

ADDITIONAL ITEM

8 October 2014
To the Ordinary Council Meeting

General Manager's Report
General Manager's Unit

5.5 Supplementary Report for Item 4.7 2013/14 Annual Financial Statements

TRIM REFERENCE: F2014/00083 - D11732798
MANAGER: Stephen Naven, Chief Financial Officer
AUTHOR: Kim Futcher, Financial Controller

SUMMARY

To provide Councillors with additional information related to Special Schedule 7 (unaudited schedule) contained within the 2013/14 Financial Statements.

RECOMMENDATION

That Council receive the Supplementary Report for Item 4.7 2013/14 Annual Financial Statements .

BACKGROUND

As a result of questions raised in the Councillor Briefing on 8 October 2014 related to the 2013/14 Financial Statements, please find below detailed information on the methodology used for disclosures shown in Special Schedule 7 – Report on Infrastructure Assets (unaudited schedule).

The schedule contains information related to the condition, maintenance and renewal of infrastructure assets.

Previously, Council has recorded the “Estimated cost to bring to a satisfactory standard” as those infrastructure assets with a condition of 3 (Average) to 5 (Very Poor) for General Fund, and infrastructure assets with a condition of 4 (Poor) and 5 (Very Poor) for Water and Sewer infrastructure assets.

Based on feedback provided by Council’s external auditor on practices adopted by other Councils for this schedule, the methodology was revised for 2013/14 to record the “Estimated cost to bring to a satisfactory standard” to only consider those infrastructure assets with a condition of 4 (Poor) to 5 (Very Poor) for all asset classes.

This change to methodology will allow Wyong Shire Council to align with disclosures provided by other Councils for comparability and appropriate benchmarking.

The estimated cost to bring infrastructure assets up to a satisfactory condition will continue to trend downward and conditions will continue to improve due to ongoing investment in asset renewals.

ATTACHMENTS

Nil.