151)	26,599	8,709	44,777
Infrastructure	24,934	(35,703)	(10,769)	10,728	615,475
	70,908	(63,722)	7,186	21,283	717,722
	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Communities and Place	7,240	(15,813)	(8,573)	2,454	40,220
Corporate Services	33,615	(12,222)	21,393	3,572	39,309
Infrastructure	23,138	(41,152)	(18,014)	10,703	627,950
	63,993	(69,187)	(5,194)	16,729	707,479

Horsham Rural City Council
2024/2025

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

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

	2025	2024
3.1 Rates and charges	\$'000	\$'000

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all its improvements.

The valuation base used to calculate general rates for 2024/25 was \$9,176 million (2023/24 \$8,078 million).

General rates	26,290	25,303
Municipal charge	2,301	2,299
Waste Management Charge	4,974	4,656
Interest on rates and charges	65	35
Revenue in lieu of rates	301	291
Total rates and charges	33,931	32,584

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

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

3.2 Statutory fees and fines

Infringements and costs	317	307
Court recoveries	72	96
Land information certificates	34	26
Local Laws - permits & licences	44	38
Town planning fees	181	191
Building fees	93	64
Health registrations	133	130
Animal registrations	323	312
Total statutory fees and fines	1,197	1,164

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

3.3 User fees

Administration charges	66	203
Animal control	39	33
Building fees & other charges	67	126
Fees - parking meters	61	190
Performance ticket sales*	1,129	1,364
Sporting and recreation facilities	49	58
Supervision of private subdivisions	29	143
Plan checking fees & other charges	13	43
Aerodrome	5	4
Saleyards	654	606
Wimmera business centre income	10	11
Rural revegetation scheme	-	10
Waste management fees	3,883	3,656
Fire hazards grass removal	20	16
Library	201	173
Other user fees	160	56
Total user fees	6,386	6,692

User fees by timing of revenue recognition

User fees recognised over time	1,129	1,364
User fees recognised at a point in time	5,257	5,328
Total user fees	6,386	6,692

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. *Ticket income consists of ticket sales through Horsham Town Hall.

Horsham Rural City Council
2024/2025

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

	2025 \$'000	2024 \$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	18,394	5,252
State funded grants	2,890	11,478
Total grants received	21,284	16,730
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Commonwealth Government family and children	7	7
Financial Assistance Grant - general purpose	7,897	223
Financial Assistance Grant - local roads	4,461	123
<i>Recurrent - State Government</i>		
School crossing supervisors	63	61
Community services	243	243
Maternal and child health	707	779
Youth services	92	116
Library	199	311
Arts and art gallery	170	170
Environmental and landcare grants	85	85
Total recurrent operating grants	13,924	2,118
<i>Non-recurrent - Commonwealth Government</i>		
Australia Day grants	10	10
Employment schemes	3	15
<i>Non-recurrent - State Government</i>		
Rural Councils Corporate Collaboration Project	802	2,193
Community services and safety	24	48
Fire Support	19	-
Family and children	10	-
Public and community health	175	119
Youth services	23	36
Recreation	10	57
Arts and art gallery	86	80
Economic development	-	39
Environmental and landcare grants	67	60
Employment schemes	9	3
Road Safety	16	10
Covid 19 grants	-	60
Total non-recurrent operating grants	1,254	2,730
Total operating grants	15,178	4,848

Horsham Rural City Council
2024/2025

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

	2025 \$'000	2024 \$'000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,500	1,428
Recurrent - State Government		
Premiers Reading Challenge	7	13
Total recurrent capital grants	<u>1,507</u>	<u>1,441</u>
Non-recurrent - Commonwealth Government		
Local Roads and Community Infrastructure	901	1,364
Physical Services	3,615	2,079
Non-recurrent - State Government		
Outdoor recreation	-	2,161
Indoor recreation	39	-
Halls, historic buildings & monuments	41	64
Youth services	-	114
Local roads & ancillary assets	2	302
Flood recovery	-	4,022
Recycling and waste grants	-	334
Total non-recurrent capital grants	<u>4,598</u>	<u>10,440</u>
Total capital grants	<u>6,105</u>	<u>11,881</u>

(c) Recognition of grant income

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

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

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

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

Income recognised under AASB 1058 Income of Not-for-Profit Entities

General purpose	12,358	346
Specific purpose grants to acquire non-financial assets	6,105	11,881
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	2,820	4,503
	<u>21,283</u>	<u>16,730</u>

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

Operating		
Balance at start of year	1,796	9,067
Received during the financial year and remained unspent at balance date	2,599	737
Received in prior years and spent during the financial year	(1,507)	(8,008)
Balance at year end	<u>2,888</u>	<u>1,796</u>
Capital		
Balance at start of year	921	291
Received during the financial year and remained unspent at balance date	654	1,310
Received in prior years and spent during the financial year	(697)	(680)
Balance at year end	<u>878</u>	<u>921</u>

Unspent grants are determined and disclosed on a cash basis.

Horsham Rural City Council
2024/2025

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

	2025	2024
	\$'000	\$'000
3.5 Contributions		
Monetary	874	401
Non-Monetary	1,609	1,815
Total contributions	2,483	2,216

Contributions of non-monetary assets were received in relation to the following asset classes.

Land	3	15
Library Books	6	8
Art Collection	119	26
Roads	181	815
Footpaths and cycleways	10	216
Drainage	1,276	735
Parks open space and streetscapes	5	-
Aerodromes	9	-
Total non-monetary contributions	1,609	1,815

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

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

Proceeds of sale - property, infrastructure, plant and equipment	455	354
Written down value of assets disposed - property, infrastructure, plant and equipment	(326)	(295)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	129	59
Proceeds of sale - land held for sale	425	711
Written down value of assets disposed - land held for sale	(138)	(134)
Net gain/(loss) on disposal of land held for sale	287	577
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	416	636
Written down value of assets written off - property, infrastructure, plant and equipment	(823)	(2,582)

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

3.7 Other income

Interest	1,521	1,421
External works	443	190
Road maintenance/works	-	4
Main roads maintenance VicRoads	289	507
Art gallery	2	6
Information office	41	34
Children's hub rent	51	10
Theatre rent	7	11
Mibus centre rent	4	3
Commercial properties rent	450	430
Caravan park rent	76	73
Adjustment to landfill provision	138	545
Insurance Settlement	1,526	-
Other	614	643
Total other income	5,162	3,877

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.

Horsham Rural City Council

2024/2025

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

	2025 \$'000	2024 \$'000
Note 4 THE COST OF DELIVERING SERVICES		
4.1 (a) Employee costs		
Wages and salaries	21,604	21,231
WorkCover	727	440
Superannuation *	2,375	2,132
Fringe benefits tax	85	105
Less Labour costs capitalised in non-current assets constructed by Council	(775)	(745)
Total employee costs	24,016	23,163

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super) and other funds	125	81
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Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super) and other funds	2,250	2,050
Employer contributions payable at reporting date.	169	156

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

*Superannuation includes deemed contributions for eligible contractors.

4.2 Materials and services

Contract payments (by department)

Arts, Culture & Recreation	639	539
Community Services & Safety	232	230
Assets & Engineering	652	85
Finance	-	1
Governance & Information	119	107
Investment, Attraction & Growth	635	701
Management	127	52
Roads & Facilities	754	5,928
Waste & Environment	2,195	2,237
People & Safety	42	144
Administration expenses	2,589	2,174
Utility expenses	1,228	888
Contract cleaning	589	564
Advertising	245	237
Agency staff - temporary	1,138	918
Consumables	2,505	2,931
Insurance	948	841
Donations	339	323
Legal costs	221	259
Maintenance & operating expenses	4,479	5,079
WSMD membership	235	232
Rural Councils Corporate Collaboration	923	1,507
Municipal Monitor	165	-
Total materials and services	20,999	25,977

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

4.3 Depreciation

Property	1,419	1,373
Plant and equipment	1,722	1,607
Infrastructure	13,677	13,337
Total depreciation	16,818	16,317

Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

Horsham Rural City Council
2024/2025

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

	2025 \$'000	2024 \$'000
4.4 Amortisation - Intangible assets		
Landfill Airspace	330	330
Total Amortisation - Intangible assets	330	330
4.5 Depreciation - Right of use assets		
Property	67	55
Total Depreciation - Right of use assets	67	55
4.6 Allowance for impairment losses		
Parking fine debtors	(9)	2
Animal fine debtors	69	83
Other debtors	69	38
Total allowance for impairment losses	129	123
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	585	515
New allowances recognised during the year	129	123
Amounts already allowed for and written off as uncollectible	(49)	(53)
Amounts allowed for but recovered during the year	(33)	-
Balance at end of year	632	585
An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.		
4.7 Borrowing costs		
Interest - Borrowings	170	172
Total borrowing costs	170	172
Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.		
4.8 Finance Costs - Leases		
Interest - Lease Liabilities	12	8
Total finance costs	12	8
4.9 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	58	55
Auditors' remuneration - Internal Audit	6	39
Councillors' allowances	294	303
Total other expenses	358	397

Horsham Rural City Council
2024/2025

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

Note 5 INVESTING IN AND FINANCING OUR OPERATIONS

	2025	2024
	\$'000	\$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	5	5
Cash at bank	13,234	4,561
Total cash and cash equivalents	13,239	4,566
(b) Other financial assets		
Current		
Term deposits	24,000	21,000
Total other financial assets	24,000	21,000
Total cash and cash equivalents and other financial assets	37,239	25,566

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.

Horsham Rural City Council
2024/2025

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

	2025	2024
	\$'000	\$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,946	1,684
Parking infringement debtors	166	167
Other infringement debtors	864	666
Allowance for expected credit loss - infringements	(613)	(551)
Net GST receivable	377	595
<i>Non statutory receivables</i>		
Loans and advances to community organisations	71	11
Other debtors	1,153	4,331
Allowance for expected credit loss - other debtors	(20)	(35)
Total current trade and other receivables	<u>3,944</u>	<u>6,868</u>
Non-current		
<i>Non statutory receivables</i>		
Loans and advances to community organisations	287	358
Deferred property debts receivable	76	60
Total non-current trade and other receivables	<u>363</u>	<u>418</u>
Total trade and other receivables	<u>4,307</u>	<u>7,286</u>

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:

Current (not yet due)	707	2,720
Past due by up to 30 days	484	1,556
Past due between 31 and 180 days	2	6
Past due between 181 and 365 days	5	3
Past due by more than 1 year	26	57
Total trade and other receivables	<u>1,224</u>	<u>4,342</u>

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$520K (2024: \$585K) were impaired. The amount of the allowance raised against these debtors was \$520K (2024: \$585K). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	88	48
Past due between 181 and 365 days	57	97
Past due by more than 1 year	488	440
Total trade & other receivables	<u>633</u>	<u>585</u>

Horsham Rural City Council

2024/2025

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

5.2 Non-financial assets**(a) Inventories**

	2025	2024
	\$'000	\$'000
Inventories held for distribution	344	217
Total inventories	344	217

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

(b) Other assets

Prepayments	343	468
Accrued income	571	3,459
Total other assets	914	3,927

(c) Intangible assets

Library eAudiobooks	393	360
Landfill air space	1,320	1,320
less amortisation	(990)	(660)
Total intangible assets	723	1,020

Gross carrying amount

	Library	Landfill	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2024	360	1,320	1,680
Other additions	33	-	33
Balance at 30 June 2025	393	1,320	1,713

Accumulated amortisation and impairment

Balance at 1 July 2024	-	(660)	(660)
Amortisation expense	-	(330)	(330)
Balance at 30 June 2025	-	(990)	(990)

Net book value at 30 June 2024	360	660	1,020
Net book value at 30 June 2025	393	330	723

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.

Horsham Rural City Council

2024/2025

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

5.3 Payables, trust funds and deposits and contract and other liabilities

(a) Trade and other payables	2025	2024
Current	\$'000	\$'000
<i>Non-statutory payables</i>		
Trade payables	5,835	6,836
Accrued expenses	489	3
<i>Statutory payables</i>	162	177
Total current trade and other payables	6,486	7,016

(b) Trust funds and deposits**Current**

Refundable deposits	81	75
Trust funds held for other bodies	414	325
Retention amounts	126	143
Other refundable deposits	193	280
Total current trust funds and deposits	813	823

(c) Contract and other liabilities**Contract liabilities****Current**

Grants received in advance - operating	-	802
Grants received in advance - capital	-	-
Other	89	90
Total contract liabilities	89	892

Trust funds and deposits

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

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of unearned grants. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Purpose and nature of items

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

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

Horsham Rural City Council has received monies as agent for the following: Art Gallery Trust Fund, Mack Jost Trust Fund, Con Kroker Trust Fund, Wimmera Southern Mallee Development (previously Wimmera Development Association) (23-24 year only) and Horsham Cemetery Trust. Horsham Rural City Council performs only a custodial role in respect of these monies, and the monies cannot be used for council purposes, so they are not brought to account in the financial statements.

Horsham Rural City Council

2024/2025

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

5.4 Interest-bearing liabilities

	2025 \$'000	2024 \$'000
Current		
Borrowings - secured	4,305	-
Total current interest-bearing liabilities	4,305	-
Non-Current		
Borrowings - secured	-	4,305
Total non-current interest-bearing liabilities	-	4,305
Total	4,305	4,305

Borrowings are secured by way of mortgage over the general rates of Council

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

Not later than one year	4,305	-
Later than one year and not later than five years	-	4,305
	4,305	4,305

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.

5.5 Provisions

	Employee \$ '000	Landfill restoration \$ '000	Total \$ '000
2025			
Balance at beginning of the financial year	5,695	5,541	11,236
Additional provisions	2,384	(138)	2,246
Amounts used	(2,404)	(2)	(2,406)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	2	2
Balance at the end of the financial year	5,675	5,403	11,078
<i>Provisions - current</i>	4,882	1,415	6,297
<i>Provisions - non-current</i>	793	3,988	4,781
2024			
Balance at beginning of the financial year	5,145	6,085	11,230
Additional provisions	2,740	(545)	2,195
Amounts used	(2,190)	34	(2,156)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	(33)	(33)
Balance at the end of the financial year	5,695	5,541	11,236
<i>Provisions - current</i>	5,111	1,486	6,597
<i>Provisions - non-current</i>	584	4,055	4,639

Horsham Rural City Council

2024/2025

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

	2025 \$'000	2024 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,402	1,449
Long service leave	175	114
Sick Leave Gratuity	28	28
	1,605	1,591
Current provisions expected to be wholly settled after 12 months		
Annual leave	350	362
Long service leave	2,677	2,905
Sick Leave Gratuity	250	253
	3,277	3,520
Total current employee provisions	4,882	5,111
Non-Current		
Long service leave	598	450
Sick Leave Gratuity	195	134
Total non-current employee provisions	793	584
Aggregate carrying amount of employee provisions:		
Current	4,882	5,111
Non-current	793	584
Total aggregate carrying amount of employee provisions	5,675	5,695

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.

Long service leave

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

Key assumptions:

	2025	2024
- discount rate	4.20%	4.35%
- index rate	4.25%	4.45%

Horsham Rural City Council

2024/2025

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

	2025	2024
	\$'000	\$'000
(b) Landfill restoration		
Current	1,415	1,486
Non-Current	3,988	4,055
	5,403	5,541

Council is obligated to restore the Dooen site 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.

Key assumptions:	2025	2024
- discount rate	4.20%	4.35%
- index rate	4.25%	4.45%

5.6 Financing arrangements

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

Bank overdraft	1,000	1,000
Credit card facilities	350	350
Other facilities	4,305	4,305
Total facilities	5,655	5,655
Used facilities	4,363	4,364
Unused facilities	1,292	1,291

Horsham Rural City Council

2024/2025

Notes to the Financial Report

For the Year Ended 30 June 2025

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
2025	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Maintenance & Management of Facilities	705	719	-	-	1,424
Professional Services	709	412	150	-	1,271
Information Technology	61	-	-	-	61
Roadworks/Infrastructure	1,122	1,144	3,450	-	5,716
Waste Management	998	1,028	3,272	-	5,298
Total	3,594	3,304	6,872	-	13,770
Capital					
Buildings	1,216	-	-	-	1,216
Plant	376	-	-	-	376
Roadworks/infrastructure	3,745	1,885	3,600	-	9,230
Total	5,337	1,885	3,600	-	10,822
	8,931	5,189	10,472	-	24,592
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Maintenance & Management of Facilities	541	272	272	-	1,085
Professional Services	370	370	-	-	740
Information Technology	808	376	659	-	1,843
Waste Management	913	913	2,248	615	4,689
Total	2,632	1,931	3,179	615	8,357
Capital					
Buildings	2,798	-	-	-	2,798
Plant	1,557	-	-	-	1,557
Roadworks/infrastructure	1,399	-	-	-	1,399
Total	5,754	-	-	-	5,754
	8,386	1,931	3,179	615	14,111

(b) Operating lease receivables**Operating lease receivables**

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold shops, a caravan park and a racing centre. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 13 years. All leases either include a CPI based revision or market review of the rental charge annually.

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

	2025	2024
	\$'000	\$'000
Not later than one year	595	530
Later than one year and not later than five years	1,610	711
Later than five years	2,052	1,413
	4,257	2,654

Horsham Rural City Council

2024/2025

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

5.8 Leases

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under AASB 16 Leases, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Right-of-Use Assets

	Property \$'000
Balance at 1 July 2024	219
Additions	340
Depreciation charge	(67)
Balance at 30 June 2025	492

Lease Liabilities

	2025 \$'000	2024 \$'000
Maturity analysis - contractual undiscounted cash flows		
Less than one year	67	55
One to five years	342	251
More than five years	246	-
Total undiscounted lease liabilities as at 30 June:	654	306

Lease liabilities included in the Balance Sheet at 30 June:

Current	79	56
Non-current	430	179
Total lease liabilities	509	235

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Horsham Rural City Council
2024/2025

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

Note 6 ASSETS WE MANAGE

	2025	2024
	\$'000	\$'000
Industrial land held for sale - at fair value	3,490	79
Total non current assets classified as held for sale	3,490	79

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

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

6.2 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2024	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Carrying amount 30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	118,652	2,638	3	-	(1,419)	(293)	-	(284)	119,297
Plant and equipment	19,304	2,157	125	-	(1,722)	(331)	-	26	19,559
Infrastructure	521,966	8,948	1,481	1,894	(13,677)	(525)	-	3,323	523,410
Work in progress	5,571	3,131	-	-	-	-	(312)	(4,165)	4,225
	665,493	16,874	1,609	1,894	(16,818)	(1,149)	(312)	(1,100)	666,491

Summary of Work in Progress

Summary of Work in Progress					
	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	3,662	1,944	(206)	(2,805)	2,595
Plant and equipment	39	1	-	(26)	14
Infrastructure	1,870	1,186	(106)	(1,334)	1,616
Total	5,571	3,131	(312)	(4,165)	4,225

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

(a) Property

	Land - specialised	Land - non specialised	Land improvements	Land	Total Land & Improvements	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	1,205	47,841	-	-	49,046	98,226	98,226	3,662	150,934
Accumulated depreciation at 1 July 2024	-	-	-	-	-	(28,620)	(28,620)	-	(28,620)
	1,205	47,841	-	-	49,046	69,606	69,606	3,662	122,314
Movements in fair value									
Additions	-	313	-	-	313	2,325	2,325	1,944	4,582
Contributions	3	-	-	-	3	-	-	-	3
Disposal	-	-	-	-	-	(371)	(371)	-	(371)
Write-off	-	-	-	-	-	-	-	(206)	(206)
Transfers	-	(900)	-	-	(900)	616	616	(2,805)	(3,089)
	3	(587)	-	-	(584)	2,570	2,570	(1,067)	919
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	-	-	(1,419)	(1,419)	-	(1,419)
Accumulated depreciation of disposals	-	-	-	-	-	78	78	-	78
	-	-	-	-	-	(1,341)	(1,341)	-	(1,341)
At fair value 30 June 2025	1,208	47,254	-	-	48,462	100,796	100,796	2,595	151,853
Accumulated depreciation at 30 June 2025	-	-	-	-	-	(29,961)	(29,961)	-	(29,961)
Carrying amount	1,208	47,254	-	-	48,462	70,835	70,835	2,595	121,892

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

(b) Plant and Equipment

	Plant machinery equipment \$'000	Fixtures fittings and furniture \$'000	Art Collection \$'000	Public Art \$'000	Library Books \$'000	Work In Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2024	21,050	3,550	5,001	879	1,702	39	32,221
Accumulated depreciation at 1 July 2024	(8,841)	(2,828)	-	-	(1,209)	-	(12,878)
	12,209	722	5,001	879	493	39	19,343
Movements in fair value							
Additions	1,691	285	20	57	104	1	2,158
Contributions	-	-	119	-	6	-	125
Disposal	(830)	(356)	-	-	(142)	-	(1,328)
Transfers	4	-	-	-	22	(26)	-
	865	(71)	139	57	(10)	(25)	955
Movements in accumulated depreciation							
Depreciation and amortisation	(1,364)	(253)	-	-	(105)	-	(1,722)
Accumulated depreciation of disposals	504	352	-	-	141	-	997
	(860)	99	-	-	36	-	(725)
At fair value 30 June 2025	21,915	3,479	5,140	936	1,692	14	33,176
Accumulated depreciation at 30 June 2025	(9,701)	(2,729)	-	-	(1,173)	-	(13,603)
Carrying amount	12,214	750	5,140	936	519	14	19,573

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

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities	Waste Management	Parks open space and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	428,335	42,294	40,817	87,618	14,214	9,230	20,686	3,773	5,109	49,493	1,870	703,439
Accumulated depreciation at 1 July 2024	(93,659)	(10,362)	(14,276)	(26,852)	(5,472)	(5,354)	(5,497)	(1,636)	(1,748)	(14,747)	-	(179,603)
	334,676	31,932	26,541	60,766	8,742	3,876	15,189	2,137	3,361	34,746	1,870	523,836
Movements in fair value												
Additions	7,628	-	207	204	152	17	614	7	23	96	1,186	10,134
Contributions	181	-	10	1,276	-	-	5	9	-	-	-	1,481
Revaluation	1,786	-	-	-	-	-	-	-	6	-	-	1,792
Disposal	(815)	-	(43)	-	(7)	-	-	-	-	-	-	(865)
Write-off	-	-	-	-	-	-	-	-	-	-	-	(106)
Transfers	1,071	-	-	147	1,999	-	88	-	-	18	(1,334)	1,989
	9,851	-	174	1,627	2,144	17	707	16	29	114	(254)	14,425
Movements in accumulated depreciation												
Depreciation and amortisation	(8,389)	(423)	(623)	(899)	(481)	(1,073)	(702)	(103)	(110)	(874)	-	(13,677)
Accumulated depreciation of disposals	323	-	15	-	2	-	-	-	-	-	-	340
Revaluation	102	-	-	-	-	-	-	-	-	-	-	102
	(7,964)	(423)	(608)	(899)	(479)	(1,073)	(702)	(103)	(110)	(874)	-	(13,235)
At fair value 30 June 2025	438,186	42,294	40,991	89,245	16,358	9,247	21,393	3,789	5,138	49,607	1,616	717,864
Accumulated depreciation at 30 June 2025	(101,623)	(10,785)	(14,884)	(27,751)	(5,951)	(6,427)	(6,199)	(1,739)	(1,858)	(15,621)	-	(192,838)
Carrying amount	336,563	31,509	26,107	61,494	10,407	2,820	15,194	2,050	3,280	33,986	1,616	525,026

Horsham Rural City Council
2024/2025

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

Acquisition

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

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

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

	Depreciation Period	Threshold Limit \$'000
<i>Asset recognition thresholds and depreciation periods</i>		
Land & land improvements		
Land	N/A	-
Land improvements	10 - 100 years	5,000
Buildings		
Buildings	7 - 100 years	5,000
Plant and Equipment		
Plant, machinery and equipment	3 - 30 years	5,000
Office furniture and equipment	2 - 20 years	1,000
Library Books	10 years	-
Art purchases	N/A	-
Infrastructure		
Road pavements and seals	2 - 90 years	5,000
Road formation and earthworks	100 years	5,000
Road kerb, channel and minor culverts	15 - 117 years	5,000
Bridges substructure	110 years	5,000
Footpaths and cycleways	15 - 70 years	5,000
Drainage	10 - 150 years	5,000
Recreation, leisure and community facilities	5 - 100 years	5,000
Waste management	4 - 150 years	5,000
Parks, open space and streetscapes	5 - 100 years	5,000
Aerodromes	9 - 100 years	5,000
Off street car parks	5 - 100 years	5,000
Other Infrastructure	10 - 150 years	5,000
Intangible assets		
Landfill Airspace	4 years	5,000
Library eAudio Books	N/A	-

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 are not depreciated on the basis that they are assessed as not having a limited useful life.

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

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

Repairs and maintenance

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

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

Valuation of buildings

Valuation of buildings were undertaken by a qualified independent company, AGIS Australian Geographic Information Systems. The valuation of 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 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. The valuation of buildings is reviewed each year taking into consideration industry construction guide rates and Council experience of specific building projects undertaken since the valuation. This process is documented in detail and reviewed by both Asset and Finance staff. This analysis had seen movement in values being immaterial and therefore these values have remained the same for the 2023/24 and 2024/25 financial years.

Valuation of land

Valuation of land was undertaken by a qualified independent valuer, Ben Sawyer, Certified Practising Valuer of Preston Rowe Paterson Reg No. 63163. The valuation of land 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 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. The valuation of land has been reviewed by Council and no material variation has been recorded therefore these values have remained the same for the 2023/24 and 2024/25 financial years.

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

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	-	47,254	-	Jun-22	full
Specialised land	-	-	1,208	n/a	n/a
Buildings	-	-	70,835	Jul-20	full
Total	-	47,254	72,043		

Valuation of infrastructure

Valuation of road, footpaths and cycleways and off street car park assets have been determined in accordance with an in-house valuation undertaken by Krishna Shrestha, Manager Strategic Asset Management, BEng (Civil), MEng (Structural), PhD(Bridge), MBA MIEAust CPeng NER RPEQ EA ID 3506525 Victorian Professional Engineer Registration No PE0009434.

Valuation of other infrastructure classes were undertaken by a qualified independent company, AGIS Australian Geographic Information Systems. The valuation of infrastructure has been reviewed by Council and no material variation has been recorded.

The valuation of infrastructure is reviewed each year taking into consideration industry construction guides, independent research and Council experience of relevant projects undertaken since the valuation and their costs. This includes projects undertaken by Council directly or where Council has paid for works to be undertaken on their behalf. This process is documented in detail and reviewed by both Asset and Finance staff. This analysis had seen minor movements however, the movement at class level has been immaterial and therefore these values have remained the same for the 2023/24 and 2024/25 financial years.

It should be noted that impairment losses relating to a natural disaster (flood) event in October 2022 were impaired in the 2022/23 financial year and restored in the 2023/24 year. No impairment is reported in 2024/25.

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

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

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

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	311,732	Jul-22	full
Kerbs and minor culverts	-	-	24,831	Jul-23	full
Bridges	-	-	31,509	Jul-21	full
Footpaths and cycleways	-	-	26,107	Jul-23	full
Drainage	-	-	61,494	Jul-21	full
Recreational, leisure and community facilities	-	-	10,407	Jun-21	full
Waste management	-	-	2,820	Jun-21	full
Parks, open space and streetscapes	-	-	15,194	Jun-21	full
Aerodromes	-	-	2,050	Jun-21	full
Off street car parks	-	-	3,280	Jul-23	full
Other infrastructure	-	-	33,986	Jun-21	full
Total	-	-	523,410		

Horsham Rural City Council
2024/2025

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

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 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$750 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$1 to \$6,460 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 7 years to 100 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 the current condition of the asset and vary from 2 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
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	1,207	1,204
Total specialised land	1,207	1,204

Horsham Rural City Council
2024/2025

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

	2025 \$'000	2024 \$'000
6.3 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
Council's interest in Equity	-	-
Investment in the Wimmera Regional Library - Expired 30 June 2023	-	-
Fair value of Council's investment in Wimmera Regional Library	<u>-</u>	<u>-</u>
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	-	693
Change in equity share apportionment	-	-
Reported surplus(deficit) for year	-	-
Transfers (to) from reserves	-	-
Distributions for the year	-	(693)
Council's share of accumulated surplus(deficit) at end of year	<u>-</u>	<u>-</u>
Council's share of reserves		
Council's share of reserves at start of year	-	161
Change in equity share apportionment	-	-
Transfers (to) from reserves	-	-
Distributions for the year	-	(161)
Council's share of reserves at end of year	<u>-</u>	<u>-</u>
Movement in carrying value of specific investment		
Carrying value of investment at start of year	-	854
Change in equity share apportionment	-	-
Share of surplus(deficit) for year	-	-
Distributions received	-	(854)
Carrying value of investment at end of year	<u>-</u>	<u>-</u>
Council's share of expenditure commitments	Nil	Nil
Council's share of contingent liabilities and contingent assets	Nil	Nil

Significant restrictions

The Wimmera Regional Library Corporation entered liquidation on 30 June 2023. As of 1 July 2023, Horsham Rural City Council assumed direct management of library services and a service level agreement was entered into with West Wimmera Shire Council to provide services to them.

Horsham Rural City Council
2024/2025

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

	2025 \$'000	2024 \$'000
(a) Investments in associates		
Council's interest in Equity	42.73%	42.73%
Investment in the Wimmera Southern Mallee Development Limited (previously Wimmera Development Association)	1,022	1,022
Fair value of Council's investment in Wimmera Southern Mallee Development Limited	<u>1,022</u>	<u>1,022</u>
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	858	869
Change in equity share apportionment	-	(97)
Reported surplus(deficit) for year	-	59
Transfers (to) from reserves	-	27
Council's share of accumulated surplus(deficit) at end of year	<u>858</u>	<u>858</u>
Council's share of reserves		
Council's share of reserves at start of year	164	216
Change in equity share apportionment	-	(25)
Transfers (to) from reserves	-	(27)
Council's share of reserves at end of year	<u>164</u>	<u>164</u>
Movement in carrying value of specific investment		
Carrying value of investment at start of year	1022	1,085
Change in equity share apportionment	-	(122)
Share of surplus(deficit) for year	-	59
Carrying value of investment at end of year	<u>1,022</u>	<u>1,022</u>
Council's share of expenditure commitments	Nil	Nil
Council's share of contingent liabilities and contingent assets	Nil	Nil

Significant restrictions

Council has not received draft financial statements for the year ending 30 June 2025, therefore no adjustment to the fair value of Council's investment in Wimmera Southern Mallee Development Limited has been made.

Council has given notice of its intention to resign as a member of Wimmera Southern Mallee Development Limited effective 26 August 2025.

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Horsham Rural City Council
2024/2025

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

(b) Community Asset Committee

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

	2025 \$'000	2024 \$'000
6.4 Investment property		
Balance at beginning of financial year	2,650	2,520
Additions	-	35
Fair value adjustments	50	95
Balance at end of financial year	2,700	2,650

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by Ben Sawyer, Certified Practicing Valuer of Preston Rowe Paterson who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

Horsham Rural City Council

2024/2025

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

Horsham Rural City Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

(b) Key Management Personnel

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

Details of KMP at any time during the year are:

		2025 No.	2024 No.
Councillors	Mayor to 26/10/2024 - Cr R. Gulline	1	1
	Councillor to 26/10/2024 - Cr D. Bowe	1	1
	Councillor to 26/10/2024 - Cr P. Flynn	1	1
	Councillor to 26/10/2024 - Cr C. Haenel	1	1
	Councillor to 26/10/2024 - Cr L. Power	1	1
	Councillor to 8/08/2024 - Cr R. Redden	1	1
	Councillor to 26/10/2024 + Mayor from 21/11/2024 - Cr I. Ross	1	1
	Councillor from 21/11/2024 - Cr B. Klowss	1	-
	Councillor from 21/11/2024 - Cr C. McDonald	1	-
	Councillor from 21/11/2024 - Cr A. Munn	1	-
	Councillor from 21/11/2024 - Cr D. O'Loughlin	1	-
	Councillor from 21/11/2024 - Cr R. Sluggett	1	-
	Councillor from 21/11/2024 - Cr T. Wilson	1	-
	Chief Executive Officer - S. Bhalla (to 6/09/2024)	1	1
	Chief Executive Officer - C. Niemann (Interim) (30/09/2024 to 16/05/2025)	1	-
Officers	Chief Executive Officer - G. Gatt (from 19/05/2025)	1	-
	Director - Communities and Place - K. O'Brien	1	1
	Director - Corporate Services - K. Hargreaves	1	1
	Director - Infrastructure - J. Martin	1	1
Total Number of Councillors		13	7
Total of Chief Executive Officer and other Key Management Personnel		6	4
Total Number of Key Management Personnel		19	11

(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 \$
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,586	1,257
Other long-term employee benefits	17	23
Post-employment benefits	108	102
Termination benefits	241	-
Total	1,952	1,382

Horsham Rural City Council

2024/2025

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

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

	2025 No.	2024 No.
\$'000 - \$9,999	2	-
\$10,000 - \$19,999	3	-
\$20,000 - \$29,999	5	1
\$30,000 - \$39,999	3	4
\$40,000 - \$49,999	-	1
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	-	1
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	1	2
\$250,000 - \$259,999	1	-
\$260,000 - \$269,999	1	-
\$340,000 - \$349,999	-	1
\$590,000 - \$599,999	1	-
	19	11

(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 \$	2024 \$
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	478	197
Other long-term employee benefits	5	1
Post-employment benefits	53	21
Termination benefits	-	-
Total	536	219

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

	2025 No.	2024 No.
Income Range:		
\$170,000 - \$179,999	2	-
\$180,000 - \$189,999	1	-
\$210,000 - \$219,999	-	1
	3	1

7.2 Related party disclosure**(a) Transactions with related parties**

During the period Council entered into the following transactions with related parties.

Fees and charges charged to associates is nil. (2023/24 nil).

Fees and charges charged to entities controlled by key management personnel is nil. (2023/24 nil).

Infrastructure contributions from entities controlled by key management personnel is nil. (2023/24 nil).

Purchase of materials and services from entities controlled by key management personnel is nil. (2023/24 nil).

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties is nil. (2023/24 nil).

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party is nil. (2023/24 nil).

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party is nil. (2023/24 nil).

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 are not aware of any contingent assets.

(b) Contingent liabilities

Contingent liabilities are:

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

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Landfill

Council operates a landfill. Council 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.

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 Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six-year liability period following the cessation of the Scheme (to 30 June 2027). At the end of the liability period, an adjustment payment may be required (or received). The determination of any adjustment payment is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. Council has received a claim for \$243k in the 2024/25 financial year which has been taken up as an accrued expense.

Contaminated Soil

Continued progress has been achieved with soil remediation at the Horsham Depot site during 2024-25. The most recent testing has indicated that some further extraction of groundwater is required. A reliable cost estimate for this extraction and subsequent monitoring has not yet been provided. An indicative estimate of less than \$100,000 is assumed based on preliminary information from the consultants.

Pedestrian Bridge

Following a bushfire event at Dadswells Bridge in February 2024, a pedestrian bridge has been deemed not suitable for use. The bridge is an important link for foot traffic in the area, to avoid pedestrians needing to walk on the Western Highway across a road bridge. The bridge is partially located on Parks Victoria land and privately owned land and was not recognised on Council's asset register. Council has received funds to reconstruct this bridge and will assume control of the asset once constructed.

(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.

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 material accounting policy information 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 / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

Horsham Rural City Council

2024/2025

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

(c) Credit risk

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

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

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

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

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

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

(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 the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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

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 + 1.00% and -1.25% in market interest rates (AUD) from year-end rates of 4.65%.

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

Horsham Rural City Council

2024/2025

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

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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 every 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	5 years
Buildings	5 years
Art Collection	5 years
Library Books	5 years
Roads	5 years
Bridges	5 years
Footpaths and cycleways	5 years
Drainage	5 years
Recreational, leisure and community facilities	5 years
Waste management	5 years
Parks, open space and streetscapes	5 years
Aerodromes	5 years
Off street car parks	5 years
Other infrastructure	5 years

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

Impairment of assets

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

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

Horsham Rural City Council

2024/2025

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

Note 9 OTHER MATTERS

9.1 Reserves

(a) Asset revaluation reserves

2025

Property

Land and land improvements
Buildings

	Balance at beginning of reporting period \$'000	Increase (decrease) \$'000	Balance at end of reporting period \$'000
Land and land improvements	38,136	-	38,136
Buildings	30,873	-	30,873
	69,009	-	69,009

Plant and Equipment

Works of Art

Works of Art	2,259	-	2,259
	2,259	-	2,259

Infrastructure

Roads
Bridges
Footpaths and cycleways
Kerb and Channel
Drainage
Other infrastructure

Roads	209,309	1,888	211,197
Bridges	22,272	-	22,272
Footpaths and cycleways	23,255	-	23,255
Kerb and Channel	20,591	-	20,591
Drainage	34,802	-	34,802
Other infrastructure	37,097	6	37,103
	347,326	1,894	349,220

Other

Land held for sale

Land held for sale	1,343	2,390	3,733
	1,343	2,390	3,733

Total asset revaluation reserves

	419,937	4,284	424,221
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2024

Property

Land and land improvements
Buildings

Land and land improvements	38,136	-	38,136
Buildings	30,873	-	30,873
	69,009	-	69,009

Plant and Equipment

Work of Art

Work of Art	2,259	-	2,259
	2,259	-	2,259

Infrastructure

Roads *
Bridges
Footpaths and cycleways
Kerb and Channel
Drainage
Other infrastructure

Roads *	201,607	7,702	209,309
Bridges	22,272	-	22,272
Footpaths and cycleways	10,857	12,398	23,255
Kerb and Channel	11,351	9,240	20,591
Drainage	34,802	-	34,802
Other infrastructure	35,950	1,147	37,097
	316,839	30,487	347,326

Other

Land held for sale

Land held for sale	1,343	-	1,343
	1,343	-	1,343

Total asset revaluation reserves

	389,450	30,487	419,937
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*Impairment losses relate to a natural disaster (flood) event in October 2022 - these were impaired in the 2022/23 financial year and restored in the 2023/24 year.

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

Horsham Rural City Council

2024/2025

Notes to the Financial Report For the Year Ended 30 June 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
(b) Other reserves				
2025				
CBD Development Reserve	1,104	-	(75)	1,029
Industrial Reserves	3,686	382	(1,139)	2,929
Internal Loan Reserve	(1,727)	190	-	(1,537)
Loan Funds Reserve	3,710	595	-	4,305
Major Capex Reserve	5,283	255	(1,091)	4,447
Open Space Reserve	480	51	(23)	508
Plant Reserve	821	1,533	(769)	1,585
Small Projects Reserve	2,147	345	(496)	1,996
Waste Reserve	3,425	3,627	(647)	6,405
Total Other reserves	18,929	6,978	(4,240)	21,667
2024				
CBD Development Reserve	1,380	65	(341)	1,104
Industrial Reserves	3,187	681	(182)	3,686
Internal Loan Reserve	(1,917)	190	-	(1,727)
Loan Funds Reserve	3,710	-	-	3,710
Major Capex Reserve	5,277	180	(174)	5,283
Open Space Reserve	455	35	(10)	480
Plant Reserve	1,825	930	(1,934)	821
Small Projects Reserve	1,959	402	(214)	2,147
Waste Reserve	2,128	1,608	(311)	3,425
Total Other reserves	18,004	4,091	(3,166)	18,929

The above Discretionary Reserves represent an appropriation of funds for the future funding of operational or capital projects.

Loan Funds Reserve are held for the final loan repayment to the Department of Treasury and Finance for an interest only loan.

Internal Loan Reserves intended use is to borrow from Council's discretionary cash reserves rather than obtain an external loan.

The Waste reserves factors in over or under expenditure, which is then used to offset future waste charges or rehabilitation costs.

Horsham Rural City Council
2024/2025

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

	2025	2024
	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	7,186	(5,194)
<i>Non-cash adjustments:</i>		
Depreciation and Amortisation	16,817	16,317
Profit/(loss) on disposal of property, infrastructure, plant and equipment	718	3,223
Fair value adjustments for investment property	(50)	(95)
Contributions - Non-monetary assets	(1,609)	(1,815)
Other	182	329
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	2,979	(5,147)
(Increase)/decrease in accrued income	2,888	(2,022)
(Increase)/decrease in prepayments	124	(149)
Increase/(decrease) in trade and other payables and other liabilities	(1,342)	(979)
(Decrease)/increase in contract and other liabilities	330	309
(Decrease)/increase in assets held for resale	-	(577)
(Increase)/decrease in inventories	(126)	33
(Decrease)/increase in provisions	(157)	(100)
Decrease in right-of-use assets	67	55
Net cash provided by/(used in) operating activities	28,007	4,188

9.3 Superannuation

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

Accumulation

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

Defined Benefit

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

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

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

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

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

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

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

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

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

Employer contributions

(a) Regular contributions

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

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

(b) Funding calls

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

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

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

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

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

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

The 2024 interim actuarial investigation surplus amounts

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

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

	2024	2023
	(Interim)	(Triennial)
	\$m	\$m
- A VBI Surplus	108.4	85.7
- A total service liability surplus	141.4	123.6
- A discounted accrued benefits surplus	156.7	141.9

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

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

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

Horsham Rural City Council
2024/2025

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

The 2025 interim actuarial investigation

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

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

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

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

The 2023 triennial investigation

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

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.50% pa	2.5% pa for two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2025 \$'000	2024 \$'000
Vision super	Defined benefits	11.5% (2024:11.0%)	125	81
Vision super	Accumulation	11.5% (2024:11.0%)	2,250	2,050

Council has not paid any unfunded liability payments to Vision Super in 2024/25 or in 2023/24.

There were \$168,500 contributions outstanding and no loans issued from or to the above schemes as at 30 June 2025.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$86,000.

Horsham Rural City Council
2024/2025

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

Note 10 CHANGE IN ACCOUNTING POLICY

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

Council Office

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