Hawkesbury River County Council

ANNUAL REPORT

2019/2020

Hawkesbury River County Council
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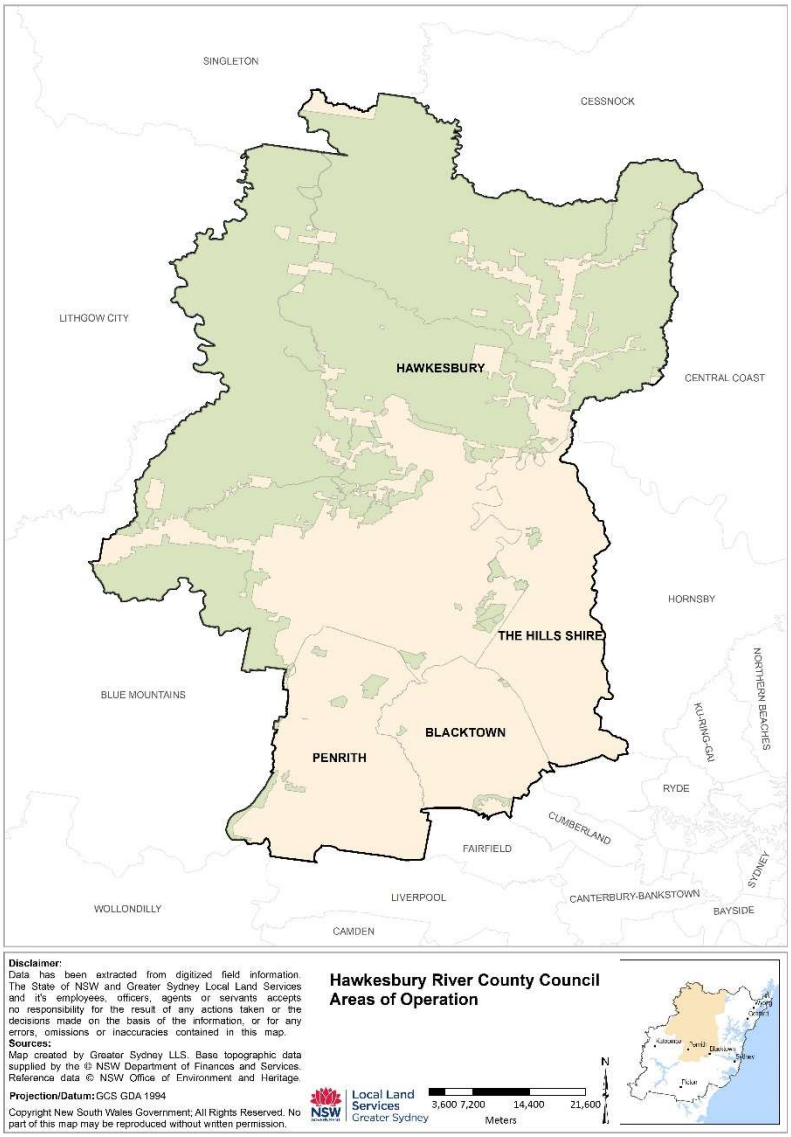
HAWKESBURY RIVER COUNTY COUNCIL AT A GLANCE

Origin
Hawkesbury River County Council is a single-purpose authority for the control of declared priority weeds and came into existence in 1948 (Government Gazette of 24/9/1948)

Our Team
We are governed by a Board of 8 Council Members representing our 4 Member Councils. Our General Manager oversees a team of 12 staff in the areas of Operation, Project Management and Administration.

Our Area of Operations
We are the Local Weed Control Authority for the Councils of Blacktown City Council, Hawkesbury City Council, Penrith City Council and The Hills Shire Council
Which constitutes a combined County area of 3,823 square kilometres

Funding & Revenue
Funds are provided by equal levies upon the four constituent councils. The State Government provides additional grants in which Council must achieve specific outcomes. Charges are made for services and work performed for private land holders.



Cover page photo: skirting Cats claw creeper

Location
Council's Office and Works Depot is located at 6 Walker Street (Corner Dowling Place), South Windsor, NSW, 2756.
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CHAIRMAN'S REPORT

The last 12 months have been a year of unprecedented challenges and change. We experienced a long-term drought capped off by the worst bushfires Australia has ever seen. When the rains finally did arrive, they hit our region with such speed it resulted in the sinking of the HRCC Aquatic Weed Harvester from the rapidly rising waters on the Nepean River. However, this was to be all overshadowed by the arrival of the Covid19 pandemic. The operations of the organisation have continued despite all these challenges. It has been an honour to lead such a strong, adaptable and resilient team.

Over the last year, under the operational leadership of the General Manager, Mr Chris Dewhurst, and Coordinators, Ms Natalie James and Mr Phil Price, all of our organisation's vision have been met. With the support of the Board, we have remained focused on providing tangible outcomes concerning weed control and coordination throughout the local government areas of Blacktown, Hawkesbury, Penrith and The Hills Shire.

Over the past year, HRCC has continued to perform its role as a Local Control Authority under the Biosecurity Act 2015. The staff are continually refining their control, surveillance and planning techniques to maximise their efficiency and results. Additionally, to address the long-standing burden of widespread weeds, HRCC this year forged new ground with their first Community-Based Social Marketing campaigns. These education programs focussed on weeds impacting livestock health and the turf industry. Additionally, HRCC has developed new partnerships with major commercial enterprises. Combined with our continued facilitation of the Hawkesbury-Nepean Landcare Network, we now in a position of an industry leader in every facet of weed management.

In summary, the County Council has controlled 74 HA of terrestrial and 27HA of aquatic weeds across our four local government areas. We are thereby alleviating a vast operational burden from our member Councils. By utilising economies of scale and specialisation of human resources, HRCC can provide this service much more efficiently than four Councils could do individually.

Additional to the direct control results, HRCC undertook 3,949 private property inspections (a record for the organisation). The County staff have developed a unique approach to their inspection process, which is defined more by education and extension than regulation. All residents are offered the chance to meet personally with an inspector and have any issues explained to them in plain terms, before any regulatory processes coming into effect.

From a financial perspective, the County Council continues to operate sustainably by living within our means. We seek to broaden our funding base from sources outside of the rates pool, such as Federal and State grants.

In conclusion, this reporting period marks an advancement on the core mission of HRCC to deliver valuable, on-ground and tangible results in weed management despite the challenges which were present. We are committed to ensuring that our services meet the modern needs of the community and the environment, and I am pleased to lead a team that is so wholeheartedly committed to this goal.

Clr. Nathan Zamprogno
Chair, HRCC

REASON FOR THE ANNUAL REPORT

The annual report is one of the key points of accountability between a council and our community. It is not a report to the Division of Local Government or the NSW Government; it is a report to our community.

The report focuses on the council's implementation of the HRCC Delivery Program 2017-2021 and HRCC Operational Plan 2019-2020. The HRCC Audited Financial Statements 2019/2020 are also included in the Annual Report.

The report also includes some information that is prescribed by the Local Government (General) Regulation 2005. This information has been included in the Regulation because we believe that it is important for community members to know about it – to help their understanding of how the council has been performing both as a business entity and a community leader.

Below is the additional legislative basis for the development of our annual report.

LOCAL GOVERNMENT ACT 1993

Following is a summary of the requirements of Section 404 of the Act:

- The council must prepare an annual report within five months of the end of the financial year.
- The report will outline the council's achievements in implementing its Delivery Program.
- The annual report in the year of the ordinary election will also include an outline of achievements in implementing the Community Strategic Plan.
- The annual report in the year of the ordinary election must include a report (State of the Environment Report) as to the state of the environment in the local government area in relation to the objectives for the environment established by the Community Strategic Plan.
- The report must contain the council's audited financial statements and notes and any information required by the Regulation or the Guidelines.
- A copy of the report must be posted on the council's website (www.hrcc.nsw.gov.au) and provided to the Minister.

LOCAL GOVERNMENT (GENERAL) REGULATION 2005

Clause 217 of the Regulation requires the following information to be included in the annual report:

- Details of overseas visits by councilors and council staff
- Details of mayoral and councilor fees, expenses and facilities
- Contracts awarded by the council
- Amounts incurred in relation to legal proceedings
- Private works and financial assistance
- Details of external bodies, companies, and partnerships
- Details of the General Manager's total remuneration
- Details of the total expenditure on Senior Staff remuneration
- Information on stormwater levies and charges
- Information on companion animal management
- A statement of the activities undertaken by the council to implement its equal employment opportunity management plan.

HAWKESBURY RIVER COUNTY COUNCIL

Vision Statement

An improved environment through an integrated approach to weed management and building capacity

Mission Statement

To provide effective integrated weed management systems to all Constituent Councils fairly and equitably in accordance with the *Biosecurity Act 2015 (NSW)*

Values "Our Compass"

- Staff will act with honesty and integrity, and not tolerate a lack of it in others.
- Management will communicate with staff with openness and respect.
- Staff will communicate with openness and respect with each other, and with management.
- We will deliver measurable results for our community and the environment.
- We will build meaningful relationships within the community.
- We will maintain relationships with our member councils that are effective and productive.
- We will treat the safety of ourselves, others and the environment as the highest priority at all times.

BENEFITS OF A COUNTY COUNCIL FOR THE CONTROL OF WEEDS

Formed over a large area boundary problems are avoided. This is critical to effective weeds management.

Concentration of a few rather than many functions leads to specialisation, more efficient and effective outcomes due to increasing focus.

An outbreak of new invasive weeds anywhere in the County Council's area means that ALL the resources are brought to bear on the problem. This is exemplified by periodic outbreaks of Water Hyacinth on the Hawkesbury/Nepean River and in 2004, a major outbreak of Salvinia in the same area.

Management and operational plans are prepared for the county area. As such, the revenue is used to focus attention on required strategic outcomes.

Resource sharing is achieved as resources are used over a larger area of operations. The critical mass needed to properly do the job is more easily achieved.

THE COUNTY COUNCIL'S ACTIVITIES

As an organisation the County Council is constituted under the Local Government Act and is specified as a Local Control Authority under the Biosecurity Act. It is a special (single) purpose authority formed to administer, control and eradicate declared priority weeds. The County Council's role is summarised below:

Responsible for administering the *Biosecurity Act 2015 (NSW).*

Control of priority weeds on land occupied by Constituent Councils.

To ensure, as far as practicable, occupiers of land carry out obligations to control priority weeds imposed under the Act.

To report, at the request of the Minister, on the carrying out of the Local Control Authority's functions under the Act.

Inspection of land within the local area in connection with its priority weed control functions.

To develop, implement, co-ordinate and review priority weed control policies and priority weed control

Supply priority weed control services to occupiers of land including public authorities and other persons and charge for the service.

Such other functions as may be conferred or imposed on the Local Control Authority by or under the Acts.

To co-operate with Local Control Authorities of adjoining areas to control priority weeds, where appropriate.

Private property occupiers are responsible for notifying Council of the presence of certain notifiable priority weeds. Council can inspect private properties for priority weed infestations and the giving of directions to landowners and occupiers.

GUIDING STRATEGIES

Weed control is dynamic.

It is closely linked to climate, land use and ecology and must, therefore, be managed in order to respond as these attributes change.

There are, however, a range of guiding strategies that have been shown to be most effective across a range of conditions.

The HRCC 10 Year Business Activity Statement is closely aligned with these strategies as they have been outlined in the NSW Invasive Species Plan 2017-2027.

They are broad enough to allow an organisation to respond to climate and land use but still, conform to a solid set of management principals.

These strategic objectives also follow the guidance provided by the development of our member Council "Community Strategic Plans."

1. **Prevent the establishment of new weed species within our County.**

2. **Eliminate the spread of new and existing weed species within our County.**

3. **Reduce the impact of widespread weeds on key assets.**

4. **Support the community, industry and government stakeholders to have the ability and long-term commitment to manage weeds**

ANNUAL OPERATIONAL RESULTS 2019-2020

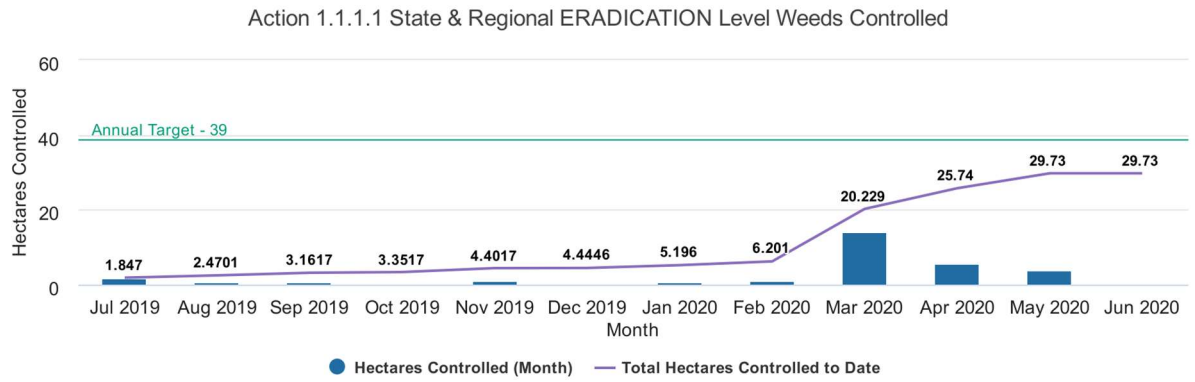
The NSW Biosecurity Act, 2015 which came into effect as of 1 July 2017, replacing *The NSW Noxious Weeds Act, 1993* this change in legislation has required a significant change in tack for weed control operations within the county, and the way weed management is conducted across New South Wales.

Terrestrial Weed Control

During the operational period extreme drought, bushfires and floods were experienced throughout the county. The drought influenced our operations as plants can only be treated with herbicide when they are actively growing and not in a stressed state. Techniques such as basal barking (which is further explained in the State Asset section) is not as effective to treat weeds during these conditions. By February significant rainfall was recorded across our county allowing for conditions to improve in the soil and the plants. Despite the above average rainfall causing some flooding in the area it was much needed for terrestrial weeds as this triggered weed growth and seed germination. Species such as Boneseed can remain in the seed bank until the optimal conditions occur to trigger growth.

State & Regional Eradication Level Weed Species

Result: *29.73 Hectares* treated



Boneseed (*Chrysanthemoides monilifera subspecies monilifera)* surveillance and control is undertaken throughout the county area. We have target sites that are monitored for seedlings as the parent plants have been treated in the past and our work is to exhaust the seed bank. A number of locations are targeted including Bilpin, Windsor Downs, Glenwood, Norwest, Bella Vista, Erskine Park, Maroota, Glenorie and Doonside. During one visit 780 seedlings were found and hand removed by staff, a record amount for that location.

Boneseed was observed growing beside the M7 onramp from Old Windsor Road at Bella Vista. This was reported to the Biosecurity Weed Inspection Coordinator so that he could contact the land manager. The M7 employ a contractor for maintenance and the information was passed onto them for control. They then communicated back when the works were completed. This was a good outcome to contain the species from spreading further from the Norwest and Bella Vista areas.

Photo 1: HRCC staff have been trained to identify and remove Boneseed seedlings (pictured above) during various growth stages in an effort to exhaust the seed bank and to prevent plants reaching maturity.

Funding was received from Local Land Services to treat plants on private properties. As part of this, recent works have been undertaken to treat Kei Apple (*Dovyalis caffra)* The first area that has been treated was Oakville with the main infestation surrounding the Killarney Chain of Ponds Creek. 190 plants were treated at Oakville, 21 plants at Yarramundi and 9 plants in Shanes Park. The data points of the treated plant locations have been provided to the Department of Primary Industry and Local Land Services. The map in figure 1 was created for the Oakville area shows the extent of this incursion.

Works have continued to treat Kei Apple infestations throughout the county. Yarramundi properties were treated including some plants along the roadside. All of the plants in Yarramundi, Oakville and Shane's Park have now been treated, all using the technique of basal barking the trunks of the trees using a mix of the herbicide Garlon® and diesel as seen in photo 2 below.

Photo 2: Basal barking a Kei apple plant in Oakville

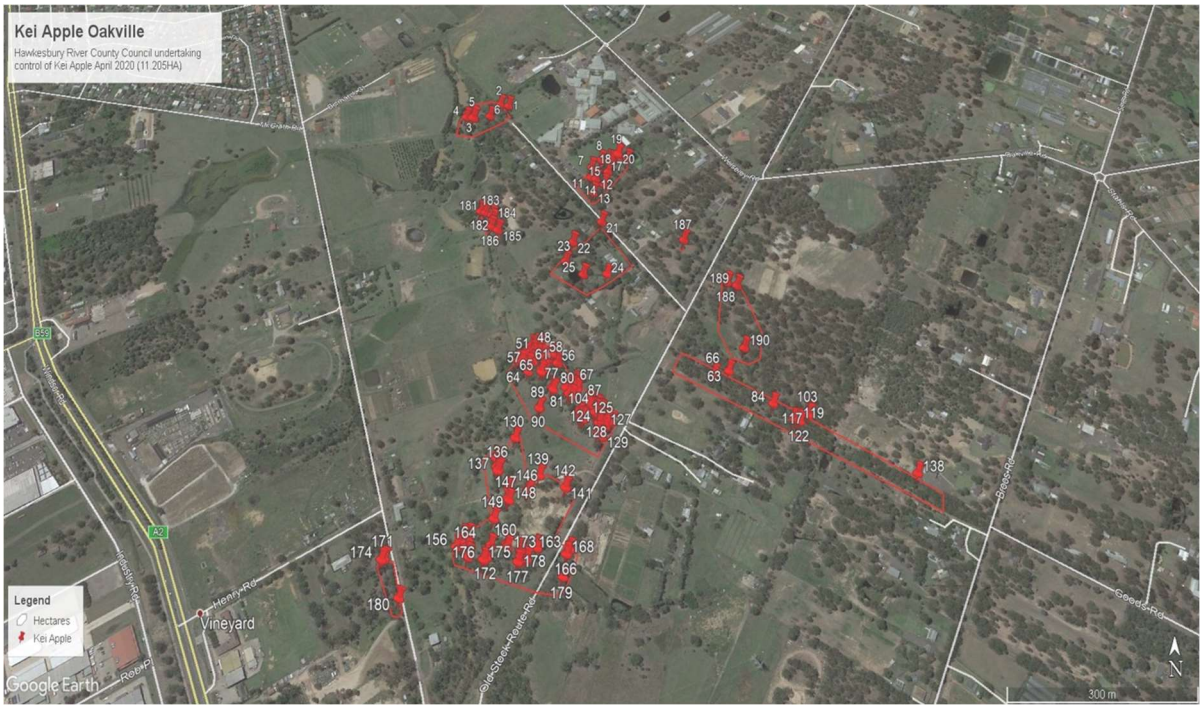
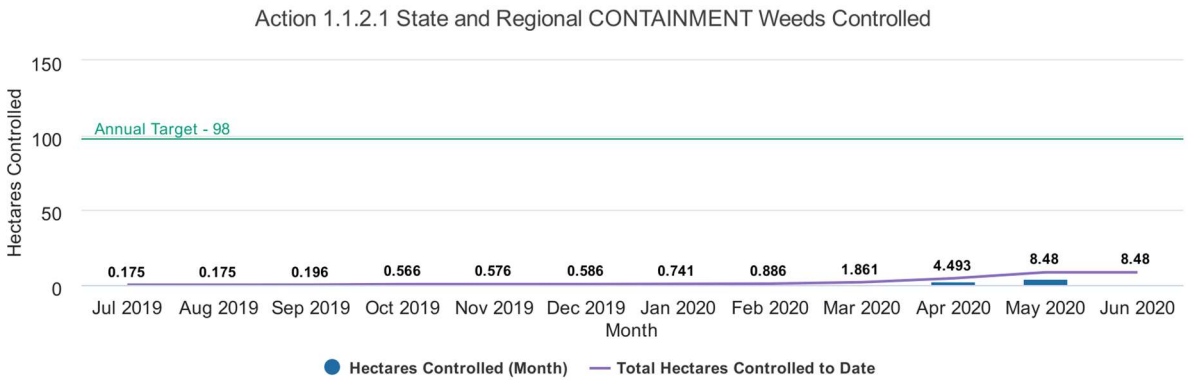


Figure 1: Oakville Kei apple plant locations

State & Regional Containment Level Weed Species

Result: *8.48 Hectares* treated

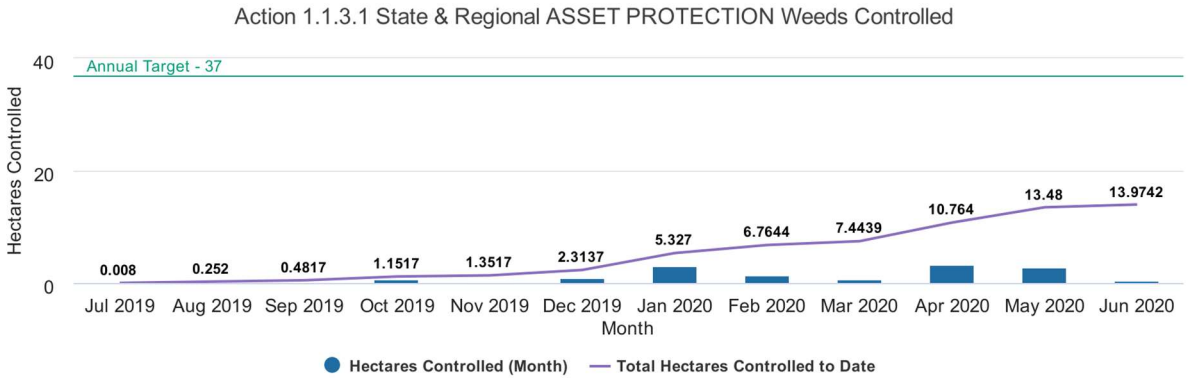


Weeds treated included known locations of Bitou bush (*Chrysanthemoides monilifera subsp. rotundata)* which are checked regularly in Rouse Hill, Erskine Park and Forest Glen.

African olives (*Olea europaea subsp.cuspidata)* were also targeted in roadside locations in Orchard Hills, Wallacia, North Richmond, Grose Vale, Regentville and Windsor Road at Rouse Hill. African olives are treated with the basal barking method of applying a Garlon® 600 and diesel mix to the bark of a tree which is then absorbed into their system.

State & Regional Asset Protection Level Weed Species

Result: *13.97 Hectares* treated



Blackberry (*Rubus fruticosus)* was high volume sprayed with the spray unit along roadside locations in Bilpin and Mulgoa. Blacktown council requested Blackberry to be sprayed in Glenwood and spraying was also undertaken in Oppy Reserve in Quakers Hill. Penrith Council requests were also undertaken to spray Blackberry in Cranebrook Reserve and along the roadside. Due to the rainfall in February the Blackberry season was extended with many plants still fruiting into Autumn in some areas.

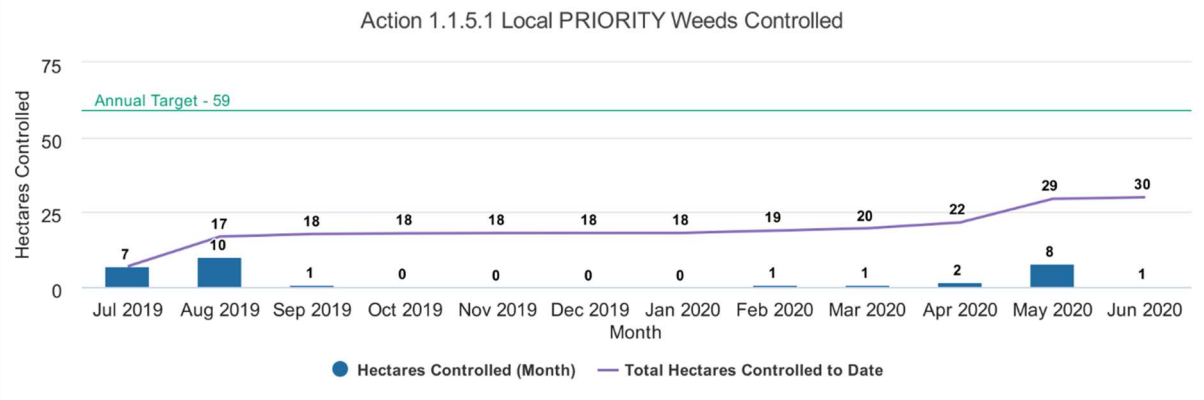
Photo 3: Due to the drought and late summer rainfall plants such as Blackberry were observed to be fruiting at Bilpin in May which is very unseasonal.

Green cestrum (*Cestrum parqui)* was treated across the county in roadside locations and council parks and reserves. Works continued at Twin Gums Reserve in Lalor Park to undertake follow up treatment of Green cestrum previously treated. Works were also undertaken along South Creek in St Marys and will continue in the next operational period. Staff employ the basal barking method with Garlon 600® and diesel to treat the small plants which are cut and paint with the basal bark mixture. This method is used as it is more effective at killing the underground root system of this species.

Photo 4: HRCC staff using the cut & paint method with Garlon® and Diesel to treat Green cestrum.

Local Priority Level Weed Species

Result: *29.98 Hectares* treated



Mother of millions (*Bryophyllum species)* was a focus across the four local government areas in the months of July and August. Treated areas include Riverstone, Vineyard, Marsden Park, Castlereagh, Londonderry, Leonay, Llandilo, Cranebrook, Wallacia, Glenorie, Maroota, Annangrove, Oakville, Freemans Reach, Yarramundi, Kurmond, Pitt Town, Colo Heights, Wilberforce, North Richmond, Clarendon, Maraylya, East Kurrajong, Pitt Town and Kingswood. Most plants were found along roadsides and council reserve locations. In the next operational period these areas will receive follow up treatment for new emerging seedlings. HRCC staff have been trained in extensive use of pump pack low volume spraying for a targeted result and to limit off target damage in comparison to using a spray unit to treat this species.

Photo 5: HRCC staff use blue dye to spray Mother of millions so that sprayed areas are visible to other team members and the public.

Yellow bells (*Tecoma stans)* are a local eradication target with infestations treated in Regentville, Mulgoa, Hobartville, Kurrajong and St Mary's during the operational period. The season was very short due to weather conditions, with plants only flowering for a total of two weeks, creating a limited window for treatment because of the drought conditions. HRCC staff did however report new locations and a list of works has been created for the next season (See new incursion section).

Photo 6: Yellow bells flowering in Regentville at School House Creek in the Penrith LGA. Plants were cut and painted with Vigilant™ II herbicide gel.

Aquatic Weed Management

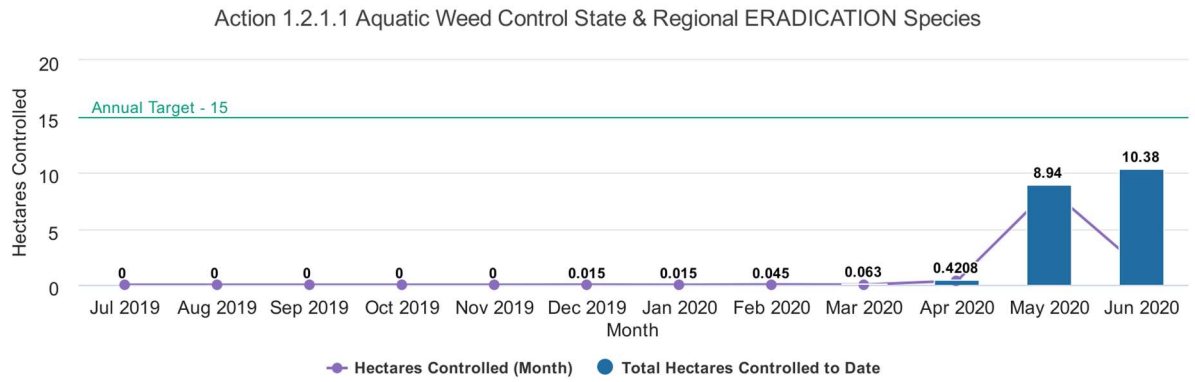
During the operational period, the aquatic weed management was delayed due to drought conditions and the poor growth conditions of plants. HRCC staff conducted sink tests for the Salvinia Weevil but failed to find any amongst the Salvinia which may have been due to the conditions. During February our county was inundated with flooding after above average rainfall was experienced over a number of days. The land was totally saturated causing increased runoff into local creeks which then spilled across the floodplain. Unfortunately, our weed harvester was flood impacted at Penrith and did disrupt our weed control operations. A salvage operation took place and the harvester is currently being repaired from the damage caused. After the flooding the Hawkesbury Nepean River was surveyed to see what weeds were left behind and how the access has changed.

Photos 7 & 8: The sunken HRCC "Weedosaurus" harvester after the flood event

Photo 9: River surveillance for weeds after the flood. This area at North Richmond is shallow and can only be accessed by a small tinny or our Truxor due to the sand bars.

State & Regional Eradication Level Aquatic Weed Species

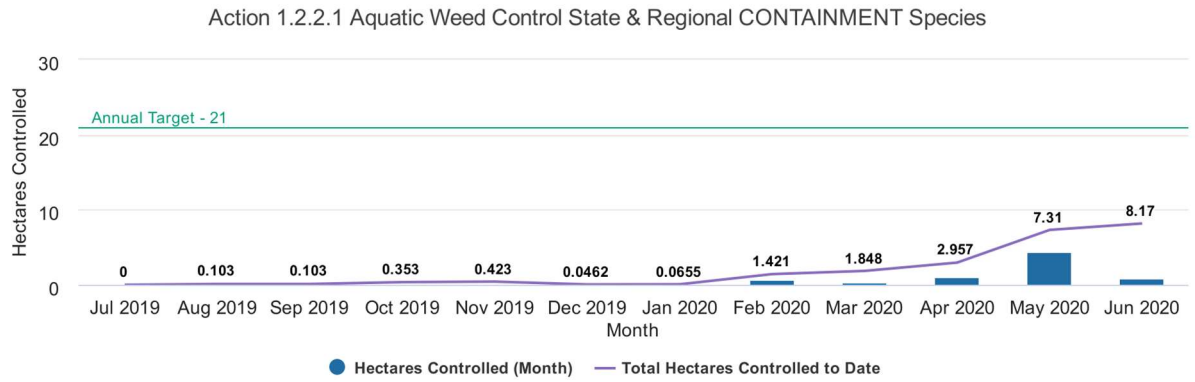
Result: *10.38 Hectares* treated



This included treating Black willows *(Salix nigra)* by drilling and injecting with Glyphosate at Yarramundi Reserve. Surveillance was also undertaken of a section of Excelsior and Darling Mills Creek in Baulkham Hills where an infestation of Kidney leaf mud plantain *(Heteranthera reniformis)* had previously been treated. No new plants were located during these works and surveillance will continue in the new operational period.

State & Regional Containment Level Aquatic Weed Species

Result: *8.17 Hectares* treated



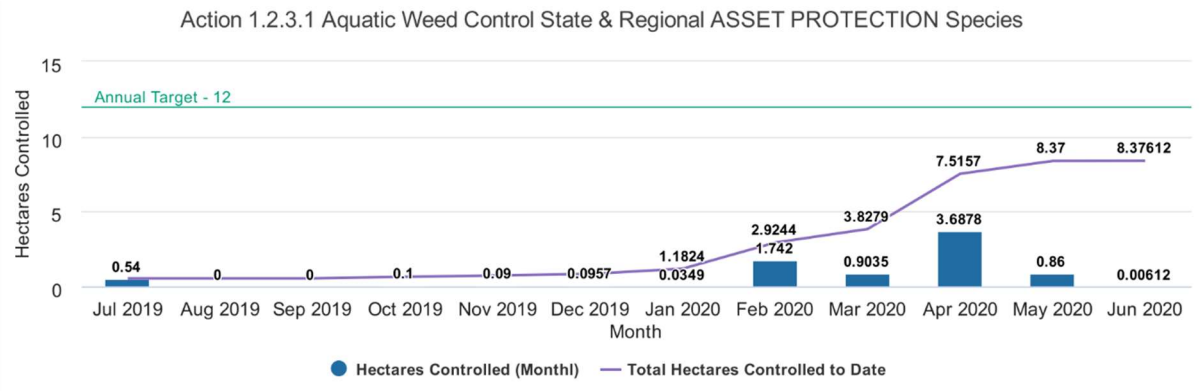
Works included treating Alligator weed *(Alternanthera philoxeroides)* at Yarramundi Reserve, Bungarribee Creek, Oppy Reserve and Cattai Bridge Reserve. A tip off from a member of the public led to the discovery of a new incursion of Water hyacinth *(Eichhornia crassipes)* in Rickerby's Creek at Howes Park. This was high volume sprayed prior to the plants flowering to reduce the potential for a seed bank to become established.

Alligator weed and Senegal tea *(Gymnocoronis spilanthoides)* was sprayed from the HRCC Truxor® amphibious machine on the Hawkesbury River between North Richmond and Windsor as part of an annual control program.

Photo 10: Water Hyacinth in Rickerby's Creek in Windsor which was treated with High Volume spraying prior to flowering.

State & Regional Asset Protection Level Aquatic Weed Species

Result: *8.38 Hectares* treated



Most of the works were generated from council requests in particular treating Water primrose *(Ludwigia peruvian)* in drainage channels and creek line areas. Treated areas include Bungarribee Creek, Caddies Creek, Peach Tree Creek, Torry Burn Reserve, Second Ponds Creek, Yarramundi, McGrath's Hill, West Pennant Hills and Kellyville.

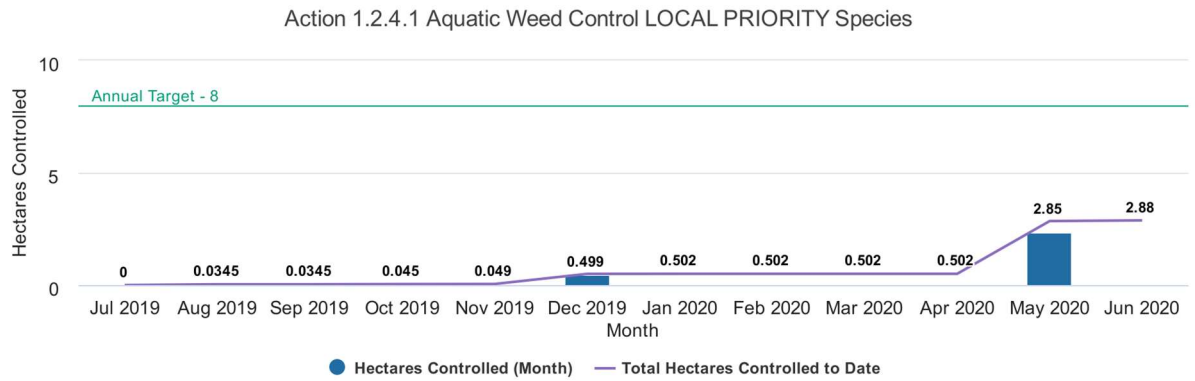
At Lake Woodcroft a Salvinia *(Salvinia molesta)* outbreak was treated with the Truxor® which involved using the machine to access areas and to apply herbicide from a spray unit while on the water. A council request was also followed up for the removal of Salvinia at Castle Hill Heritage Park. The Truxor® was used to remove the plant material from the water bodies where it was left on the bank to die off. After the mechanical removal was complete the edges were spot sprayed with herbicide. This area will require follow up treatment in the next operational period.

Photo 11: Water primrose was treated after a request for works from Penrith City Council.

Photo 12: Salvinia being scooped out of the water body in Castle Hill Heritage Park for The Hills Shire Council. The infestation was well established, with the bulk of the material removed by the Truxor®.

Local Priority Aquatic Weed Species

Result: *2.88 Hectares* treated

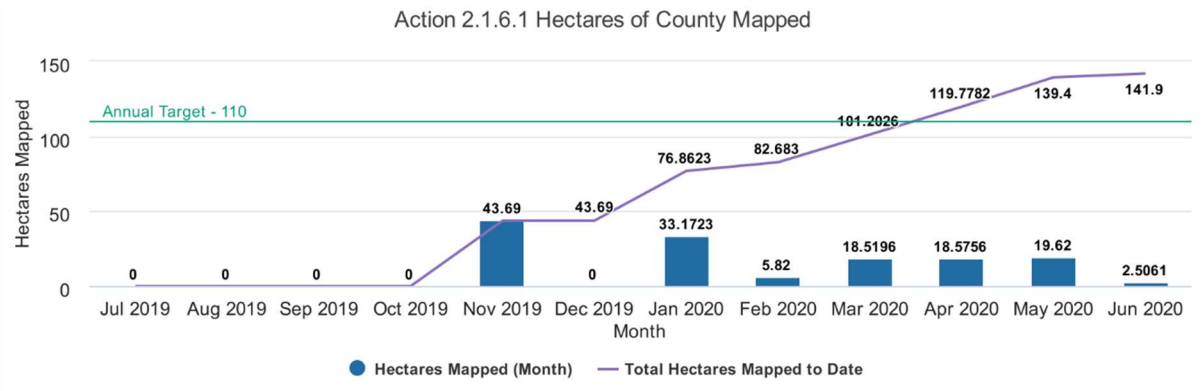


Works included summer harvesting of Ribbon weed *(Vallisneria nana)* for the Nepean Rowers Club at Penrith, before the flood event. Other council requests fulfilled included treating Parrot's feather at Casuarina Reserve in Glenmore Park and spraying and cutting Typha at the Kayak launching ramp at Macquarie Park in Windsor. Due to flooding in summer our aquatic weed harvesting program was disrupted.

Photo 13: The HRCC weed harvester the "Weedasorus" moored at the Nepean Rowers club in Penrith.

Mapping

Result: *141.9 Hectares* of mapping completed



The target of 110.2 hectares of the county mapped as a spatial record and achieve our Biosecurity Information System (BIS) compliance was met in the operational period with 141.9 hectares of mapping achieved. This provides us with a visual representation of weeds across the county area and provides a reference for follow up weed control in future planning and works.

New Incursions Identified and Assessed

Result: *9 new incursions*

The target of 4 new weed incursions species was achieved during the operational period with 9 recorded in total in our county. New incursions and their location are recorded to allow us to keep track of where HRCC staff have sighted species such as Yellow bells as we know they can be widespread but depending on the season can be more easily identified on new roads or suburbs. It is essential to keep this record so they can be treated when they are actively growing in spring and summer. (see figure 2)

Date	Species	Priority listing	Location	Private or Roadside	Density	Potential spread/impact, treatment or control problems	Council
11.11.19	Yellow bells	Local eradication	545 Castlereagh Road Agnes Banks	Private and Roadside	1-10%	To be inspected	Penrith
11.11.19	Yellow bells	Local eradication	25 Loftus Street Regentville (School House Creek)	Council Reserve	1-10%	Treated Cut and paint	Penrith
11.11.19	Velvety tree pear	Local eradication	Bligh Street near Kensington Park Road Schofields	Roadside	1-10%	Treated 28.11.2019, 09.12.19 Basal bark with Access	Blacktown
12.11.19	Yellow bells	Local eradication	The Kingsway Roadside St Marys	Private	1-10%	Treated 20.01.2020 Another visit required	Penrith
15.11.19	Yellow bells	Local eradication	2 Hermitage Road Kurrajong Hills	Private	1-10%	Landholder engaged. Brought in a bag of seed for disposal.on the 20.01.2019 & advised location of a plant on the roadside. Treated 18.02.20 including drill & inject on the private property plant and cut and paint plant on the roadside.	Hawkesbury
21.11.19	Yellow bells	Local eradication	1119 & 1265 Mulgoa Road Mulgoa	Roadside	1-10%	Treated 21.11.2019	Penrith
06.12.2019	Velvety tree pear	Local eradication	291 Third avenue Llandilo	Roadside	1-10%	Undergoing treatment (plants are mature)	Penrith
06.02.2020	Opuntia microdasys	Not listed	29 Clark Road Londenderry	Roadside	1-10%	Pot plant Not treated	Penrith
02.03.2020	Ming asparagus fern	Regional eradication	206 Terrace Road North Richmond	Roadside	1-10%	Treated Hand removed	Hawkesbury
5/05/2020	Kei apple	Regional eradication	Opposite 713 Mamre Rd Kemps Creek	Private and Roadside	1-10%	Treated 19.05.2020	Penrith

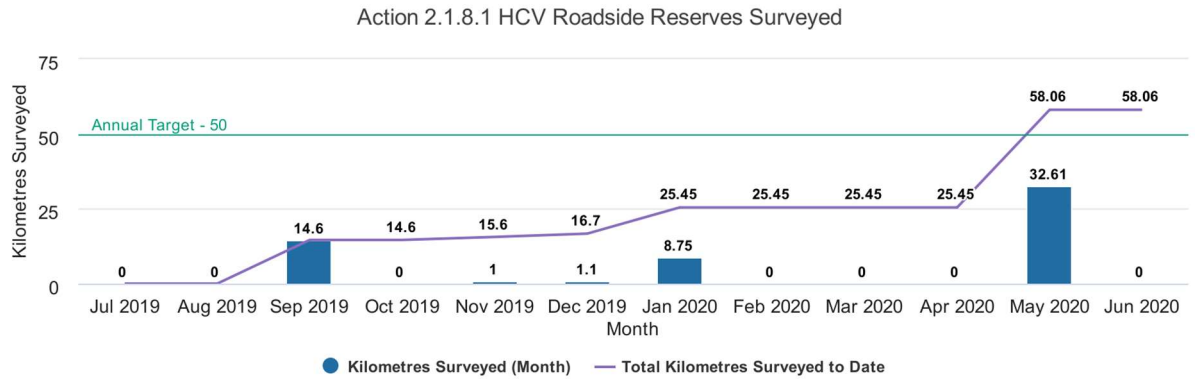
Figure 2: New Incursions recorded in the 19/20 Operational Year

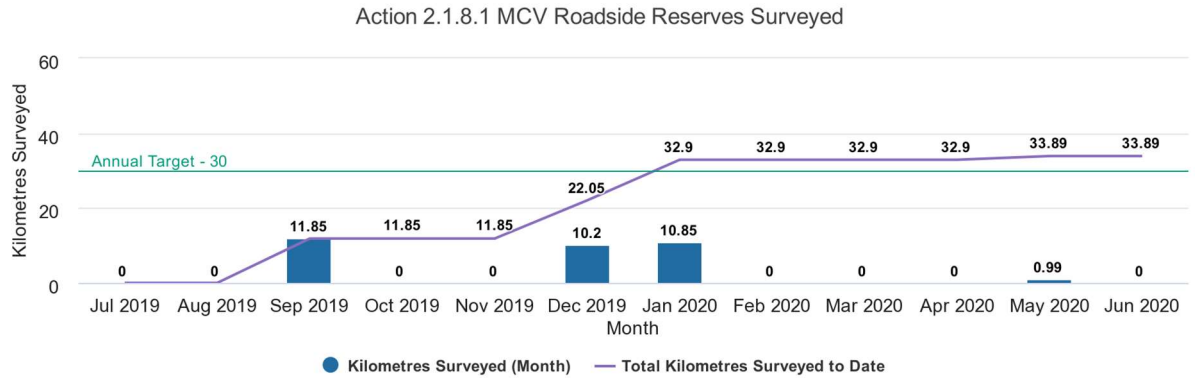
Photo 14: New incursion of Velvety tree pear (Opuntia tomentosa) located in Schofields in the Blacktown LGA. Plants have been treated by basal barking all the foliage with a basal barking mixture of Garlon® 600 and diesel.

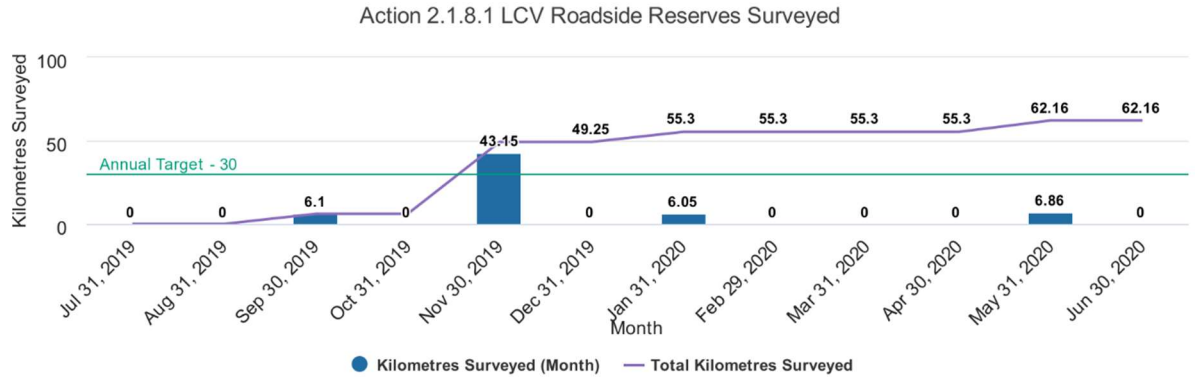
Photo 15: Velvety tree pear incursion found in Llandilo in the Penrith LGA. Treatment is ongoing. The land holder is also controlling plants within their property boundary.

Roadside Native Vegetation Management Plan

Result: *58.06km* of High Conservation Vegetation surveyed *33.89km* of Medium Conservation Vegetation surveyed *62.16km* of Low Conservation Vegetation surveyed







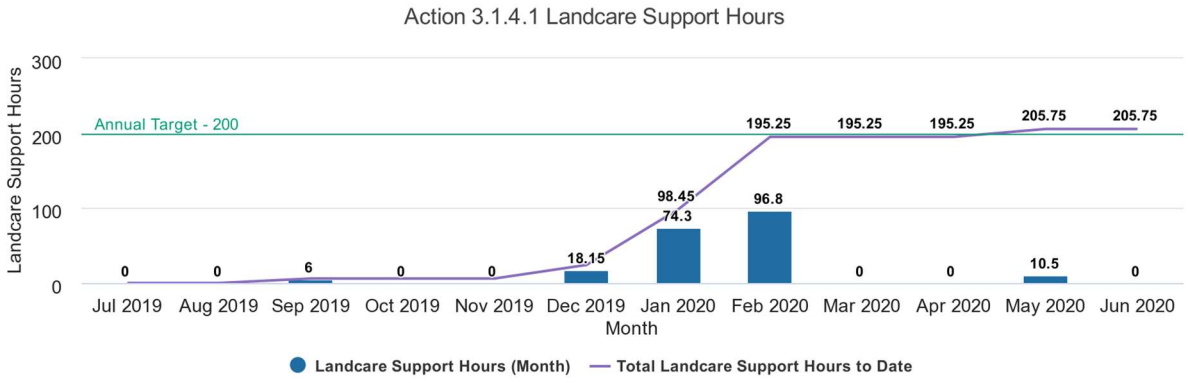
This was an excellent result for HRCC with all targets exceeded. Any weeds observed were recorded and will assist in planning future weed control priorities. This was the first year this data was recorded and can be used to plan priorities in the future. This includes identifying roads which have the greatest potential for regeneration by undertaking weed control works in High Conservation Vegetation roadsides.

3.9 Hectares of our target of 5 Hectares of weeds managed in High Conservation Vegetation roadside reserves utilising bush regeneration techniques was also completed during the operational period. Although we did not meet this target this was the first year it was undertaken and it was difficult to find suitable areas as we had yet to complete any surveillance. However, now that the surveillance has been completed we have developed a list to guide us as to where teams can work in the 2020-2021 operational period.

Photo 16: Church Lane in Cranebrook is listed as High Conservation Vegetation due to the presence of Juniper-leaved grevillea (Grevillea juniperina) which is a threatened species. Hand weeding was undertaken and targeted spot spraying of Mother of millions.

Landcare Support Hours

Result: *205.75 hours* support



Our Landcare suport target was exceeded and assistance was provided to Landcare and Bushcare groups during the operational period in the form of allocating staff to undertake bush regeneration and weed control. Projects included planting trees with community members at Bushells Lagoon in Freemans Reach and assisting Hawkesbury High School to treat Green cestrum on the school property. A demonstration was also provided at the school of how to treat weeds. HRCC staff also assisted Phil's Forest Bushcare Group by treating vines that were becoming too much for the volunteer group to handle. This included spraying designated areas with selective herbicides to treat Madeira vine and Cats claw creeper.

Photo 17: Biosecurity weed officers planting trees beside Bushell's Lagoon Freemans Reach in support of the Landcare program.

Photo 18: The weed control team treating Green cestrum at Hawkesbury High School

Penrith Roadside Grant

Penrith City Council awarded HRCC a grant of $25,000 to undertake weed control spraying along roadsides targeting three specified low priority weeds. This included 208 hours of weed control along 29 roads in the Penrith LGA. Suburbs targeted included Berkshire Park, Llandilo, Londonderry, Agnes Banks, Castlereagh, Werrington, Kemps Creek, Orchard Hills, Wallacia, Luddenham, and Mulgoa. The weeds targeted were Fireweed *(Senecio madagascariensis),* Khaki weed *(Alternanthera pungens)* and Sticky nightshade *(Solanum sisymbriifolium) (*which was previously thought to be Apple of sodom *(Solanum linnaeanum)* until a correct identification was made).

Before these works were undertaken it was essential that information was obtained regarding the vegetation status. Across our county a number of roads had previously been surveyed and have been classified as High, Medium, or Low Conservation value, and this dictates our methods for control. For the grant some roads were high volume sprayed with a powered spray unit attached to a vehicle, or low volume sprayed with a hand held pump pack sprayer in areas that are classified as High Conservation value. At the completion of the project a report was produced and given to Penrith City Council outlining the works and results.

Photo 19: Khaki weed with burrs forming at the nodes treated as part of the Penrith Roadside Grant

Photo 20: High volume spraying was undertaken on roadside locations which were not classified as High Conservation Vegetation

Crown Reserves Grant

The Crown Reserves Improvement Fund Grant was awarded to HRCC for the sum of $48,000 to complete weed control works on crown land. Six sites were chosen across the county, all of which have been worked on in previous years. The grant ran for the duration of the 2019-2020 financial year targeting State Asset weeds and other weeds having a negative impact on these areas. A total of 1053.53 weed control hours were completed with 19.52 Hectares of weeds controlled. Staff employ bush regeneration techniques in these areas to encourage natural regeneration of native species and take into consideration the aesthetic aspect of these areas.

Another requirement of the grant was to conduct weed surveillance across a nominated list of crown reserves throughout the financial year by completing a set number of hours at each site. Bigger reserves were granted more hours to cover the larger areas. A weed list was produced for each site and submitted to the funding authority at the end of the project. It was also important information for our records in identifying new incursions as well as threats outside of the property that need to be reported. 11 weeds maps were produced as part of the grant, mapping all the weeds in the specified crown reserves. A report of the works has been sent to the funding authority and the 2020-2021 grant application has been submitted.

Shaw's Island – Hawkesbury LGA				
Measurable Output (Hectares)	Target Hours	Hectares Treated	Hours Achieved	Remaining Hours
3.7HA	244	12.0136	246.5	-2.5
Weeds treated	*Honey locust, Green cestrum, Alligator weed, Black willows, Castor oil, Lantana, Balloon vine*			
Cattai Bridge – Hawkesbury LGA				
Measurable Output (Hectares)	Target Hours	Metres^2 treated	Hours Achieved	Remaining Hours
6.5HA	244	0.393	243.21	0.79
Weeds treated	*Lantana, Morning glory, Alligator weed, Ludwigia peruviana, Wild tobacco, Privet, Annuals, Cats claw, Ochna*			
Quakers Hill Reserve – Blacktown LGA				
Measurable Output (Hectares)	Target Hours	Metres^2 Treated	Hours Achieved	Remaining Hours
3.6HA	44	0.5358	42	2
Weeds treated	*Blackberry, Madeira vine, Alligator weed, Arundo grass (treatment and removal)*			
Skeleton Rocks – Hawkesbury LGA				
Measurable Output (Hectares)	Target Hours	Hectares Treated	Hours Achieved	Remaining Hours
7.4HA	80	0.1733	82.5	-2.5
Weeds treated	*Arundo grass, Lantana, Annuals*			

Holland Reserve – Hills LGA				
Measurable Output (Hectares)	Target Hours	Hectares Treated	Hours Achieved	Remaining Hours
16HA	280	5.782	277.82	2.18
Weeds treated	*Lantana, Privet, Green cestrum, Fleabane, Senna, Crofton weed, Wild tobacco, Blackberry nightshade, Sticky nightshade, Khaki weed, Spider plant*			
Lucas Avenue – Hills LGA				
Measurable Output (Hectares/Kilometres)	Target Hours	HA/km Treated	Hours Achieved	Remaining Hours
5.42HA/ 1.6KM	160	0.6197/ 1.8	161.51	-1.51
Weeds treated	*Madeira vine, Lantana, Privet, Acer, Wild tobacco, Annuals*			

Figure 3: Crown Land Reserves Grant Outcomes

Photo 21: Weed control was undertaken at Shaw's Island in Yarramundi as part of the Crown Lands grant. Staff basal barked Honey locust (Gleditsia triacanthos) with Starane® and diesel which proved to be an effective way to kill large trees.

WEED CONTROL HIGHLIGHTS

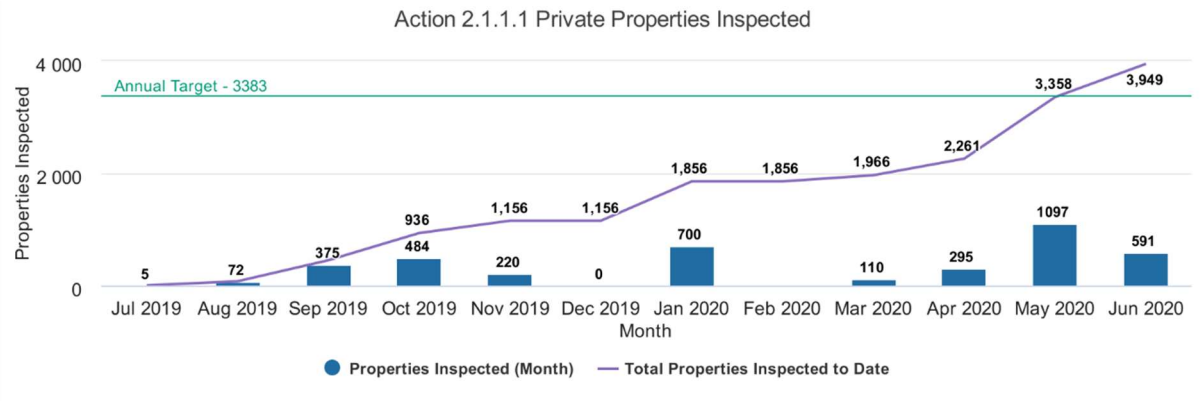
29.73 Hectares of State & Regional Priority Weeds Destroyed		**13.97 Hectares of State Asset Protection Weeds Destroyed**
	29.98 Hectares of Local Priority Weeds Destroyed	
26.93 Hectares of Aquatic Weeds Destroyed		**141.9 Hectares of County Mapped for Weed Incursions**

780 Boneseed seedlings located & hand removed in one day

Inspection Program

Private Property Inspections

Result: *3949 inspections*



Private property inspections have been undertaken in the flowing locations across the county. Shanes Park, Llandilo, Yaramundi, Bungarribee, Oakville, McGraths Hill, and Vineyard (Kei apple (*Dovyalis caffra*) Eradication). Kenthurst and Annangrove (Threatened Ecological Community and Bushcare site protection). Oakville, Maraylya, Cattai, and Pitt Town (private property buffer zone of the natural assets of Scheyville National Park). Colebee and Claremont Meadows (Urban interface inspections and member council requests). Leonay and Emu Plains (African olive (*Olea europaea*) eradication and surveillance).

The team was able to surpass its target inspection numbers. The coordinator of this area is now able to run highly strategic inspection programs across the county because of the data gathered from this year's inspections.

Of particular note, was the highly successful Kei apple (*Dovyalis caffra*) inspection program that targeted seven suburbs to locate and eradicate Kei apple (*Dovyalis caffra*) plants. As reported in the weed control section 220 plants where successfully treated. Continued surveillance of these areas is planned for the next operational year.

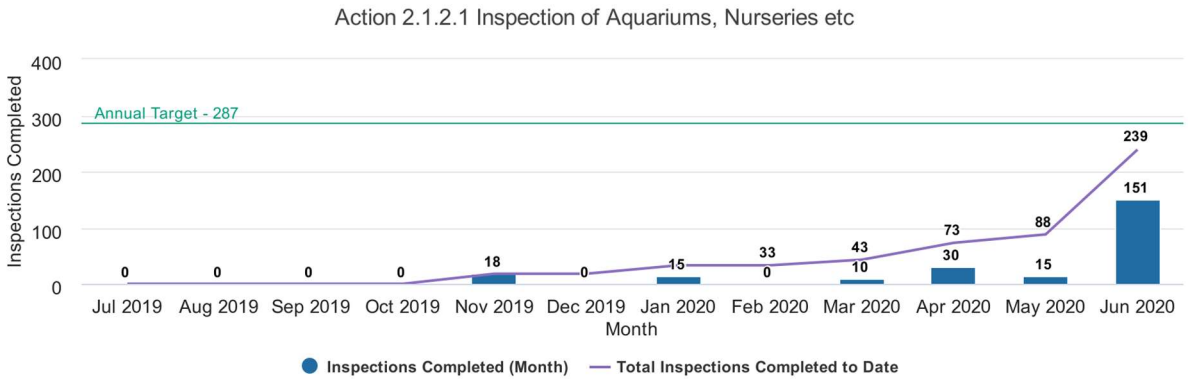
HRCC has also conducted many reactionary inspections on private property that are triggered by communication from the public via phone calls or direct reporting of issues to the council. Some of these reports have to lead to the successful identification of new weed incursions within the county, which has been identified and has or is currently being controlled.

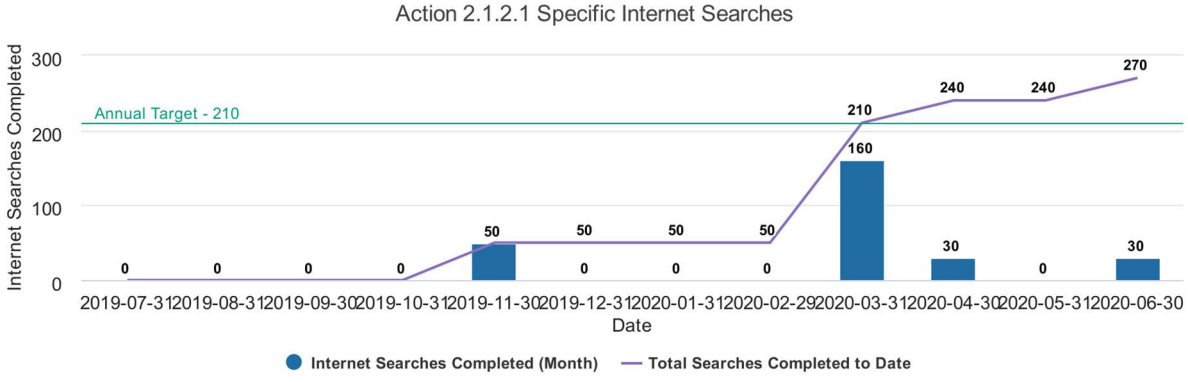
Private property reinspection's where significantly affected by staffing turn over and the COVID 19 pandemic however the team was still able to achieve good results.

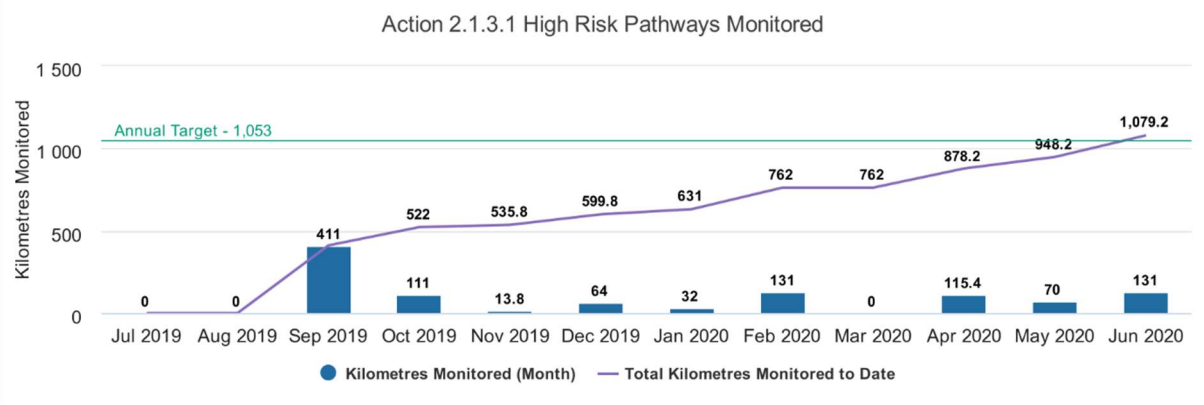
Photo 22: Kei apple treatment as part of the successful Kei apple inspection program

High-Risk Sites (nurseries, pet stores, etc), High-Risk Pathways and Internet Surveillance

Result: *239 Inspections of high-risk sites*
270 Internet searches
1079 km of high-risk pathways monitored







Inspections of high-risk sites were also impacted by staffing turnover, however, a satisfactory amount of inspections where achieved after this impact had resolved. Most importantly the development of a new fruitful and beneficial relationship between HRCC and the industry groups that are involved in these sites has now been developed, this has ultimately resulted in several reports of new incursions and a positive media article in the quarterly Nursery & Garden Industry NSW & ACT magazine.

A successful working relationship was also established with the Westlink M7 to undertake continuous weed surveillance and control within their land. This was triggered by the discovery of Boneseed (*Chrysanthemoides moniliferao)* on the M7 by HRCC weed control staff, that the Biosecurity Inspectors subsequently confirmed and referred to the M7 coordinator as the location posed significant safety risks to staff. This relationship has also seen a number of priority weed species identified and controlled by private contractors on the M7 high-risk pathway.

The target of surveillance of our high-risk pathways was successfully met and overachieved. A new inspection method of scheduling specific surveillance works on our high-risk pathways proved to be far more productive and successful at detecting priority weeds and mapping them for control.

The incursion of Parthenium weed (*Parthenium hysterophorus*), listed as a Schedule 2 State Prevention Priority Weed within the Biosecurity Act 2015, found within NSW and the Greater Sydney area triggered an immediate response from our Biosecurity team to begin inspections on identified high-risk fodder sites and poultry breeding sites (the incursion with the Greater Sydney area resulted from contaminated organic poultry feed from Queensland). Over 35 inspections took place on registered high-risk sites alongside a media campaign that generated eight community tipoffs for suspected incursions. Thankfully, all inspections and tipoffs were negative for the presence of Parthenium weed (*Parthenium hysterophorus*).

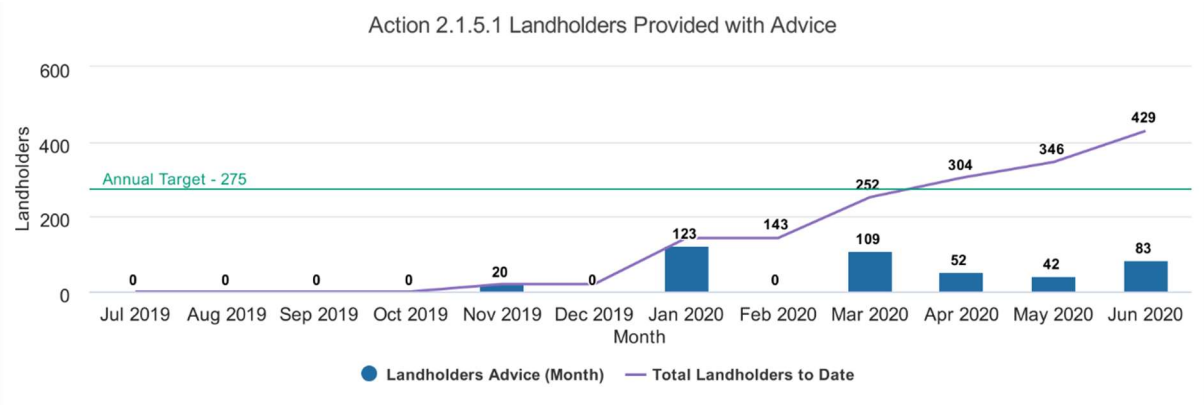
The Biosecurity Weed Inspection Coordinator was able to attend, at the invitation of the Local Control Authority, an active incursion on the Central Coast. This allowed the Coordinator to see Parthenium weed (*Parthenium hysterophorus*) firsthand, take educational field notes and pictures for identification to be used within the HRCC area of control.

It also allowed HRCC the opportunity to develop positive relationships with the poultry industry within the county, something that had not previously been established.

Online surveillance targets were also surpassed and resulted in notable priority weed sale detections and seizures of Water hyacinth *(Pontederia crassipes*), Frogbit (*Limnobium laevigatum*), and *Opuntia* species.

Landholders Provided with Advice

Result: *429 Landholders*



The majority of this year's advice and assistance to landholders was given verbally and via email correspondence with factsheets and other hardcopy resources which resulted in providing advice to landholders being surpassed.

Non-Regulatory Inspections & Weed Management Plans

Because of a lack of demand and reporting from landholders both targets for weed management plans and non-regulatory inspections (defined as reactionary, for example, landholder requests and tipoffs) were not met. However, a respectable amount of 160 non-regulatory inspections were still undertaken throughout the county area, resulting in several new incursions being found as well as positive relationship building with landholders.

The lack of weed management plans should not be seen as a negative result as it demonstrates that the initial consultation and information being provided to landholders is by the biosecurity inspectors is adequate for them to undertake weed control without the need for entering a weed management plan. It also demonstrates that large weed infestations do not exist within the inspected areas as large weed infestations generally require long term control plans and thus the development of weed management plans.

Roadside Vegetation Management- Landholder advice.

Our Weed Extension Officer produced an information pack and sent it out to 10 properties identified as being located adjacent to high conservation roadside reserves.

The information packs outlined the works that had been undertaken on the reserves and the high conservation roadside reserves as well as how the landholders can help preserve and improve these reserves. This educational tool was well received by the landholders.

INSPECTION HIGHLIGHTS

239 Nurseries and Sales Outlets Inspected		**160 Non-Regulatory Inspections**
	1079 KM Of High Risk Pathways Monitored	
270 Targeted Internet Searches		**109 Private Property Reinspections**
	429 Landholders Provided with Advice	

Completed a Record 3949 Private Property Inspections

Community Awareness and Public Education

Community-Based Social Marketing (CBSM www.cbsm.com) methodology is used in the education space and is becoming part of the expectation of the theory contributing to many weeds' extension education programs. HRCC uncovered 'knowledge gaps' farmers had on aquatic & toxic weeds.

Member councils asked HRCC to expand survey work to capture some of their community areas, to complement their work about community knowledge on weeds. Results from the short survey work showed the community in these areas had limited knowledge about weeds and were more inclined to leave them be as they enjoyed the attractive flowers. HRCC's Weeds Extension Officer worked closely with member council staff to encourage the community to volunteer at their local Bushcare site and have provided further education packs to the interested residents about native alternatives to the weeds to grow in their gardens in the Hills, Penrith & Blacktown Local Government Areas. Better outcomes & efficiencies are achieved when HRCC staff work closely with our member council staff and industry partners.

Farmers completed target training on aquatic weeds identification, these weeds can cause real problems for our environment and agriculture if not contained. Best Management, weed hygiene practices, and the following aquatic weeds were targeted for the 'farmgate' training:

- Frogbit (*Limnobium laevigatum*)
- Water lettuce (*Pistia stratiotes*)
- Salvinia (*Salvinia molesta)*
- Alligator weed (*Pistia stratiotes*)
- Senegal tea (*Gymnocoronis spilnthoides*)

Aquatic weeds are often found in waterways with moderate to high nutrient loads, farm dams, water storage sites and floodplain streams and drains. They can be found in areas where people have access to waterways, near boat ramps, bridge crossings, waterways on main roads, and water storage facilities. The turf production and distribution industry can unknowingly distribute aquatic weeds through irrigation channels and equipment, making them a key stakeholder to educate about weed control. A turf farmer through the training had found weeds- Salvinia (*Salvinia molesta*), Alligator weed (Pistia stratiotes) & Senegal tea (*Gymnocoronis spilanthoides*) in a small dam, meters from the Hawkesbury Nepean River. Advice from HRCC was given on permits needed to spray in water bodies and what type of herbicide to use for control, this was effectively done before the increased rain in February caused flooding in this area and the small dam would have joined up with the Hawkesbury-Nepean River resulting in weed dispersal migrating downstream.

HRCC educational resources were distributed to relevant member council staff in our county. Visual resources like priority weeds with photos and government links are handy for our community and have been developed. These resources were needed to assist with community weed advice & HRCC inspections and have been designed in consultation with community, HRCC staff & member council staff.

Community engagement through HRCC representatives has seen an increase from the community on reporting of weed issues. Residents are beginning to see weeds as a shared community responsibility. Before the project commencing residents reporting on weeds and asking for advice was much lower. The HRCC Weed Extension Officer helped a farmer through this project, identify and provide control advice on a weed called Foxtail (*Ceratophyllum demersum*) that was blocking his irrigation lines on the Hawkesbury Nepean River.

Some of the general questions to farmers under the CBSM grant program guidelines and community-based framework were used as a basis for discussion with the farmers as follows:

- What are the farmer's primary topics of concern with weeds?
- What human behaviours (or lack of) are being targeted to assist with weed control?
- What other information and resources do the farmers require on weed control?

Evaluation of Survey Work

A key stakeholder feedback survey was developed by HRCC to see what our contacts, turf farmers and livestock farmers thought about the resources and project work to date. The survey was anonymously completed through Survey Monkey to get honest insights into the work undertaken.

'HRCC has been very helpful talking to farmers and turf producers educating them about aquatic weeds. Michelle (HRCC Weeds Extension Officer) has spoken to a variety of farmers and provided valuable information that is disseminated through Turf NSW networks and communication channels'

Interestingly, the turf farmers found the face-to-face farm visits invaluable where-as the Member council officers preferred the individual weed postcards for their community. The priority weeds list with photos is better for our livestock rural landholders.

Member councils found the individual weed identification postcards for the peri-urban areas useful as they provide a simple snapshot for the urban residents and infographics are used making it easier for those not versed in weed control to understand. As our weed control team conducted works in high-value roadside bushland in the Hills and Penrith Local Government Areas education packs were sent out to residents as restrictions were placed around face to face visits due to Covid 19. The education pack contained advice around why we value roadside high conservation bushland and reported on the weeds the HRCC team removed.

COMMUNITY AWARENESS & PUBLIC EDUCATION HIGHLIGHTS

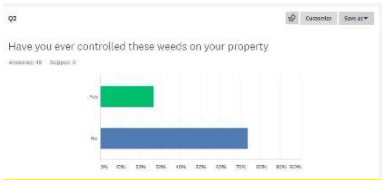
10 farmgate aquatic weed training days

42 farmers engaged

8 education packs/ 63 weed information sheets, 9 weed control cards distributed to landholders and member councils

2 community weed education days/40 residents engaged

53 community research surveys



1 CBSM case study completed

Hawkesbury Landcare Network

Over the 2019 - 2020 year, Hawkesbury Landcare Network (HLN) continued to build land-caring capacity in the local community by engaging many people, groups, and organizations across the Hawkesbury. A major contributor to this is through the development of groups and networks and, the connection of people, practices, and places.

An additional Local Landcare Coordinator (LLC) began their role in November, funded through the continued support of HRCC, providing much-needed support for private landholders and community groups across Penrith, Blacktown, Hawkesbury, and the Hills Local Government Areas. The combined efforts of the two LLC roles highlighted the need for improved relationships between conservation groups and initiatives in the region and led to all four regions being considered part of a broader Hawkesbury-Nepean Landcare Network (HNLN), supported by the two LLC roles.

The Local Landcare Coordinator position evolved into one full time coordinator midway through the year and this created the benefit of fluidity across the networks with the one contact and less confusion for the volunteers and community.

Landholder support and HNLN membership

Continued support has been available to key Landcare Groups, including Cumberland Reach Landcare, Blue Gum Landcare and Fred Caterson Reserve Landcare. The latter two groups have been facilitated and run by the Cattai Hills Environment Network (CHEN). The LLC developed a website for CHEN, trained members to use the website, and create blogs to encourage promotion and record of the work of CHEN.

Support is also being provided to Hawkesbury Environment Network's Pughs Lagoon project.

Private property visits to inform residents on bush regeneration, land management, wetlands, and riparian management have continued through inquiries and outreach. These visits help inform future projects for funding and empower landholders to connect with and protect biodiversity on their property.

Membership remained at almost 100 people for HNLN, including state and local government partners, community groups, and private landholders.

Platypus in The Hills Shire

CHEN conducted a research project to survey for platypus in the Cattai and Little-Cattai Catchment in partnership with Western Sydney University. The status of platypus in NSW is largely unknown, in The Hills Shire Council there have been historical sightings and many reported potential sightings of platypus. As a largely misunderstood species under threat, CHEN's research was essential to understanding the protecting the species in the Hills. The researchers did find DNA evidence of platypus in THSC at several sites near urban and planned development areas. This is a very significant finding which will inform future developments and highlights the need for a Platypus Conservation Strategy in the Hills.

Photos 23 & 24: CHEN platypus project

Wetland Network

Hawkesbury Landcare's Local Landcare Coordinator (LLC) has continued to contribute to the local Wetland Working Group (WWG), which was initially formed by Hawkesbury City Council in 2018. As a stakeholder and member of the WWG HLN successfully received a grant to contact a Hawkesbury Wetlands Assessment across 30 wetlands, engaging local landholders and community groups. Covid-19 restrictions limited the engagement that could be carried out however progress was made gathering previous research from the previous *Hawkesbury-Nepean Catchment Management Authority*, by contacting residents of privately owned wetlands and doing Rapid Wetland Assessments to provide a baseline. Where restrictions permitted, WWG members joined the LLC on wetland visits to form relationships with residents.

On-ground support has continued at Bushells Lagoon and is a bi-monthly occurrence under a WetlandCare initiative. An event with Greater Sydney Landcare Network for "Get Your Hands Dirty" has been planned for next year to include turtle monitoring. Other wetlands currently being supported include Bradleys Lagoon in Sackville, Blundells Swamp in North Sackville, Pughs Lagoon, Yarramundi Lagoon, and an unnamed private Lagoon in Ebenezer. These wetlands are being included on a Wetland Network and will be the basis for grant applications and on-ground volunteer opportunities, as they arise.

Photo 25: Wetlands Working Group with the LLC

StreamWatch

StreamWatch has continued through the year via support from the LLC, with two sites at Bushell's Lagoon in Wilberforce. The Earl Road site was dry until February, but Brewers Lane has consistently been tested for quality and water levels. After the floods in February, there were low dissolved oxygen levels, poor water quality, and a large carp die-off event.

The two Maraylya sites located at Cataract Creek and Cattai Creek Ford have been monitored by the Cattai Hills Environment Network Inc (CHEN) all year, with no flow for most of the year. Water quality has been good since the creek began flowing again.

CHEN also began a new StreamWatch group at their Landcare site in Fred Caterson Reserve. The LLC joined the CHEN Project Officers and StreamWatch Officer for a quality assessment training day at the site and to take the first readings.

Photo 26: StreamWatch group at the Fred Caterson Reserve

Little Wheeny Creek/ Koala Habitat Restoration Program

HLN has continued to support a group of 13 individual neighbouring properties who joined last year to carry out restoration works in the Kurrajong area to improve their koala habitat. Several hundred koala habitat and food trees have been planted, lantana removed and koalas have been spotted across the properties. A property walk and an update meeting were organized by HLN and provided an opportunity for neighbours to see each other's work. The LLC visited properties individually to provide support during restrictions and set up a social media group to help neighbours stay connected. The program is supported by HLN, with overall funding and project administration set up by Greater Sydney Local Land Services.

Through media and word of mouth, the number of inquiries from properties in Kurrajong who are interested in Landcare support and advice has been increasing and the LLC has been supporting those properties to support biodiversity and connectivity in Kurrajong.

Photo 27: Progress photo of Kurrajong property Koala habitat restoration program

Bushfire Fire Recovery

In response to the 2019-2020 Bushfires, HNLN and HRCC developed a resource "Responding to Fire on Your Property" to provide immediate information to residents on how to manage weeds, soil erosion, and recovery on their properties.

This has been followed up by a program providing support to bushfire affected properties and providing advice on post-fire land management (e.g. weeds, soil) and conservation. HNLN is and will continue to visit properties and plans to run workshops on topics of interest to the community and building networks for long-term wildlife recovery and bushland management.

HNLN is considered a Bushfire and Recovery Support Services and attends meetings held by HCC for these services. The need for this assistance was recognized and has been acknowledged other services.

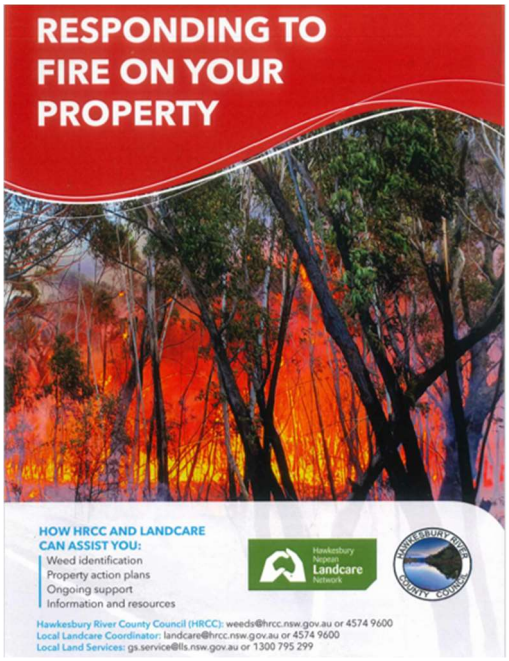


Photo 28: "Responding to fire on your property" resource developed in response to recent bushfires in the Greater Sydney area.

Supporting Bushcare and Landcare in Penrith

The HNLN LLC began supporting groups and Bushcare sites in Penrith, including Crossman's Reserve, Cumberland Land Conservancy, and Mulgoa Valley Landcare Network. The LLC has also visited properties to provide advice on land management and bush regeneration. A Landcare survey was distributed through Penrith to determine what residents and community members are interested in and to inform Landcare activities. Conservation activities for the endangered species Nodding Geebung (*Persoonia Nutans*) began in partnership with GSLN, Penrith City Council, and Save Our Species but were paused due to Covid-19 and will rebegin when restrictions lift.

Landcare is new in Blacktown

A meeting with Blacktown Council staff was held to introduce the LLC and the concept of Landcare to BCC staff and discuss ways that HLNN can plan their work support and complement BCC's Bushcare groups and conservation work. This year the LLC focused on creating awareness about Landcare in Blacktown, answered resident inquires or concerns, and attended Sustainable Schools Network meetings to offer support to schools as they require it. The LLC intended to visit the Sustainability Hub and attend events but due to events being postponed, this will be done next possible. HNLN will be featured in future Sustainable Living Newsletters to continue building awareness of who they are and what services they offer.

Schools

This year HNLN provided advice and on-ground support to 4 schools starting environment and nature projects, including advising what species to plant for a wildlife garden, running a planting day, advice on online resources to still incorporate nature in education during Covid-19 restrictions, and career advice for senior students.

Photo 29: Habitat Garden at Montessori School in the Hills Shire.

WEEDS DECLARED UNDER THE BIOSECURITY ACT (2015)

The *Noxious Weeds Act 1993* was repealed on 1 July 2017 and replaced with the *Biosecurity Act 2015*.

State Priority Weed Objective – PREVENTION

These weeds are currently not found in the state, pose significant biosecurity risk and Prevention of the biosecurity risk is a reasonably practical objective.

State Priority Weed Objective – ERADICATION

These weeds are present in limited distribution and abundance in some parts of the state. Elimination of the biosecurity risk posed by these weeds is a reasonably practical objective.

State Priority Weed Objective – CONTAINMENT

These weeds are widely distributed in some parts of the state. While broad scale elimination is not practicable, minimisation of the biosecurity risk posed these weeds is reasonably practicable.

State Priority Weed Objective – ASSET PROTECTION (Whole of State)

These weeds are widely distributed in some areas of the State. As Weeds of National Significance, their spread must be minimised to protect priority assets.

A1.2 Regional Priority Weeds

Regional Priority Weed Objective – PREVENTION

These weeds are currently not found in the Greater Sydney region, pose significant biosecurity risk and prevention of the biosecurity risk posed by these weeds is a reasonably practical objective

Regional Priority Weed Objective – ERADICATION

These weeds are present in limited distribution and abundance. Elimination of the biosecurity risk posed by these weeds is a reasonably practical objective.

Regional Priority Weeds objective – CONTAINMENT

These weeds are widely distributed in the region. While broad scale elimination is not practicable, minimisation of the biosecurity risk posed by these weeds is reasonably practicable.

Regional Priority Weed Objective – ASSET PROTECTION

These weed species are common and widespread in the landscape. Strategic management of these species may apply in specific circumstances and may be enforced by a local control authority under a landholder's general biosecurity duty.

Regional Strategic Response

Identify priority assets for targeted management.

Refer to Greater Sydney Local Land Services, Greater Sydney, Regional Strategic Weed Management Plan 2017-2022 Appendix 1.2 which can be found on the Greater Sydney Local Land Services website https://greatersydney.lls.nsw.gov.au/biosecurity/weed-control

Refer Appendix 1.2 Prevention.
† Refer Appendix 1.2 Eradication.
†† Refer Appendix 1.2 Containment.
‡ Refer Appendix 1.2 Asset Protection.

HAWKESBURY RIVER COUNTY COUNCIL

PRIORITY WEED LIST SEPTEMBER 2020

COMMON NAME	BOTANICAL NAME	OBJECTIVE	LISTING
African boxthorn	*Lycium ferocissimum*	ASSET	STATE
African milk bush	*Synadenium grantii*	ERADICATION	LOCAL
African olive	*Olea europaea subsp. cuspidata*	CONTAINMENT	REGIONAL
Alligator weed	*Alternanthera philoxeroides*	CONTAINMENT	STATE
Anchored water hyacinth	*Eichhornia azurea*	PREVENTION	STATE
Arrowhead	*Sagittaria calycina var. calycina*	CONTAINMENT	LOCAL
Asparagus fern	*Asparagus virgatus*	CONTAINMENT	LOCAL
Asparagus weed	*Asparagus aethiopicus, †A. africanus, A. asparagoides including the Western Cape form*, A. plumosus, and A. scandens*	ASSET	STATE
Bellyache bush	*Jatropha gossypiifolia*	ASSET	STATE
Bitou bush	*Chrysanthemoides monilifera subsp. rotundata*	CONTAINMENT	STATE
Black knapweed	*Centaurea x moncktonii*	PREVENTION	STATE
Black willow	*Salix nigra*	ERADICATION	REGIONAL
Blackberry	*Rubus fruticosus agg. (Blackberry except the varietals Chester Thornless, Dirksen Thornless, Loch Ness, Silvan, Black Satin, Murrindindi, Smooth Stem, Thornfree and Chehalem)*	ASSET	STATE
Boneseed	*Chrysanthemoides monilifera subspecies monilifera*	ERADICATION	STATE
Bridal veil creeper	*Asparagus declinatus*	PREVENTION	STATE
Broadleaf pepper tree	*Schinus terebinthifolius*	ERADICATION	LOCAL
Broomrape	*Orobanche spp. (all species except the native O. cernua var. australiana and O. minor)*	PREVENTION	STATE
Cabomba	*Cabomba caroliniana*	ASSET	STATE
Cape/montpellier broom	*Genista monspessulana*	ASSET	STATE
Cat's claw creeper ‡	*Dolichandra unguis-cati*	ASSET	STATE
Chilean needle grass	*Nassella neesiana*	ASSET	STATE
Chinese celtis	*Celtis sinensis*	CONTAINMENT	LOCAL
Chinese knotweed	*Persicaria chinensis*	ERADICATION	REGIONAL
Chinese violet	*Asystasia gangetica subsp. micrantha*	PREVENTION	REGIONAL
Climbing asparagus	*Asparagus africanus*	ERADICATION	REGIONAL
Coolatai grass	*Hyparrhenia hirta*	ERADICATION	LOCAL
Coral creeper	*Barleria repens*	PREVENTION	REGIONAL
Corky passionfruit	*Passiflora suberosa*	CONTAINMENT	LOCAL
Crofton weed	*Ageratina adenophora*	ASSET	LOCAL
East Indian hygrophila	*Hygrophila polysperma*	PREVENTION	REGIONAL
Eurasian water milfoil	*Myriophyllum spicatum*	PREVENTION	STATE

COMMON NAME	BOTANICAL NAME	OBJECTIVE	LISTING
Fireweed	*Senecio madagascariensis*	ASSET	STATE
Flax-leaf broom	*Genista linifolia*	ASSET	STATE
Frogbit / Spongeplant	*Limnobium spp. (all species)*	PREVENTION	STATE
Giant devil's fig	*Solanum chrysotrichum*	PREVENTION	REGIONAL
Giant rats tail grass	*Sporobolus pyramidalis*	PREVENTION	REGIONAL
Giant reed	*Arundo donax*	ASSET	REGIONAL
Glory lily	*Gloriosa superba*	ERADICATION	REGIONAL
Gorse ††	*Ulex europaeus*	ASSET	STATE
Green cestrum	*Cestrum parqui*	ASSET	REGIONAL
Grey sallow	*Salix cinerea*	ERADICATION	REGIONAL
Groundsel bush	*Baccharis halimifolia*	ERADICATION	LOCAL
Hawkweed	*Hieracium spp (all species)*	PREVENTION	STATE
Holly-leaved senecio	*Senecio glastifolius*	CONTAINMENT	REGIONAL
Honey locust	*Gleditsia tricanthos*	CONTAINMENT	LOCAL
Horsetails	*Equisetum spp.*	CONTAINMENT	REGIONAL
Hydrocotyl/Water pennywort	*Hydrocotyle ranunculoides*	PREVENTION	STATE
Hygrophilla	*Hygrophilla costata*	ERADICATION	REGIONAL
Hymenachne	*Hymenachne amplexicaulis*	ASSET	STATE
Karoo acacia	*Vachellia karroo (syn. Acacia karroo)*	PREVENTION	STATE
Kei apple	*Dovyalis caffra*	ERADICATION	REGIONAL
Kidney leaf mud plantain	*Heteranthera reniformis*	ERADICATION	REGIONAL
Kochia	*Bassia scoparia (excluding subsp. trichophylla)*	PREVENTION	STATE
Koster's curse	*Clidemia hirta*	PREVENTION	STATE
Kudzu	*Pueraria lobata*	ERADICATION	REGIONAL
Lagarosiphon	*Lagarosiphon major*	PREVENTION	STATE
Lantana	*Lantana camara*	ASSET	STATE
Leaf cactus	*Pereskia aculeata*	ERADICATION	REGIONAL
Leafy elodea	*Egeria densa*	CONTAINMENT	LOCAL
Lippia	*Phyla canescens*	ERADICATION	LOCAL
Long leaf willow primrose	*Ludwigia longifolia*	CONTAINMENT	LOCAL
Madeira vine	*Anredera cordifolia*	ASSET	STATE

Asparagus Weed Broadleaf Pepper Cats Claw Creeper

COMMON NAME	BOTANICAL NAME	OBJECTIVE	LISTING
Mesquite	*Prosopis spp.*	ASSET	STATE
Mexican feather grass	*Nassella tenuissima (syn. Stipa tenuissima)*	PREVENTION	STATE
Miconia	*Miconia spp. (all species)*	PREVENTION	STATE
Mikania vine	*Mikania micrantha*	PREVENTION	STATE
Mimosa	*Mimosa pigra*	PREVENTION	STATE
Ming fern	*Asparagus macowanii var. zuluensis*	ERADICATION	REGIONAL
Mother of millions	*Bryophyllum species*	ASSET	LOCAL
Mysore thorn	*Caesalpinia decapetala*	ERADICATION	REGIONAL
Nodding thistle	*Carduus nutans*	PREVENTION	REGIONAL
Opuntia	*Opuntia spp., Cylindropuntia spp., Austrocylindropuntia spp. (Excludes O. ficus- indica)*	ASSET	STATE
Ox eye daisy	*Leucanthemum vulgare*	ERADICATION	LOCAL
Pampas grass	*Cortaderia jubata*	ASSET	REGIONAL
Paper mulberry	*Broussonetia papyrifera*	PREVENTION	LOCAL
Parkinsonia	*Parkinsonia aculeata*	ERADICATION	STATE
Parthenium weed	*Parthenium hysterophorus*	PREVENTION	STATE
Pond apple	*Annona glabra*	PREVENTION	STATE
Prickly acacia	*Vachellia nilotica (syn. Acacia nilotica)*	PREVENTION	STATE

Frogbit Kei Apple Opuntia

Rattlepods	*Crotolaria lunata*	ASSET	LOCAL
Rubber vine	*Cryptostegia grandiflora*	PREVENTION	STATE
Sagittaria	*Sagittaria platyphylla*	ASSET	STATE
Salvinia ††	*Salvinia molesta*	ASSET	STATE
Scotch/English broom ‡	*Cytisus scoparius subsp. scoparius*	ASSET	STATE
Sea spurge	*Euphorbia paralias*	CONTAINMENT	REGIONAL
Senegal tea	*Gymnocoronis spilanthoides*	CONTAINMENT	REGIONAL
Serrated tussock ††	*Nassella trichotoma*	ASSET	STATE
Siam weed	*Chromolaena odorata*	PREVENTION	STATE
Sicilian sea lavender	*Limonium hyblaeum*	ERADICATION	REGIONAL
Sicklethorn	*Asparagus falcatus*	ERADICATION	REGIONAL
Silver-leaf nightshade	*Solanum elaeagnifolium*	ASSET	STATE
Singapore daisy	*Sphagneticola trilobata*	ASSET	REGIONAL
Skunk vine	*Paederia foetida*	ERADICATION	REGIONAL

COMMON NAME	BOTANICAL NAME	OBJECTIVE	LISTING
Spanish broom	*Spartium junceum*	PREVENTION	REGIONAL
Spotted knapweed	*Centaurea stoebe subsp.australis*	PREVENTION	STATE
Tropical soda apple	*Solanum viarum*	ERADICATION	STATE
Water caltrop	*Trapa spp. (all species)*	PREVENTION	STATE
Water hyacinth	*Eichhornia crassipes*	CONTAINMENT	STATE
Water lettuce	*Pistia stratiotes*	PREVENTION	REGIONAL
Water poppy	*Hydrocleys nymphoides*	CONTAINMENT	REGIONAL
Water soldier	*Stratiotes aloides*	PREVENTION	STATE
Water star grass	*Heteranthera zosterifolia*	PREVENTION	REGIONAL
White blackberry / Mysore raspberry	*Rubus niveus*	PREVENTION	REGIONAL
Willow-leaf primrose/ Water primrose	*Ludwigia peruviana*	ASSET	REGIONAL
Willows †	*Salix spp.(excludes S.babylonica, S.X calodendron & S. x reichardtiji)*	ASSET	STATE
Witchweed	*Striga spp. (except the native S. parviflora)*	PREVENTION	STATE
Yellow bells	*Tecoma stans*	ERADICATION	LOCAL
Yellow burrhead	*Limnocharis flava*	PREVENTION	STATE

Salvinia Senegal Tea Water Poppy

ADMINISTRATION

Condition of Public Works

Council operates as a special (single) purpose authority which is to control declared priority weeds on the four constituent Councils roads and reserves. Council does not own public facilities as referred to in Section 428(2)(d) of the Local Government Act, 1993.

The only non-current assets held by Council are listed below:

A. Freehold Land
Re-valued July, 2019

B. Works Depot/Administration Office
Re-valued June, 2020.
Building in satisfactory condition.

C. Vehicles & Other Plant and Equipment
(i)Vehicles are only kept generally for 3 years or 60,000 km, whichever occurs first.
All vehicles are in first class condition.
(ii) Other plant and equipment are all in good condition.

D. Furniture and Fittings
Most is in a good condition.

Legal Proceedings

No legal proceedings were taken during the year for offences involving the failure to control declared priority weeds.

There were no outstanding legal matters carried forward.

Elected Members

Council has adopted a policy, "Payment of Expenses and the Provision of Facilities to Members". The objective of this policy is to reimburse the chairperson and members for expenses reasonably incurred in performing their duties and to provide them with a standard and range of facilities in discharging the functions of civic office.

The following allowances, fees and expenses have been provided to Members or incurred as a result of their activities during 2019/2020:

Chairperson's Allowance	$11,060
Members' Fees	$48,342
Travelling Expenses	$876
Conference & Delegates Expenses	NIL
Local Government Association Subscriptions	$1,878
Insurance	$7,278
Miscellaneous Council Expenses	$3,000

Limited use of facilities is available in accordance with Council's policy and no other expenses were incurred.

Attendance at Meetings by Board Members 2019/20 (Maximum 6)

Member	Council	Meetings	Notes
Clr. Brad Bunting	Blacktown	6	Elected 9/16.
Clr. Marcus Cornish	Penrith	4	Elected 9/12.
Clr. Julie Griffiths	Blacktown	5	Elected 4/17.
Clr. Amanda Kotlash	Hawkesbury	6	Elected 9/16.
Clr. Karen McKeown OAM	Penrith	5	Elected 9/16.
Clr. Samuel Uno	The Hills	3	Elected 2/20.
Clr. Nathan Zamprogno	Hawkesbury	6	Elected 9/16. Chair
Clr. Robyn Preston	The Hills	5	Elected 10/18. Deputy
Clr. Brooke Collins OAM	The Hills	2	Elected 9/17.

Senior Staff Remuneration

The total remuneration provided during the year, comprising the salary and employer's contribution to superannuation, including payments of accumulated benefits was $149K.

The General Manager is the only Senior Staff member. He commenced his duties on 1 November 2010.

Major Contracts Awarded

No major contracts were awarded during the year.

Bush Fire Hazard Reduction Program

Council is a special (single) purpose authority charged with responsibilities for Declared Priority Weeds. Thus, bush fire activities are not within Council's functions.

Private Works

Council provided a contract spraying and aquatic weed harvesting services. Most of the work carried out during the year was undertaken on behalf of Constituent Councils,

State Government Agencies or Departments, regular private property weed control activities is taking place, however these are generally of low economic value. Quite a proportion of these works arise from requests from landholders whom have been visited by council inspectors.

Contributions/Donations

There were no contributions or donations under Section 356 of the Local Government Act.

Human Resources Activities

Most staff undertook a number of training courses to assist them in their career development, and necessary, to meet appropriate certification and license requirements. Please also refer to Priority Weeds Control Operations Report and Performance Management Report for further Human Resources Activities.

Activities to Implement EEO Management Plan

An Equal Opportunity Management Policy and strategies were adopted in accordance with the Local Government Act 1993. All Council articles and policies adhere to EEO policies. A harassment policy and anti-bullying policy has been adopted and a contact officer has been appointed as the first point of contact. EEO and anti-discrimination publications and articles concerning sexual harassment are all distributed to staff when received.

Number of Staff

Full-time	8
Trainee	2
Part Time	3
Casual	0
TOTAL EFT (Equivalent Full Time)	*12.2*

External Bodies Exercising Council Functions

There were no external bodies to which Council delegated any of its functions.

Controlling Interest in Companies

Council did not hold a controlling interest in any companies either singularly or jointly with other Councils.

Partnerships, Co-operatives and Joint Ventures

Council was not a party to any partnerships, co-operatives or joint ventures.

Rates and Charges Written Off

Council is not a rating authority and therefore rates and extra charges are not written off. No debts were written off.

Overseas Visits Funded by Council

There were no overseas visits undertaken during the year by Council Members or staff.

Activities for Children

Council is a single purpose authority charged with the administration of declared priority weeds. Thus activities for children are not within Council's functions.

Access and Equity Service to All

Council advertised services and access to services, as required by the Local Government Act. However, for this "single purpose" County Council, only minimal advertising was necessary.

Government Information (Public Access) Act 2009 (GIPA Act) – Statistical Report

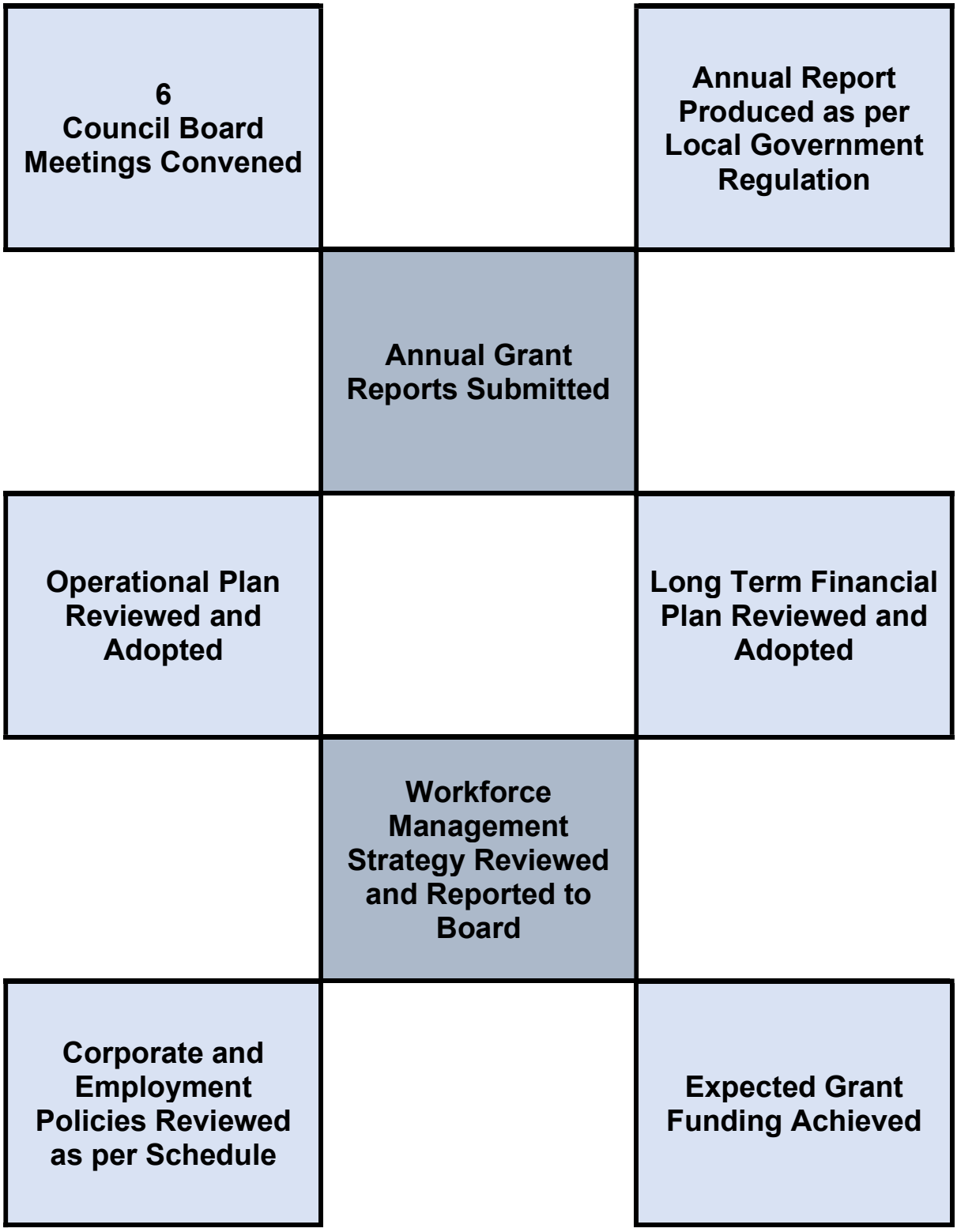
The statistics for requests for information via GIPA Act were as follows

	2019/2020
Public Info Requests	Nil
Public Info Results	Nil

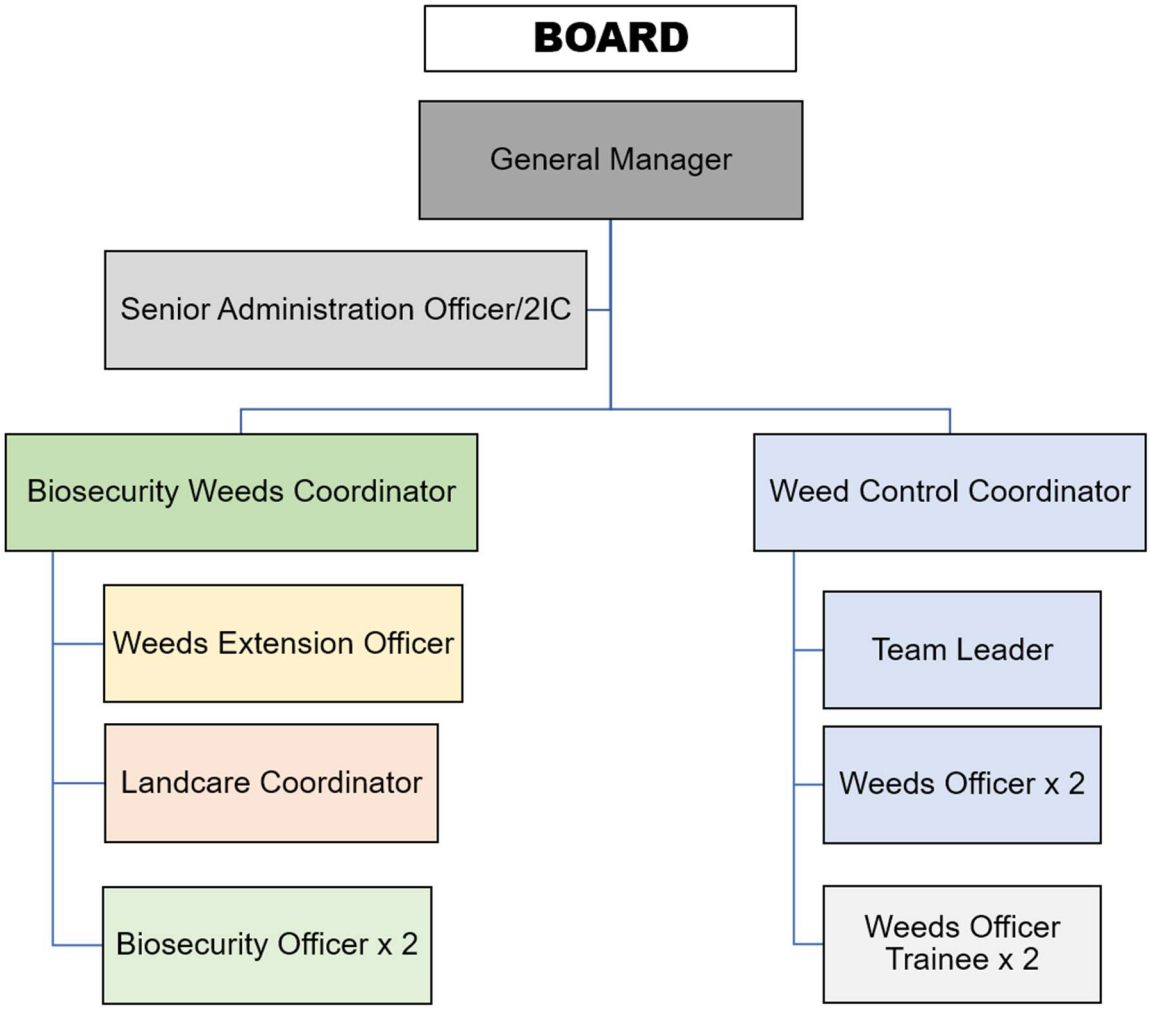
There are no circumstances in which the Ombudsman has made enquiries of Council.

Council has published its "Publication Guide" on the website under the guidelines of the Act. This guide navigates public access to Council information.

GOVERNANCE HIGHLIGHTS



HRCC ORGANISATIONAL STRUCTURE



PLANNING AND POLICY DOCUMENTS

Council participates in the discharge of the following legislation, policy and plans:

State Legislation

Local Government Act 1993 (and Regulations) (NSW)

Biosecurity Act 2015 (NSW)

Workplace Health and Safety Act 2012 (NSW)

Pesticides Act 1999 (NSW)

Government Information (Public Access) Act 2009 (NSW)

State Weeds Strategies

NSW Invasive Species Plan 2017-2022

Council Policies

Code of Conduct

Code of Meeting Practice (OLG)

Payment of Expenses and Provision of Facilities to Council Members

Procurement Policy

Protected Disclosures Act 1994 – Internal Reporting Policy

Staff Records Management

Anti-Bullying Policy

Vehicle Leaseback Management Policy

Investment Policy

Pesticide Use Notification Plan

Biosecurity Local Weeds Plan

Employee Assistance Program

Pandemic Response Policy

Local Procedures and Plans

Financial Reports; Auditor's Reports and Annual Reports to the Community

Delegation of Authority – via Council Minutes.

10 Year Business Activity Statement 2017-2027 (includes Resourcing Strategy)

4 Year Delivery Plan 2017-2021

Operational Plan 2019/2020

Minutes of Council and Committee Meetings

Minutes of All Staff Meetings

Authorised Officers – Authority and Powers of Entry

Pecuniary Interest Disclosures – Members, General Manager, Operations Manager, Authorised Officers

Register of Investments

Summary and Statement of Affairs

Process for Inspection of Private Properties

Pandemic Response Plan

Employee Management

Personal Files

Values Statement

E. E. O

WHS System

Special Leave for Emergencies and Fire Fighting

Staff Recruitment & Procedures

Employee Policies and Procedures Register

MEMBER COUNCIL INFORMATION

Role of Council Members

Members' duties include attending Council and Committee meetings, and organised site inspections as required. They are responsible for making major decisions and deciding on policies which set the direction Council will take in its operations, services and activities. They are not paid a salary but receive a fee. Most Councillors have other full or part-time jobs.

Your Representatives

The Hills Shire Council

Clr Robyn Preston
PO Box 300
RICHMOND 2753
Mobile: 0419 200 300

Clr Samuel Uno
48 Highs Road
WEST PENNANT HILLS
Mobile**:** 0438 248 085

Blacktown City Council

Clr Brad Bunting
31 Shackleton Avenue
TREGEAR 2770
Mobile: 0429 858 532

Clr Julie Griffiths
15 Toomey Crescent
QUAKERS HILL 2763
Mobile**:** 0448 725 473

Hawkesbury City Council

Clr Amanda Kotlash
PO Box 14
KURMOND 2757
Mobile: 0427 039 714

Clr Nathan Zamprogno
332 Saunders Road
OAKVILLE 2765
Mobile: 0427 122 419

Penrith City Council

Clr Marcus Cornish
7 Darwin Drive
LAPSTONE 2773
Mobile: 0481 033 419

Clr Karen McKeown OAM
52 Leonay Parade
LEONAY 2750
Mobile: 0401 995 945

MEMBER COUNCIL PROCESS

Each of the four constituent Councils elect two delegates from amongst their Councillors to comprise the governing body of the Hawkesbury River County Council.

If the number of Councillors seeking election is no more than the required two delegates, then membership of the County Council is by appointment of the constituent Council.

These elections or appointments take place after the constituent Councils quadrennial (four yearly) elections are finalised or to fill a casual vacancy.

The resultant eight, in the case of this County Council, comprise the governing body. For County Councils these delegates are referred to as “Members”.

The Chairperson is elected or, if unopposed appointed, in October each year.

The County Council meets regularly on a two monthly basis and at other times when required.

FINANCE, ACCOUNTING & ADMINISTRATION

Functions/Activity – Cost Report

Council's audited financial results are presented in the form of General Purpose Financial Statements. This same financial information is used in compiling this report which is based on the following functions/activities:

(i) Health – Noxious Weeds

Administration, inspections and weed control activities associated with priority weeds.

(ii) Economic Affairs

Private Works (Category 2 Business Activity) related to weed control on private lands and training services for O.H & S.

(iii) Governance

Costs relating to the Council's role as a component of democratic government, including members' fees and expenses, subscriptions to local authority associations, meetings of council and policymaking committees, reporting, area representation and public disclosure and compliance, together with related administration costs.

(iv) Administration

Costs not otherwise attributed to other functions.

A copy of Council's Audited Financial Statements 2019/2020 are included on the following pages.

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Hawkesbury River County Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020

Hawkesbury River County Council

General Purpose Financial Statements

for the year ended 30 June 2020

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Overview

Hawkesbury River County Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

6 Walker Street
South Windsor NSW 2756

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.hrcc.nsw.gov.au.

Hawkesbury River County Council

General Purpose Financial Statements
for the year ended 30 June 2020

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2020.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as ‘presenting fairly’ the Council’s financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement
Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income
Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position
A 30 June snapshot of Council's financial position indicating its assets, liabilities and “net wealth”.

4. The Statement of Changes in Equity
The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows
Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council’s financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council’s financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council’s financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Financial Statements 2020

Hawkesbury River County Council

General Purpose Financial Statements

for the year ended 30 June 2020

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the Local Government Act 1993 (NSW) (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

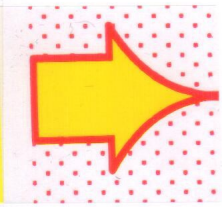
- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the *Local Government Code of Accounting Practice and Financial Reporting*.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 22 October 2020.



Clr Nathan Zamprogno
Chairperson
22 October 2020

Clr Robyn Preston
Deputy
22 October 2020

Chris Dewhurst
General Manager
22 October 2020

Chris Dewhurst
Responsible Accounting Officer
22 October 2020

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Hawkesbury River County Council

Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	$ '000	Notes	Actual 2020	Actual 2019
	Income from continuing operations			
68	User charges and fees	3a	88	53
51	Other revenues	3b	95	207
1,368	Grants and contributions provided for operating purposes	3c,3d	1,251	1,221
38	Interest and investment income	4	29	53
–	Net gains from the disposal of assets	6	28	8
1,525	**Total income from continuing operations**		1,491	1,542
	Expenses from continuing operations			
1,046	Employee benefits and on-costs	5a	901	979
134	Materials and contracts	5b	146	261
87	Depreciation and amortisation	5c	118	96
229	Other expenses	5d	237	229
1,496	**Total expenses from continuing operations**		1,402	1,565
29	**Operating result from continuing operations**		89	(23)
29	Net operating result for the year		89	(23)
–	Net operating result attributable to council		89	(23)
–	**Net operating result for the year before grants and contributions provided for capital purposes**		89	(23)

The above Income Statement should be read in conjunction with the accompanying notes.

Hawkesbury River County Council

Statement of Comprehensive Income

for the year ended 30 June 2020

$ '000	Notes	2020	2019
Net operating result for the year (as per Income Statement)		**89**	**(23)**
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10	–	433
Total items which will not be reclassified subsequently to the operating result		–	433
Total other comprehensive income for the year		–	433
Total comprehensive income for the year		89	410
Total comprehensive income attributable to Council		89	410

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Hawkesbury River County Council

Statement of Financial Position
as at 30 June 2020

$ '000	Notes	2020	2019
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	616	856
Investments	7(b)	750	650
Receivables	8	17	31
Inventories	9a	6	11
Other	9b	19	7
Total current assets		1,408	1,555
Non-current assets			
Infrastructure, property, plant and equipment	10	1,500	1,465
Total non-current assets		1,500	1,465
Total assets		2,908	3,020
LIABILITIES			
Current liabilities			
Payables	12	58	403
Contract liabilities	11	193	–
Provisions	13	222	271
Total current liabilities		473	674
Total liabilities		473	674
Net assets		2,435	2,346
EQUITY			
Accumulated surplus	14	1,167	1,078
Revaluation reserves	14	1,268	1,268
Council Funds interest		2,435	2,346
Total equity		2,435	2,346

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Hawkesbury River County Council

Statement of Changes in Equity

for the year ended 30 June 2020

$ '000	Notes	as at 30/06/20 Accumulated surplus	as at 30/06/20 IPP&E revaluation reserve	as at 30/06/20 Total equity	as at 30/06/19 Accumulated surplus	as at 30/06/19 IPP&E revaluation reserve	as at 30/06/19 Total equity
Opening balance		1,078	1,268	2,346	1,101	835	1,936
Net operating result for the year		89	–	89	(23)	–	(23)
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	10	–	–	–	–	433	433
Other comprehensive income		–	–	–	–	433	433
Total comprehensive income		89	–	89	(23)	433	410
Equity – balance at end of the reporting period		1,167	1,268	2,435	1,078	1,268	2,346

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Hawkesbury River County Council

Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	$ '000	Notes	Actual 2020	Actual 2019
	Cash flows from operating activities			
	Receipts:			
–	User charges and fees		(105)	58
–	Investment and interest revenue received		36	55
–	Grants and contributions		1,402	2,420
–	Other		99	287
	Payments:			
–	Employee benefits and on-costs		(941)	(956)
–	Materials and contracts		(154)	(289)
–	Other		(352)	(1,657)
–	**Net cash provided (or used in) operating activities**	15b	(15)	(82)
	Cash flows from investing activities			
	Receipts:			
–	Redemption of investment securities		–	3,470
–	Sale of infrastructure, property, plant and equipment		28	8
	Payments:			
–	Renewal of investment securities		(100)	(2,540)
–	Purchase of infrastructure, property, plant and equipment		(153)	(35)
–	**Net cash provided (or used in) investing activities**		(225)	903
–	**Net increase/(decrease) in cash and cash equivalents**		(240)	821
–	Plus: cash and cash equivalents – beginning of year	15a	856	35
–	Cash and cash equivalents – end of the year	15a	616	856
–	plus: Investments on hand – end of year	7(b)	750	650
–	Total cash, cash equivalents and investments		1,366	1,506

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 22/10/2020. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

(a) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

(b) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

(i) estimated fair values of infrastructure, property, plant and equipment – refer Note 10
(ii) employee benefit provisions – refer Note 13.

Significant judgements in applying the council's accounting policies

(i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note 8.

Monies and other assets received by Council

(a) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council’s Consolidated Fund unless it is required to be held in the Council’s Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

(b) The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 Statement of Financial Position.

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

Volunteer services

Council does not rely on volunteers to perform its work. We have decided not to recognise the work done by Volunteers as we do not consider the amount to be material.

New accounting standards adopted during the year

During the year, Council adopted all standards which were mandatorily effective for the first time during the year ended 30 June 2020.

Those newly adopted standards which had an impact on reported position, performance and/or disclosures have been discussed in Note 14.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 2(a). Council functions/activities – financial information

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b).

$ '000	Income from continuing operations 2020	Income from continuing operations 2019	Expenses from continuing operations 2020	Expenses from continuing operations 2019	Operating result from continuing operations 2020	Operating result from continuing operations 2019	Grants included in income from continuing operations 2020	Grants included in income from continuing operations 2019	Carrying amount of assets 2020	Carrying amount of assets 2019
Functions or activities										
Governance	–	–	–	–	–	–	–	–	1,190	2,916
Environment	1,434	1,481	1,402	1,530	32	(49)	552	588	1,718	–
General Purpose Income	29	53	–	–	29	53	–	–	–	–
Other	28	8	–	–	28	8	(59)	(69)	–	104
Total functions and activities	1,491	1,542	1,402	1,530	89	12	493	519	2,908	3,020

Hawkesbury River County Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 2(b). Council functions/activities - component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Governance
Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

Environment
Noxious plants control.

General Purpose Income
Council receives Interest on the money it has Invested.

Other Revenue
Council receives Commissions & Agency Fees on the projects it manages.

Note 3. Revenue from continuing operations

$ '000	AASB	2020	2019
(a) User charges and fees			
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Issue certificate – property	1058	1	1
Private works – section 67	15	87	52
Total fees and charges – statutory/regulatory		88	53
TOTAL USER CHARGES AND FEES		88	53

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,
15 (2) indicates income recognised under AASB 15 “over time”,
1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while
1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for user charges and fees
Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as membership fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

2019 accounting policy
User charges and fees are recognised as revenue when the service has been provided.

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

$ '000	AASB	2020	2019
(b) Other revenues			
Commissions and agency fees	15	54	156
Employee contribution on motor vehicle		22	22
Sales – general		19	29
TOTAL OTHER REVENUE		95	207

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,
15 (2) indicates income recognised under AASB 15 “over time”,
1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while
1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

2019 accounting policy:
Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council’s activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Parking fees and fines are recognised as revenue when the service has been provided, or when the penalty has been applied, whichever occurs first.

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Commissions/Agency Fees are accrued Monthly.

$ '000	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(c) Grants					
Specific purpose					
Noxious weeds	15	493	519	–	–
Total specific purpose		493	519	–	–
Total grants		493	519	–	–
Grant revenue is attributable to:					
– State funding		493	519	–	–
		493	519	–	–

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

$ '000	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(d) Contributions					
Other contributions:					
Cash contributions					
Constituent councils	1058	758	702	–	–
Total other contributions – cash		758	702	–	–
Total other contributions		758	702	–	–
Total contributions		758	702	–	–
TOTAL GRANTS AND CONTRIBUTIONS		1,251	1,221	–	–

Accounting policy for grants and contributions

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:
15 (1) indicates income recognised under AASB 15 “at a point in time”,
15 (2) indicates income recognised under AASB 15 “over time”,
1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while
1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy from 1 July 2019

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue are recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement but include [provide details of performance obligations within AASB 15 grants e.g. events, vaccinations]. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council’s control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Unspent Grants as at 30/6/2020
Weeds Action Plan Grant 1520 $183,353
NSW DPI Aquatic Weed Prep $77,600
Local Landcare Cooord Grant $75,903

Note 4. Interest and investment income

$ '000	2020	2019
Interest on financial assets measured at amortised cost		
– Cash and investments	29	53
Finance income on the net investment in the lease	–	–
Total Interest and investment income	29	53
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
General Council cash and investments	29	53
Total interest and investment revenue	29	53

Accounting policy for interest and investment revenue

Interest income is recognised using the effective interest rate at the date that interest is earned.

Note 5. Expenses from continuing operations

$ '000	2020	2019
(a) Employee benefits and on-costs		
Salaries and wages	629	773
Employee leave entitlements (ELE)	171	107
Superannuation	75	72
Workers' compensation insurance	19	16
Fringe benefit tax (FBT)	1	2
Protective clothing	6	9
Total employee costs	901	979
TOTAL EMPLOYEE COSTS EXPENSED	901	979
Number of 'full-time equivalent' employees (FTE) at year end	13	15
Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies)	13	15

Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 19 for more information.

$ '000	2020	2019
(b) Materials and contracts		
Raw materials and consumables	17	9
Auditors remuneration [2]	14	16
Legal expenses:		
Expenses from short-term leases (2020 only)	–	–
Expenses from leases of low value assets (2020 only)	–	–
Expenses from Peppercorn leases (2020 only)	–	–
Variable lease expense relating to usage (2020 only)	–	–
Other grant and other programs	37	141
Plant running	78	95
Total materials and contracts	146	261
TOTAL MATERIALS AND CONTRACTS	146	261

2. Auditor remuneration

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services		
Audit and review of financial statements	14	16
Remuneration for audit and other assurance services	14	16
Total Auditor-General remuneration	14	16
Non NSW Auditor-General audit firms		
Total Auditor remuneration	14	16

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

$ '000	Notes	2020	2019
(c) Depreciation, amortisation and impairment of non-financial assets			
Depreciation and amortisation			
Plant and equipment		101	60
Office equipment		9	15
Infrastructure:	10		
– Buildings – specialised		8	21
Right of use assets		–	–
Total gross depreciation and amortisation costs		118	96
Total depreciation and amortisation costs		118	96
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT FOR NON-FINANCIAL ASSETS		118	96

Accounting policy for depreciation, amortisation and impairment expenses of non-financial assets

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

$ '000	2020	2019
(d) Other expenses		
Training costs (other than salaries and wages)	2	–
Travel expenses	(7)	–
Bank charges	1	1
Cleaning	4	3
Computer software charges	21	25
Depot services	7	23
Electricity and heating	3	3
Insurance	66	64
Member expenses – chairperson fee	11	11

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

$ '000	2020	2019
Member expenses – members' fees	48	47
Members' expenses (incl. chairperson) – other (excluding fees above)	4	4
Office expenses (including computer expenses)	14	4
Postage	2	2
Printing and stationery	4	4
Telephone and communications	12	9
Other	45	29
Total other expenses	237	229
TOTAL OTHER EXPENSES	237	229

Accounting policy for other expenses
Other expenses are recorded on an accruals basis as the Council receives the goods or services.

Note 6. Gain or loss from disposal of assets

$ '000	Notes	2020	2019
Plant and equipment	10		
Proceeds from disposal – plant and equipment		28	8
Net gain/(loss) on disposal		28	8
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		28	8

Accounting policy for disposal of assets
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

Note 7(a). Cash and cash equivalents

$ '000	2020	2019
Cash and cash equivalents		
Cash on hand and at bank	24	16
Cash-equivalent assets		
– Short-term deposits	592	840
Total cash and cash equivalents	616	856

Accounting policy for cash and cash equivalents
For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(b). Investments

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Investments				
'Financial assets at amortised cost'	750	–	650	–
Total Investments	750	–	650	–
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS	1,366	–	1,506	–
Financial assets at amortised cost				
Long term deposits	750	–	650	–
Total	750	–	650	–

Accounting policy for investments

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification
On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost
Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables,term deposits and cash and cash equivalents in the Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(c). Restricted cash, cash equivalents and investments

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Total cash, cash equivalents and investments	1,366	–	1,506	–
attributable to:				
External restrictions	170	–	154	–
Internal restrictions	–	–	–	–
Unrestricted	1,196	–	1,352	–
	1,366	–	1,506	–

$ '000	2020	2019
Details of restrictions		
External restrictions – included in liabilities		
Specific purpose unexpended grants – general fund (2020 only)	170	–
External restrictions – included in liabilities	170	–
External restrictions – other		
Specific purpose unexpended grants – WAP	–	154
External restrictions – other	–	154
Total external restrictions	170	154
TOTAL RESTRICTIONS	170	154

Note 8. Receivables

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Purpose				
Private works	–	–	9	–
Accrued revenues				
– Interest on investments	10	–	17	–
Amounts due from other councils	7	–	5	–
Total	17	–	31	–
TOTAL NET RECEIVABLES	17	–	31	–
Unrestricted receivables	**17**	**–**	**31**	**–**
TOTAL NET RECEIVABLES	17	–	31	–

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 9. Inventories and other assets

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
(a) Inventories				
(i) Inventories at cost				
Stores and materials	6	–	11	–
Total inventories at cost	6	–	11	–
TOTAL INVENTORIES	6	–	11	–
(b) Other assets				
Prepayments	19	–	7	–
TOTAL OTHER ASSETS	19	–	7	–

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Total externally restricted assets	–	–	–	–
Total internally restricted assets	–	–	–	–
Total unrestricted assets	25	–	18	–
TOTAL INVENTORIES AND OTHER ASSETS	25	–	18	–

Accounting policy for inventories and other assets

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment

	as at 30/06/19			Asset movements during the reporting period			as at 30/06/20		
$ '000	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions new assets	Carrying value of disposals	Depreciation expense	Gross carrying amount	Accumulated depreciation	Net carrying amount
Plant and equipment	1,129	(881)	248	247	(100)	(101)	1,276	(982)	294
Office equipment	138	(121)	17	6	–	(9)	144	(130)	14
Land:									
– Operational land	911	–	911	–	–	–	911	–	911
Infrastructure:									
– Buildings – specialised	495	(206)	289	–	–	(8)	495	(214)	281
Total Infrastructure, property, plant and equipment	2,673	(1,208)	1,465	253	(100)	(118)	2,826	(1,326)	1,500

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment (continued)

$ '000	as at 30/06/18			Asset movements during the reporting period			as at 30/06/19		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions new assets	Depreciation expense	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
Plant and equipment	1,104	(821)	283	25	(60)	–	1,129	(881)	248
Office equipment	133	(106)	27	5	(15)	–	138	(121)	17
Land:									
– Operational land	557	–	557	–	–	354	911	–	911
Infrastructure:									
– Buildings – specialised	411	(185)	226	5	(21)	79	495	(206)	289
Total Infrastructure, property, plant and equipment	2,205	(1,112)	1,093	35	(96)	433	2,673	(1,208)	1,465

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value. A valuation was done on the land & buildings as at 30/6/19 by an independent valuer and our land & buildings have been adjusted to match the independent valuer.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

When infrastructure, property, plant and equipment are acquired by Council for nil or nominal consideration, the assets are initially recognised at their fair value at acquisition date.

Land is not depreciated. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Council will obtain ownership at the end of the lease term. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and Equipment	Years	**Buildings**	Years
Office furniture & equipment	5 to 20	Buildings: masonry	50 to 100
Computer Equipment	4	Buildings: other	20 to 40
Vehicles	5 to 8		
Other plant and equipment	5 to 15		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Note 11. Contract assets and liabilities

$ '000	2020 Current	2020 Non-current
(i) Contract liabilities relating to restricted assets		
Externally restricted assets		
Unspent grants held as contract liabilities (excl. Water & Sewer)	193	–
Contract liabilities relating to externally restricted assets	193	–
Total contract liabilities relating to restricted assets	193	–
Total contract liabilities relating to unrestricted assets	–	–
Total contract liabilities	**193**	**–**

Accounting policy for contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 11. Contract assets and liabilities (continued)

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

(i) Externally restricted assets

There are no restrictions applicable to the above assets.

Note 12. Payables and borrowings

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Payables				
Accrued expenses:				
– Salaries and Wages & PAYG Withholding	48	–	37	–
– Expense other	14	–	31	–
Payments received in advance	–	–	337	–
ATO – net GST payable	(4)	–	(2)	–
Prepaid rates	–	–	–	–
Total payables	58	–	403	–
TOTAL PAYABLES AND BORROWINGS	58	–	403	–

Accounting policy for payables and borrowings

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables, bank and other loans and finance lease liabilities.

There has been no changes to the classification & measurement of financial liabilities under AASB9.

Payables

These amounts represent liabilities for goods and services provided to the council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Provisions

$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Provisions				
Employee benefits				
Annual leave	52	–	68	–
Long service leave	151	–	180	–
Annual leave – on costs	5	–	6	–
Long service leave – on costs	14	–	17	–
Sub-total – aggregate employee benefits	222	–	271	–
TOTAL PROVISIONS	222	–	271	–
(a) Provisions relating to restricted assets				
Total provisions relating to restricted assets	–	–	–	–
Total provisions relating to unrestricted assets	**222**	**–**	**271**	**–**
TOTAL PROVISIONS	222	–	271	–

$ '000	2020	2019
(b) Current provisions not anticipated to be settled within the next twelve months		
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	170	131
	170	131

(c) Description of and movements in provisions

		ELE provisions		
$ '000	Annual leave	Long service leave	Other employee benefits	Total
2020				
At beginning of year	68	180	23	271
Other	(16)	(29)	(4)	(49)
Total ELE provisions at end of year	52	151	19	222
2019				
At beginning of year	65	158	21	244
Other	3	22	2	27
Total ELE provisions at end of year	68	180	23	271

Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Provisions (continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Employee benefits

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve
The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

(b) Changes in accounting policies due to adoption of new accounting standards (not-retrospective)

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below:

Adjustments to the current year figures for the year ended 30 June 2020

Statement of Financial Position

(ii) AASB 15 and AASB 1058

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Council has reviewed and documented all Grants in relation to AASB 15.
- Council has rreviewed the changes to AASB 1058.

Transfer of control to a customer – over time or at a point in time
AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The entity has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Principal v agent
Prior to adoption of AASB 15, the Council had assessed that they were a principal in transactions where another party was involved in providing the goods or services including pass-through grants.

Under AASB 15, the indicators of a principal have changed and there are now a number of performance obligations within grant agreements where the Council is acting as an agent since the only obligation is to transfer the funds to a third party. The result is that Council can only recognise the “commission” to which they are entitled rather than the gross revenue and expenses. There is no change to reported profit.

Grants – operating
Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

Grants – capital
Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

Statement of Financial Position

$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassification	Remeasurement	Carrying amount under previous revenue standards	Notes
Current assets					
Cash and cash equivalents	616	–	–	616	
Investments	750	–	–	750	
Receivables	17	–	–	17	
Inventories	6	–	–	6	
Other	19	–	–	19	
Total current assets	1,408	–	–	1,408	
Current liabilities					
Payables	58	193	–	251	
Contract liabilities	193	(193)	–	–	
Provisions	222	–	–	222	
Total current liabilities	473	–	–	473	
Non-current assets					
Infrastructure, property, plant and equipment	1,500	–	–	1,500	
Total non-current assets	1,500	–	–	1,500	
Net assets	2,435	–	–	2,435	
Equity					
Accumulated surplus	1,167	–	–	1,167	
Revaluation reserves	1,268	–	–	1,268	
Council equity interest	2,435	–	–	2,435	
Total equity	2,435	–	–	2,435	

Income Statement

$ '000	Income Statement and comprehensive income under AASB 15 and AASB 1058	Reclassification	Remeasurement	Income Statement and comprehensive income under previous revenue standards	Notes
Income from continuing operations					
User charges and fees	88	–	–	88	
Other revenues	95	–	–	95	
Grants and contributions provided for operating purposes	1,251	–	–	1,251	

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

$ '000	Income Statement and comprehen-sive income under AASB 15 and AASB 1058	Reclassific-ation	Remeasur-ement	Income Statement and comprehen-sive income under previous revenue standards	Notes
Interest and investment income	29	–	–	29	
Net gains from the disposal of assets	28	–	–	28	
Total Income from continuing operations	1,491	–	–	1,491	
Expenses from continuing operations					
Employee benefits and on-costs	901	–	–	901	
Materials and contracts	146	–	–	146	
Depreciation and amortisation	118	–	–	118	
Other expenses	237	–	–	237	
Total Expenses from continuing operations	1,402	–	–	1,402	
Total Operating result from continuing operations	89	–	–	89	
Net operating result for the year	89	–	–	89	
Total comprehensive income	89	–	–	89	

$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Total equity	–	–	–

(c) Changes in accounting estimates

Nature and effect of changes in accounting estimates on future years

Council's assessment of the impact of upcoming new standards and interpretations that are likely to have an effect on Council's future financial statements, financial performance, financial position and cash flows are set out below:

Accounting Policies effective

Changes in accounting policy due to adoption of new accounting standards

i. Effective for the first time in 2018-19

The entity has adopted AASB 9 *Financial Instruments* (AASB 9), which resulted in changes in accounting policies in respect of recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 *Financial Instruments: Disclosures* (AASB 7R).

The entity applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 *Financial Instruments: Recognition and Measurement* (AASB 139). Any differences arising from the adoption of AASB 9 have been recognised directly in accumulated funds and other components of equity. See Note 6 for more information.

Accounting Policies not yet effective

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities

Apart from those standards listed above, there are no other released standards (with future effective dates) that are expected to have a material impact on Council.

Council has not elected to apply any pronouncements before their operative date in these financial statements.

AASB 15 Revenue from Contracts with Customers and associated amending standards.
AASB 15 Revenue from Contracts with Customers (AASB 15) is effective for reporting periods commencing on or after 1 January 2019. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised when control of goods or services is transferred to the customer at amounts that reflect the consideration to which the Council expects to be entitled in exchange for transferring the goods or services to the customer. Under AASB 118 Revenue (AASB 118), revenue recognition is currently based on when risks and rewards are transferred.

AASB 16 Leases
AASB 16 *Leases* (AASB 16) is effective from reporting periods commencing on or after 1 January 2019. AASB 16 will result in most of the operating leases of an entity being brought onto the statement of financial position. Council has assessed the impact to be immaterial as the Council does not have leases.

AASB 1058 Income of NFP Entities
AASB 1058 Income of Not-for-Profits (AASB 1058) is effective for reporting periods commencing on or after 1 January 2019 and will replace most of the existing requirements in AASB 1004 Contributions (AASB 1004). The scope of AASB 1004 is now limited mainly to parliamentary appropriations, administrative arrangements and contributions by owners. Under AASB 1058, the Council will need to determine whether a transaction is consideration received below fair value principally to enable the Council to further its objectives (accounted for under AASB 1058) or a revenue contract with a customer (accounted for under AASB 15).

Based on the impact assessments the Council has undertaken on currently available information, the Council has assessed the impact of AASB 15 and AASB 1058 to be insignificant due to limited changes in accounting of the grants which Council receives.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Statement of cash flow information

$ '000	Notes	2020	2019
(a) Reconciliation of cash and cash equivalents			
Total cash and cash equivalents per Statement of Financial Position	7(a)	616	856
Balance as per the Statement of Cash Flows		616	856
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		89	(23)
Adjust for non-cash items:			
Depreciation and amortisation		118	96
Net losses/(gains) on disposal of assets		(28)	(8)
+/– Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		14	859
Decrease/(increase) in inventories		5	(3)
Decrease/(increase) in other assets		(12)	(1)
Increase/(decrease) in other accrued expenses payable		(6)	(116)
Increase/(decrease) in other liabilities		(339)	(913)
Increase/(decrease) in contract liabilities		193	–
Increase/(decrease) in employee leave entitlements		(49)	27
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		(15)	(82)

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

Fair value is determined as follows:

- **Cash** and **cash equivalents, receivables, payables, term deposits** – are estimated to be the carrying value that approximates market value.
- Financial assets classified (i) **'at fair value through profit and loss'** or (ii) **'available-for-sale'** – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.
- Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(a) Market risk – price risk and interest rate risk

The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

	Increase of values/rates		Decrease of values/rates	
$ '000	**Profit**	**Equity**	**Profit**	**Equity**
2020				
Possible impact of a 1% movement in interest rates	12	–	(12)	–
2019				
Possible impact of a 1% movement in interest rates	14	–	(14)	–

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Financial risk management (continued)

(b) Credit risk

Council's major receivables comprise (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Receivables - non-rates and annual charges
Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due. Historically our bad debts are nil.

$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2020						
Gross carrying amount	17	–	–	–	–	17
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–
2019						
Gross carrying amount	31	–	–	–	–	31
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

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Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Financial risk management (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

$ '000	Weighted average interest rate	Subject to no maturity	payable in: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2020							
Trade/other payables	0.00%	–	251	–	–	251	58
Total financial liabilities		–	251	–	–	251	58
2019							
Trade/other payables	0.00%	–	403	–	–	403	403
Total financial liabilities		–	403	–	–	403	403

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Material budget variations

Council's original financial budget for 19/20 was adopted by the Council on 13/06/2019 and is unaudited.

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Material variations represent those variances between the original budget figure and the actual result that amount to **10%** or more.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

$ '000	2020 Budget	2020 Actual	2020 -------- Variance --------		
REVENUES					
User charges and fees	68	88	20	29%	F
Other revenues	51	95	44	86%	F
Operating grants and contributions	1,368	1,251	(117)	(9)%	U
Interest and investment revenue	38	29	(9)	(24)%	U
Net gains from disposal of assets	–	28	28	∞	F
EXPENSES					
Employee benefits and on-costs	1,046	901	145	14%	F
Materials and contracts	134	146	(12)	(9)%	U
Depreciation and amortisation	87	118	(31)	(36)%	U
Other expenses	229	237	(8)	(3)%	U
STATEMENT OF CASH FLOWS					
Cash flows from operating activities	–	(15)	(15)	∞	U
Cash flows from investing activities	–	(225)	(225)	∞	U

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Fair Value Measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) Assets and liabilities that have been measured and recognised at fair values

		Fair value measurement hierarchy			
2020	Date of latest valuation	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobserv-able inputs	Total
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Land at Fair Valuation	30/06/20	–	–	911	911
Buildings at Fair Valuation	30/06/20	–	–	281	281
Total infrastructure, property, plant and equipment		–	–	1,192	1,192

		Fair value measurement hierarchy			
2019	Date of latest valuation	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobserv-able inputs	Total
Recurring fair value measurements					
Infrastructure, property, plant and equipment					
Land at Fair Valuation	30/06/19	–	–	911	911
Buildings at Fair Valuation	30/06/19	–	–	289	289
Total infrastructure, property, plant and equipment		–	–	1,200	1,200

Note that capital WIP is not included above since it is carried at cost.

(2) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Infrastructure, property, plant and equipment (IPP&E)

For the Land & Buildings, the Council uses a registered Valuer to determine the fair value every 5 years.

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Fair Value Measurement (continued)

(3) Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Related party disclosures

Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

There were no other transactions with KMP and their related parties in the current year.

The aggregate amount of KMP compensation included in the Income Statement is:

$ '000	2020	2019
Compensation:		
Short-term benefits	162	160
Total	162	160

Note 20. Events occurring after the reporting date

Council has been slightly effected by Covid-19. We have stopped face to face meetings, closed the depot to the public, Council Meetigs are now held Remotely, workshops for grants have been put on hold, are staff are takeing the necessary precautions to stay safe. Some of our work has been slightly delayed and there has been a small expenditure on Personal Protective Equipment to keep staff safe. Overall we do not believe that Covid-19 will have a material impact.

Council has closely monitored the economic impacts (both locally and globally) arising from the outbreak of the COVID-19 pandemic and the implications in preparing these financial statements. Council will continue to monitor the actions and directives issued by both State and Federal Government's to ensure that the spread of COVID-19 is eradicated and assist local economic recovery in a fiscally responsible manner. Council is closely monitoring the developments and implications of the COVID-19 pandemic in the coming financial year through the detailed scenarios and business continuity planning to minimise operational business interruptions. No other matters have arisen subsequent to the balance date that would require these Financial Statements to be amended.

We are unaware of any other material or significant 'non-adjusting events' that should be disclosed.

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21(a). Statement of performance measures – consolidated results

$ '000	Amounts 2020	Indicator 2020	Prior periods 2019	Prior periods 2018	Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2]	**61**	**4.17%**	(2.02)%	(4.26)%	>0.00%
Total continuing operating revenue excluding capital grants and contributions [1]	**1,463**				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions [1]	**212**	**14.49%**	20.40%	21.09%	>60.00%
Total continuing operating revenue [1]	**1,463**				
3. Unrestricted current ratio					
Current assets less all external restrictions	**1,238**	**11.25x**	2.58x	1.40x	>1.50x
Current liabilities less specific purpose liabilities	**110**				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation [1]	**179**	∞	∞	∞	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	**–**				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	**1,366**	**11.33 mths**	6.23 mths	14.30 mths	>3.00 mths
Monthly payments from cash flow of operating and financing activities	**121**				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21(b). Statement of performance measures – by fund

$ '000	General Indicators [3] 2020	2019	Benchmark
1. Operating performance ratio			
Total continuing operating revenue excluding capital grants and contributions less operating expenses [1, 2] / Total continuing operating revenue excluding capital grants and contributions [1]	**4.17%**	(2.02)%	>0.00%
2. Own source operating revenue ratio			
Total continuing operating revenue excluding capital grants and contributions [1] / Total continuing operating revenue [1]	**14.49%**	20.40%	>60.00%
3. Unrestricted current ratio			
Current assets less all external restrictions / Current liabilities less specific purpose liabilities	**11.25x**	2.58x	>1.50x
4. Debt service cover ratio			
Operating result before capital excluding interest and depreciation/impairment/amortisation [1] / Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	**∞**	∞	>2.00x
6. Cash expense cover ratio			
Current year's cash and cash equivalents plus all term deposits / Payments from cash flow of operating and financing activities	**11.33 mths**	6.23 mths	>3.00 mths

(1) - (2) Refer to Notes at Note 31a above.

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

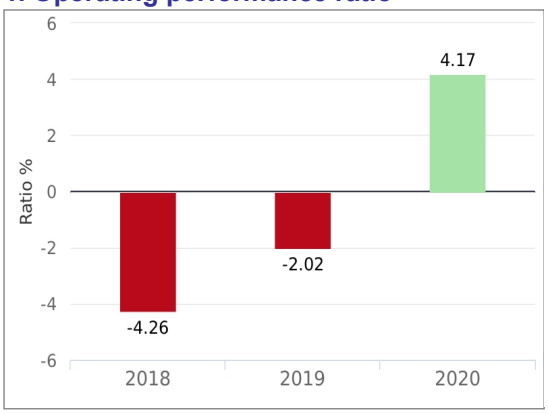
Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21(c). Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2019/20 result

2019/20 ratio 4.17%

This is a pleasing result this year after much hard work.

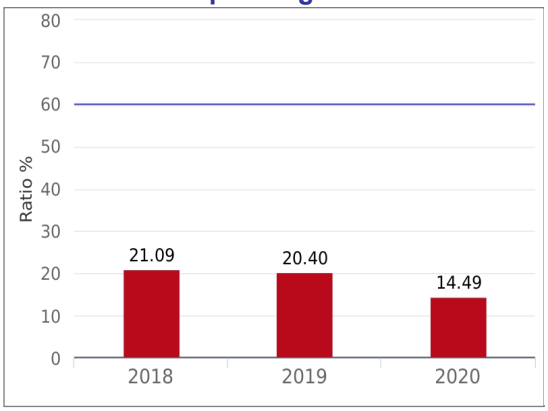
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2019/20 result

2019/20 ratio 14.49%

Council relies on external funding sources.

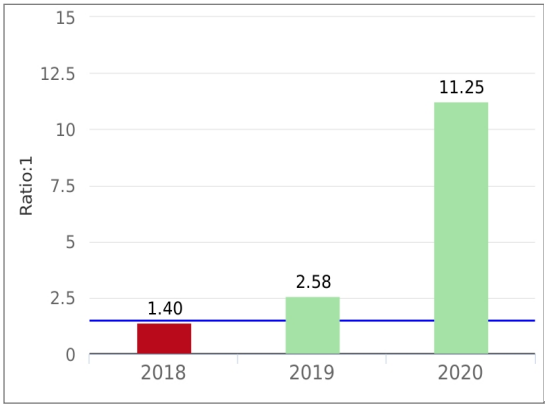
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2019/20 result

2019/20 ratio 11.25x

Council has adequate working capital to cover its short term activities.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

continued on next page ...

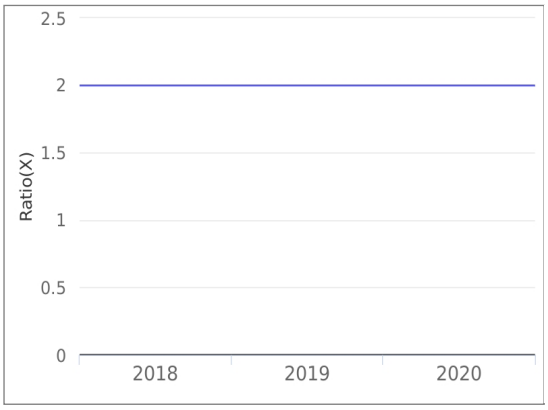
Hawkesbury River County Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21(c). Statement of performance measures – consolidated results (graphs)

4. Debt service cover ratio



Purpose of debt service cover ratio	Commentary on 2019/20 result
	2019/20 ratio ∞
This ratio measures the availability of operating cash to service debt including interest, principal and lease payments	N/A

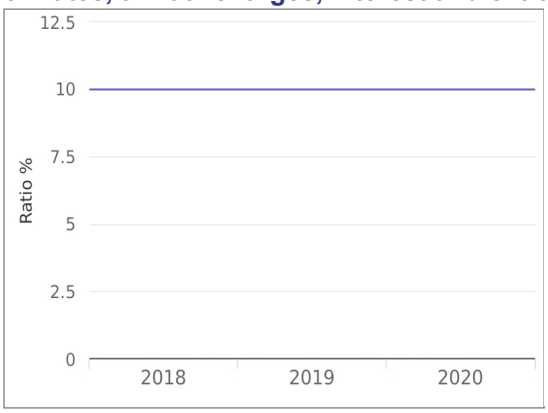
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates, annual charges, interest and extra charges outstanding percentage



Purpose of rates, annual charges, interest and extra charges outstanding	Commentary on 2019/20 result
	2019/20 ratio ∞
To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.	N/A

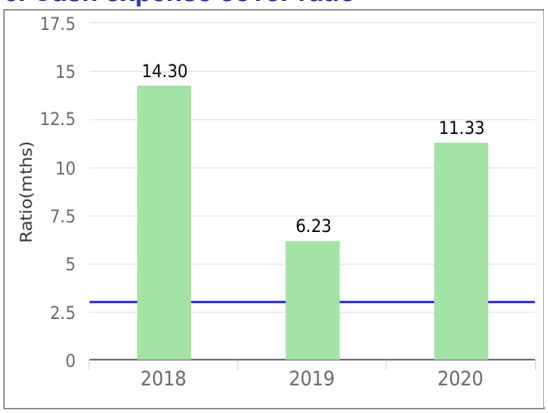
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio	Commentary on 2019/20 result
	2019/20 ratio 11.33 mths
This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.	We believe we will not have a short term problem meeting our future obligations.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

Hawkesbury River County Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 22. Financial review

Note 22. Financial review

(a) Review and commentary on Council's financial result

Review and commentary on Council's financial result
Review and commentary on Council's financial position
Review and commentary on Council's cash flows

$ '000	2020	2019	2018	2017	2016
(b) Key financial figures of Council over the past 5 years					
Inflows:					
User charges revenue	88	53	76	–	–
Interest and investment revenue (losses)	29	53	48	–	–
Grants income – operating and capital	493	519	519	–	–
Total income from continuing operations	1,491	1,542	1,527	–	–
Sale proceeds from I,PP&E	28	8	78	–	–
Outflows:					
Employee benefits and on-cost expenses	901	979	1,105	–	–
Materials and contracts expenses	146	261	159	–	–
Total expenses from continuing operations	1,402	1,565	1,595	–	–
Total cash purchases of I,PP&E	153	35	121	–	–
Operating surplus/(deficit) (excl. capital income)	89	(23)	(68)	–	–
Financial position figures					
Current assets	1,408	1,555	2,519	–	–
Current liabilities	473	674	1,676	–	–
Net current assets	935	881	843	–	–
Available working capital (Unrestricted net current assets)	1,180	998	731	–	–
Cash and investments – unrestricted	1,196	1,352	1,259	–	–
Cash and investments – total	1,366	1,506	1,615	–	–
Total value of I,PP&E (excl. land and earthworks)	1,915	1,762	1,648	–	–
Total accumulated depreciation	1,326	1,208	1,112	–	–
Indicative remaining useful life (as a % of GBV)	31%	31%	33%	37%	100%

Source: published audited financial statements of Council (current year and prior year)

Note 23. Council information and contact details

continued on next page ...

Hawkesbury River County Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 23. Council information and contact details (continued)

Principal place of business:
6 Walker Street
South Windsor NSW 2756

Contact details

Mailing Address:
PO Box 6021
South Windsor DC 2756

Telephone: (02) 4574 9600
Facsimile: (02) 4587 7354

Opening hours:
8:30am - 4:00pm
Monday to Friday

Internet: www.hrcc.nsw.gov.au
Email: council@hrcc.nsw.gov.au

Officers
General Manager
Chris Dewhurst

Responsible Accounting Officer
Chris Dewhurst

Public Officer
Chris Dewhurst

Auditors
Audit Office of NSW
Level 19, Tower 2 Darling Park
201 Sussex St
Sydney NSW 2000

Elected members
Chairperson
Clr Nathan Zamprogno

Councillors
Clr. Nathan Zamprogno
Clr. Robyn Preston
Clr. Marcus Cornish
Clr. Karen McKeown OAM
Clr. Samuel Uno
Clr. Julie Griffiths
Clr. Brad Bunting
Clr Amanda Kotlash

Other information
ABN: 21 896 475 470

Mr Chris Dewhurst
General Manager
Hawkesbury River County Council
6 Walker Street
SOUTH WINDSOR NSW 2756

Contact: Kenneth Leung
Phone no: 02 9275 7257
Our ref: D2026389/1818

10 November 2020

Dear Mr Dewhurst

Report on the Conduct of the Audit

for the year ended 30 June 2020

Hawkesbury River County Council

I have audited the general purpose financial statements (GPFS) of the Hawkesbury River County Council (the Council) for the year ended 30 June 2020 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2020 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

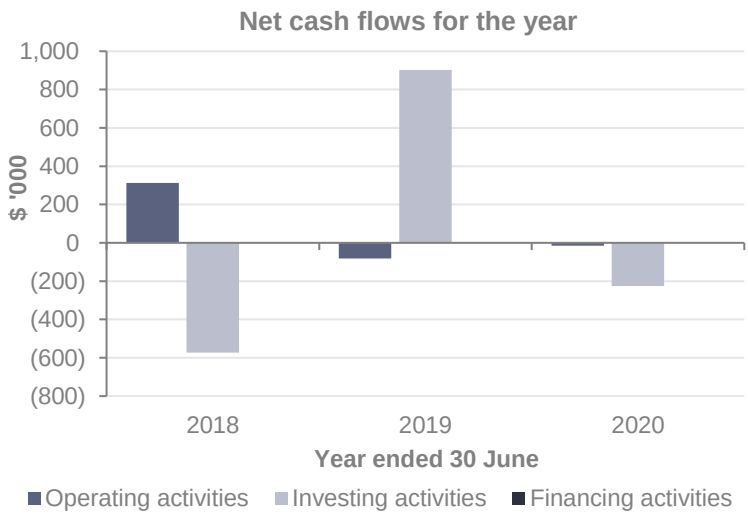
	2020 $'000	2019* $'000	Variance %
Rates and annual charges revenue	88	53	66
Grants and contributions revenue	1,251	1,221	2.5
Operating result from continuing operations	89	(23)	487
Net operating result before capital grants and contributions	89	(23)	487

The Council's operating result from continuing operations ($89,000 including depreciation and amortisation expense of $118,000) was $112,000 higher than the 2018–19 result.

The improvement was mainly due to the decrease in materials and contracts expenses of $115,000 and decrease in employee benefits and on-costs of $78,000, offset by decreases in other revenues.

STATEMENT OF CASH FLOWS

- Cash outflows in operating activities decreased mainly due to a reduction in grants and contributions received.
- Cash flows from investing activities decreased as there were no proceeds from redemption of investment securities in 2019-20.
- The Council does not engage in any financing activities.



FINANCIAL POSITION

Cash and investments

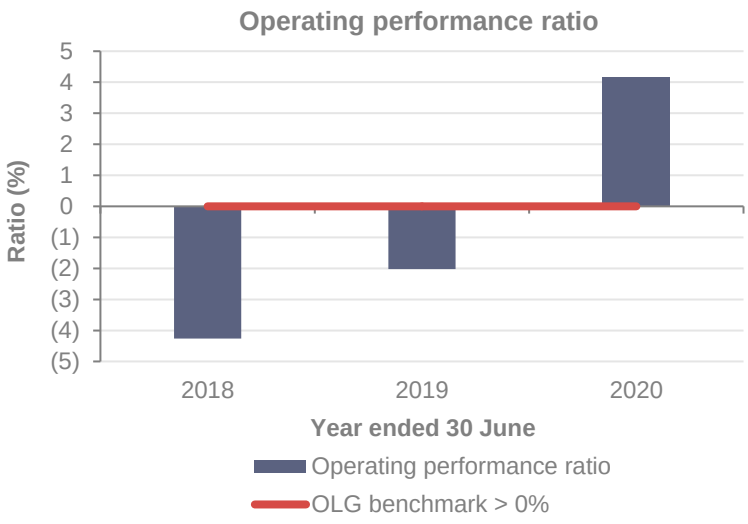
Cash and investments	2020	2019	Commentary
	$'000	$'000	
External restrictions	170	154	• Externally restricted funds relate to specific purpose unexpended grants, which increased in the current year.
Unrestricted	1,196	1,352	
Cash and investments	**1,366**	**1,506**	• Unrestricted cash is used to meet day-to-day obligations.

PERFORMANCE

Operating performance ratio

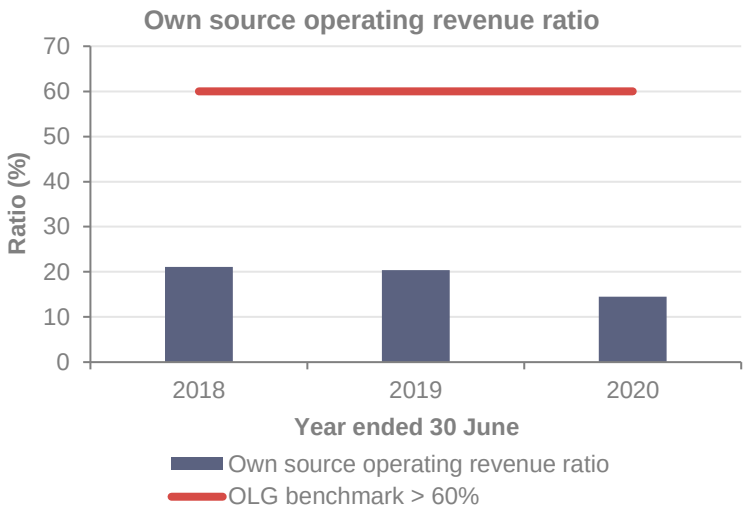
- Council met the industry benchmark in 2019-20 as revenue exceeds spending.
- The ratio has improved in 2019-20 due to the increase in the net operating results as noted above.

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

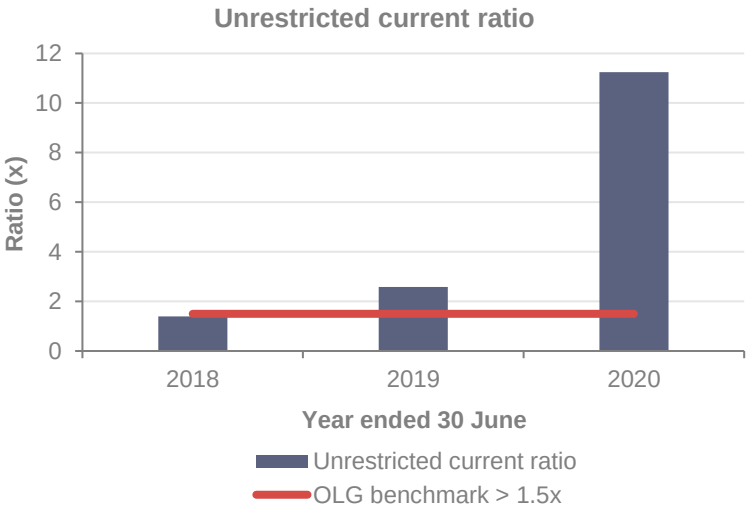
- Council has not met the industry benchmark in the last three years.
- This ratio has remained fairly stable year on year.
- The ratio reflects that the Council's main source of income is derived from government grants and contributions. This is expected given the Council was established for a specific purpose.



The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

Unrestricted current ratio

- Council has met the industry benchmark in the last two years.
- The ratio increased from last year due to reduced current liabilities.
- This ratio indicates that Council currently has $11.25 of unrestricted current assets available to service every $1.00 of its unrestricted current liabilities.

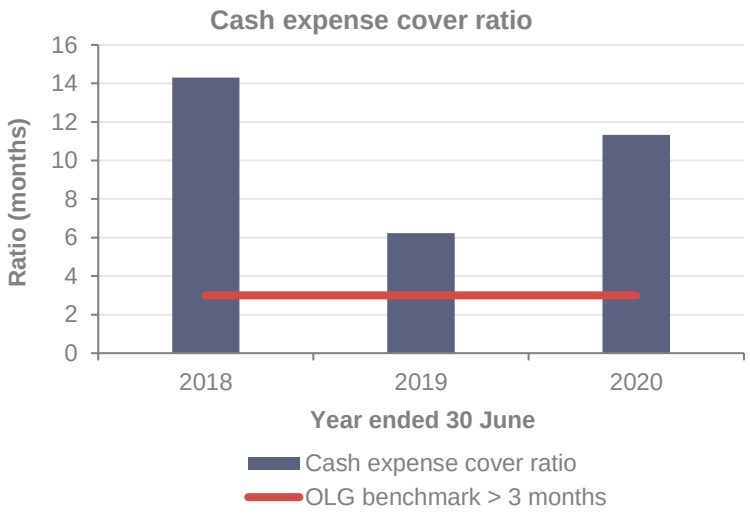


The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

Cash expense cover ratio

- Council has exceeded the industry benchmark for the past three years.
- This indicates that Council had the capacity to cover over 11 months of cash expenditure without additional cash inflows at 30 June 2020.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



OTHER MATTERS

Impact of new accounting standards

AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income for Not-for-Profit Entities'

The Council adopted the new accounting standards AASB 15 'Contracts with Customers' and AASB 1058 'Income of Not-for-Profit Entities' (collectively referred to as the Revenue Standards) for the first time in their 2019–20 financial statements.

AASB 15 introduces a new approach to recognising revenue based on the principle that revenue is recognised when control of a good or service transfers to a customer. AASB 15 impacts the timing and amount of revenue recorded in a councils' financial statements, particularly for grant revenue. AASB 15 also increases the amount of disclosures required.

AASB 1058 prescribes how not-for-profit entities account for transactions conducted on non-commercial terms and the receipt of volunteer services. AASB 1058 significantly impacts the timing and amount of income recorded in a councils' financial statements, particularly for grant income and rates which are paid before the commencement of the rating period.

The Council was not required to recognise an adjustment to opening accumulated surplus at 1 July 2019 on adoption of the new Revenue Standards.

The Council disclosed the impact of adopting the new Revenue Standards in Note 14 and assessed the impact as not being significant.

AASB 16 'Leases'

The Council adopted the new accounting standard AASB 16 'Leases' for the first time in their 2019–20 financial statements.

AASB 16 changes the way lessees treat operating leases for financial reporting. With a few exceptions, operating leases will now be recorded in the Statement of Financial Position as a right-of-use asset, with a corresponding lease liability.

AASB 16 results in lessees recording more assets and liabilities in the Statement of Financial Position and changes the timing and pattern of expenses recorded in the Income Statement.

The Council disclosed the impact of adopting AASB 16 in Note 14, as having no material effect. No right-of-use assets and lease liabilities were required to be recognised by Council at 1 July 2019 on adoption of AASB 16.

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

Kenneth Leung
Delegate of the Auditor-General for New South Wales

cc: Cr Nathan Zamprogno, Chairperson

INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Hawkesbury River County Council

To the Councillors of Hawkesbury River County Council

Opinion

I have audited the accompanying financial statements of Hawkesbury River County Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 17 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Kenneth Leung
Delegate of the Auditor-General for New South Wales

10 November 2020
SYDNEY