

# Richmond Tweed Regional Library

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2023

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Richmond Tweed Regional Library  
Special Purpose Financial Statements  
for the year ended 30 June 2023

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# Richmond Tweed Regional Library

## Special Purpose Financial Statements

for the year ended 30 June 2023

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### Statement by Richmond Tweed Library Committee and Management

Where considered applicable the attached Financial Statements have been prepared in accordance with:

- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the *Local Government Code of Accounting Practice and Financial Reporting*, where considered relevant to Member Councils

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

- present fairly the Richmond Tweed Regional Library's operating result and financial position for the year
- accord with Richmond Tweed Regional Library'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 the RTRL Committee made on 19 June 2024.



Cr Darlene Cook  
**Chairperson**  
19 June 2024



Cr Simon Chate  
**Deputy Chairperson**  
19 June 2024



Ms Sarah Sullivan  
**Executive Officer**  
19 June 2024

## Richmond Tweed Regional Library

### Income Statement

for the year ended 30 June 2023

Original unaudited budget	2023	\$ '000	Notes	Actual 2023	Actual 2022
<b>Income from continuing operations</b>					
8,034		User charges and fees	B1-1	7,904	7,280
-		Other revenues	B1-2	242	371
2		Grants and contributions provided for operating purposes	B1-3	105	46
-		Grants and contributions provided for capital purposes	B1-3	778	156
21		Interest and investment income	B1-4	74	12
<u>8,057</u>		<b>Total income from continuing operations</b>		<u>9,103</u>	<u>7,865</u>
<b>Expenses from continuing operations</b>					
5,637		Employee benefits and on-costs	B2-1	5,910	5,022
1,814		Materials and services	B2-2	2,061	1,629
-		Borrowing costs	B2-3	2	-
793		Depreciation, amortisation and impairment of non-financial assets	B2-4	1,059	598
-		Net loss from the disposal of assets	B3-1	-	417
<u>8,244</u>		<b>Total expenses from continuing operations</b>		<u>9,032</u>	<u>7,666</u>
<u>(187)</u>		<b>Operating result from continuing operations</b>		<u>71</u>	<u>199</u>
<u>(187)</u>		<b>Net operating result for the year</b>		<u>71</u>	<u>199</u>
<u>-</u>		<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<u>(707)</u>	<u>43</u>

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

## Richmond Tweed Regional Library

### Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
<b>Net operating result for the year – from Income Statement</b>		<b>71</b>	<b>199</b>
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-4	<u>(184)</u>	<u>730</u>
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>(184)</b>	<b>730</b>
<b>Total other comprehensive income for the year</b>		<b>(184)</b>	<b>730</b>
<b>Total comprehensive income for the year</b>		<b>(113)</b>	<b>929</b>

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

## Richmond Tweed Regional Library

### Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	2,648	1,866
Receivables	C1-3	<u>16</u>	<u>143</u>
<b>Total current assets</b>		<b><u>2,664</u></b>	<b><u>2,009</u></b>
<b>Non-current assets</b>			
Infrastructure, property, plant and equipment (IPPE)	C1-4	4,319	4,621
Right of use assets	C2-1	<u>45</u>	<u>2</u>
<b>Total non-current assets</b>		<b><u>4,364</u></b>	<b><u>4,623</u></b>
<b>Total assets</b>		<b><u>7,028</u></b>	<b><u>6,632</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	279	141
Lease liabilities	C2-1	48	2
Employee benefit provisions	C3-2	<u>1,305</u>	<u>987</u>
<b>Total current liabilities</b>		<b><u>1,632</u></b>	<b><u>1,130</u></b>
<b>Non-current liabilities</b>			
Employee benefit provisions	C3-2	<u>13</u>	<u>6</u>
<b>Total non-current liabilities</b>		<b><u>13</u></b>	<b><u>6</u></b>
<b>Total liabilities</b>		<b><u>1,645</u></b>	<b><u>1,136</u></b>
<b>Net assets</b>		<b><u>5,383</u></b>	<b><u>5,496</u></b>
<b>EQUITY</b>			
Accumulated surplus	C4-1	4,663	4,592
IPPE revaluation reserve	C4-1	<u>720</u>	<u>904</u>
<b>Richmond Tweed Regional Library equity interest</b>		<b><u>5,383</u></b>	<b><u>5,496</u></b>
<b>Total equity</b>		<b><u>5,383</u></b>	<b><u>5,496</u></b>

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

## Richmond Tweed Regional Library

### Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	2023				2022		
	Accumulated surplus	IPPE revaluation reserve	Total equity	Notes	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July	4,592	904	5,496		4,393	174	4,567
<b>Opening balance</b>	<b>4,592</b>	<b>904</b>	<b>5,496</b>		<b>4,393</b>	<b>174</b>	<b>4,567</b>
Net operating result for the year as reported in the financial statements	71	-	71		199	-	199
<b>Net operating result for the period</b>	<b>71</b>	<b>-</b>	<b>71</b>		<b>199</b>	<b>-</b>	<b>199</b>
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	-	(184)	(184)	C1-4	-	730	730
<b>Other comprehensive income</b>	<b>-</b>	<b>(184)</b>	<b>(184)</b>		<b>-</b>	<b>730</b>	<b>730</b>
<b>Total comprehensive income</b>	<b>71</b>	<b>(184)</b>	<b>(113)</b>		<b>199</b>	<b>730</b>	<b>929</b>
<b>Closing balance at 30 June</b>	<b>4,663</b>	<b>720</b>	<b>5,383</b>		<b>4,592</b>	<b>904</b>	<b>5,496</b>

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

## Richmond Tweed Regional Library

### Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
8,477	User charges and fees		7,888	7,280
21	Interest received		74	12
156	Grants and contributions		671	197
60	Other		385	228
<i>Payments:</i>				
(6,210)	Payments to employees		(5,561)	(5,218)
(1,960)	Payments for materials and services		(1,989)	(1,634)
-	Borrowing costs		(2)	-
-	Other		42	(35)
544	<b>Net cash flows from operating activities</b>	F1-1	<b>1,508</b>	<b>830</b>
<b>Cash flows from investing activities</b>				
<i>Payments:</i>				
(600)	Payments for IPPE		(699)	(279)
-	Purchase of intangible assets		(30)	(4)
(600)	<b>Net cash flows from investing activities</b>		<b>(729)</b>	<b>(700)</b>
<b>Cash flows from financing activities</b>				
<i>Payments:</i>				
-	Principal component of lease payments		3	(1)
-	<b>Net cash flows from financing activities</b>		<b>3</b>	<b>(1)</b>
(56)	<b>Net change in cash and cash equivalents</b>		<b>782</b>	<b>129</b>
1,866	Cash and cash equivalents at beginning of year		1,866	1,737
1,810	<b>Cash and cash equivalents at end of year</b>	C1-1	<b>2,648</b>	<b>1,866</b>

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



# Richmond Tweed Regional Library

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## A About Council and these financial statements

### A1-1 Basis of preparation

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#### **Principal accounting policies**

The principal accounting policies adopted by Richmond Tweed Regional Library (RTRL) in the preparation of these financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case RTRL) in preparing and presenting its financial statements.

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

#### **Basis of preparation**

These financial statements are special purpose financial statement which have been prepared in accordance with;

- Australian Accounting Standards and Australian Accounting Interpretations,
- the Local Government Code of Accounting Practice and Financial Reporting where considered relevant to Member Councils.

RTRL is a not for-profit entity.

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

#### ***Historical cost convention***

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

#### ***Significant accounting estimates and judgements***

RTRL makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actuals 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 financials year are set out below:

- (i) Estimated fair values of property, plant and equipment

**B Financial Performance****B1 Sources of income****B1-1 User charges and fees**

\$ '000	AASB	2023	2022
<b>Other user charges and fees</b>			
<b>(ii) Fees and charges – other (incl. general user charges (per s608))</b>			
RTRL Contributions by Member Councils	15 (1)	7,666	7,093
Reservation and Registration Fees	15 (1)	72	54
Lost Book Charges	15 (1)	17	14
PC Usage	15 (1)	5	3
Printouts	15 (1)	101	70
Other	15 (1)	43	46
<b>Total fees and charges – other</b>		<b>7,904</b>	<b>7,280</b>
<b>Total other user charges and fees</b>		<b>7,904</b>	<b>7,280</b>
<b>Total user charges and fees</b>		<b>7,904</b>	<b>7,280</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised over time		-	-
User charges and fees recognised at a point in time		7,904	7,280
<b>Total user charges and fees</b>		<b>7,904</b>	<b>7,280</b>

**B1-2 Other revenues**

Fines – other	1058 (1)	6	6
Insurance claims recoveries		134	122
Donations – Friends of the Library	15 (1)	102	242
Other	1058 (1)	-	1
<b>Total other revenue</b>		<b>242</b>	<b>371</b>
<b>Timing of revenue recognition for other revenue</b>			
Other revenue recognised over time		-	-
Other revenue recognised at a point in time		242	371
<b>Total other revenue</b>		<b>242</b>	<b>371</b>

## B1-3 Grants and contributions

\$ '000	AASB	Operating 2023	Operating 2022	Capital 2023	Capital 2022
<b>General purpose grants and non-developer contributions (untied)</b>					
<b>General purpose (untied)</b>					
<b>Other</b>					
Other grants		46	-	475	-
<b>Amount recognised as income during current year</b>		<b>46</b>	<b>-</b>	<b>475</b>	<b>-</b>
<b>Special purpose grants and non-developer contributions (tied)</b>					
<b>Previously specific grants:</b>					
<b>Pensioners' rates subsidies:</b>					
Library – special projects	1058 (1)	-	17	16	90
Diesel Rebate	1058 (1)	2	1	-	-
Local Priority Grants		57	28	75	66
<b>Previously contributions:</b>					
<b>Total special purpose grants and non-developer contributions – cash</b>		<b>59</b>	<b>46</b>	<b>91</b>	<b>156</b>
<b>Non-cash contributions</b>					
Heritage/cultural		-	-	212	-
<b>Total other contributions – non-cash</b>		<b>-</b>	<b>-</b>	<b>212</b>	<b>-</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>		<b>59</b>	<b>46</b>	<b>303</b>	<b>156</b>
<b>Total grants and non-developer contributions</b>		<b>105</b>	<b>46</b>	<b>778</b>	<b>156</b>
<b>Comprising:</b>					
– Other funding		105	46	778	156
		<b>105</b>	<b>46</b>	<b>778</b>	<b>156</b>

## Developer contributions

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
<b>Total grants and contributions</b>	<b>105</b>	<b>46</b>	<b>778</b>	<b>156</b>
<b>Timing of revenue recognition for grants and contributions</b>				
Grants and contributions recognised over time	-	-	-	-
Grants and contributions recognised at a point in time	105	46	778	156
<b>Total grants and contributions</b>	<b>105</b>	<b>46</b>	<b>778</b>	<b>156</b>

## B1-4 Interest and investment income

\$ '000	2023	2022
<b>Interest on financial assets measured at amortised cost</b>		
– Interest earned on Investments (interest income)	74	12
<b>Total interest and investment income (losses)</b>	<b>74</b>	<b>12</b>
<b>Interest and investment income is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
General Richmond Tweed Regional Library cash and investments	74	12

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**B1-4 Interest and investment income (continued)**

\$ '000	2023	2022
<b>Total interest and investment income</b>	<b>74</b>	<b>12</b>

**B2 Costs of providing services****B2-1 Employee benefits and on-costs**

\$ '000	2023	2022
Salaries and wages	4,320	3,698
Employee leave entitlements (ELE)	947	754
Superannuation	541	511
Workers' compensation insurance	68	59
Training costs (other than salaries and wages)	18	-
Other	16	-
<b>Total employee costs</b>	<b>5,910</b>	<b>5,022</b>
<b>Total employee costs expensed</b>	<b>5,910</b>	<b>5,022</b>
Number of 'full-time equivalent' employees (FTE) at year end	69	59

**B2-2 Materials and services**

\$ '000	Notes	2023	2022
Raw materials and consumables		2,051	1,619
Audit Fees	E2-1	10	10
Previously other expenses:			
<b>Total materials and services</b>		<b>2,061</b>	<b>1,629</b>
<b>Total materials and services</b>		<b>2,061</b>	<b>1,629</b>

**B2-3 Borrowing costs****(i) Interest bearing liability costs**

Interest on leases		2	-
<b>Total interest bearing liability costs</b>		<b>2</b>	<b>-</b>
<b>Total interest bearing liability costs expensed</b>		<b>2</b>	<b>-</b>

**(ii) Other borrowing costs**

Fair value adjustments on recognition of advances and deferred debtors			
<b>Total borrowing costs expensed</b>		<b>2</b>	<b>-</b>

**B2-4 Depreciation, amortisation and impairment of non-financial assets**

\$ '000	Notes	2023	2022
<b>Depreciation and amortisation</b>			
Plant and equipment		13	16
Office equipment		84	102
Furniture and fittings		6	6
<b>Infrastructure:</b>	C1-4		
– Buildings – specialised		59	29
Right of use assets	C2-1	-	-
<b>Other assets:</b>			
– Library Resources		867	438
Intangible assets	C1-5	30	7
<b>Total gross depreciation and amortisation costs</b>		<b>1,059</b>	<b>598</b>
<b>Total depreciation and amortisation costs</b>		<b>1,059</b>	<b>598</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>1,059</b>	<b>598</b>

**B3 Gains or losses**

**B3-1 Gain or loss from the disposal, replacement and de-recognition of assets**

\$ '000	Notes	2023	2022
<b>Gain (or loss) on disposal of plant and equipment</b>	C1-4		
Proceeds from disposal – plant and equipment		-	(417)
<b>Gain (or loss) on disposal</b>		-	(417)
<b>Net gain (or loss) from disposal of assets</b>		-	(417)



**C Financial position****C1 Assets we manage****C1-1 Cash and cash equivalents**

\$ '000	2023	2022
<b>Cash assets</b>		
Cash on hand and at bank	1,444	661
Cash equivalent assets		
– Deposits at call	1,204	1,204
– Other financial assets	–	1
<b>Total cash and cash equivalents</b>	<b>2,648</b>	<b>1,866</b>

**Reconciliation of cash and cash equivalents**

Total cash and cash equivalents per Statement of Financial Position	2,648	1,866
<b>Balance as per the Statement of Cash Flows</b>	<b>2,648</b>	<b>1,866</b>

**C1-2 Restricted and allocated cash, cash equivalents and investments**

\$ '000	2023	2022
Plant and vehicle replacement	1,015	465
Infrastructure replacement	–	–
Employees leave entitlement	859	750
Carry over works	774	651
Deposits, retentions and bonds	–	–
Other	–	–
<b>\$ '000</b>	<b>2023</b>	<b>2022</b>

### C1-3 Receivables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
User charges and fees	16	-	-	-
Other debtors	-	-	143	-
Capital debtors (being sale of assets)				
Accrued revenues				
<b>Total</b>	<b>16</b>	<b>-</b>	<b>143</b>	<b>-</b>
<b>Total net receivables</b>	<b>16</b>	<b>-</b>	<b>143</b>	<b>-</b>

**C1-4 Infrastructure, property, plant and equipment**

By aggregated asset class	At 1 July 2022					Asset movements during the reporting period					At 30 June 2023	
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions new assets	Depreciation expense	Revaluation decrements to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount			
Plant and equipment	312	(189)	123	-	(13)	-	312	(202)	110			
Office equipment	626	(434)	192	72	(84)	-	699	(519)	180			
Furniture and fittings	57	(35)	22	-	(6)	-	57	(41)	16			
<b>Land:</b>												
- Operational land	850	-	850	-	-	-	850	-	850			
<b>Infrastructure:</b>												
- Buildings	2,603	(1,399)	1,204	-	(59)	(184)	2,832	(1,871)	961			
<b>Other assets:</b>												
- Lending and Reference Collection	5,018	(2,788)	2,230	839	(867)	-	5,857	(3,655)	2,202			
<b>Total infrastructure, property, plant and equipment</b>	<b>9,466</b>	<b>(4,845)</b>	<b>4,621</b>	<b>911</b>	<b>(1,029)</b>	<b>(184)</b>	<b>10,607</b>	<b>(6,288)</b>	<b>4,319</b>			

By aggregated asset class	At 1 July 2021					Asset movements during the reporting period					At 30 June 2022	
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions new assets	Carrying value of disposals	Depreciation expense	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Plant and equipment	652	(542)	110	116	(456)	(16)	359	-	-	312	(189)	123
Office equipment	593	(332)	261	33	-	(102)	-	-	-	626	(434)	192
Furniture and fittings	57	(30)	27	-	-	(6)	1	-	-	57	(35)	22
<b>Land:</b>												
- Operational land	490	-	490	-	-	-	-	360	-	850	-	850
<b>Infrastructure:</b>												
- Buildings - specialised	2,233	(1,370)	863	-	-	(29)	-	-	370	2,603	(1,399)	1,204
<b>Other assets:</b>												
- Lending and reference collection	5,117	(2,665)	2,452	547	(647)	(438)	316	-	-	5,018	(2,788)	2,230
<b>Total infrastructure, property, plant and equipment</b>	<b>9,142</b>	<b>(4,939)</b>	<b>4,203</b>	<b>696</b>	<b>(1,103)</b>	<b>(591)</b>	<b>686</b>	<b>360</b>	<b>370</b>	<b>9,466</b>	<b>(4,845)</b>	<b>4,621</b>

## C1-5 Intangible assets

Intangible assets are as follows:

\$ '000	2023	2022
<b>Software</b>		
<b>Opening values at 1 July</b>		
Gross book value (1/7)	26	26
Accumulated amortisation (1/7)	(26)	(23)
<b>Net book value – opening balance</b>	<b>-</b>	<b>3</b>
<b>Movements for the year</b>		
Other movements	-	4
Amortisation charges	-	(7)
<b>Closing values at 30 June</b>		
Gross book value (30/6)	26	26
Accumulated amortisation (30/6)	(26)	(26)
<b>Total software – net book value</b>	<b>-</b>	<b>-</b>
<b>Total intangible assets – net book value</b>	<b>-</b>	<b>-</b>

## C2 Leasing activities

### C2-1 RTRL as a lessee

RTRL has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

#### Vehicles

RTRL leases vehicles with term varying from 1 to 5 years; these lease payments are fixed during the lease term and there is generally not renewal option.

#### (a) Right of use assets

\$ '000	Vehicles	Total
<b>2023</b>		
Opening balance at 1 July	2	2
Additions to right of use assets	73	73
Depreciation charge	(30)	(30)
<b>Balance at 30 June</b>	<b>45</b>	<b>45</b>
<b>2022</b>		
Opening balance at 1 July	4	4
Additions to right of use assets	-	-
Depreciation charge	-	-
<b>Balance at 30 June</b>	<b>2</b>	<b>2</b>

#### (b) Lease liabilities

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Lease liabilities	48	-	2	-
<b>Total lease liabilities</b>	<b>48</b>	<b>-</b>	<b>2</b>	<b>-</b>

#### (c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
<b>2023</b>					
Cash flows	48	-	-	48	48
<b>2022</b>					
Cash flows	2	-	-	2	2

#### (d) Income Statement

The amounts recognised in the Income Statement relating to leases where RTRL is a lessee are shown below:

\$ '000	2023	2022
Interest on lease liabilities	2	-

## C2-1 RTRL as a lessee (continued)

2

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## (e) Leases at significantly below market value – concessionary / peppercorn leases

**Accounting policy****Accounting policy – RTRL as a lessee**

At inception of a contract, RTRL assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

RTRL has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, RTRL recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where RTRL believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the RTRL's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

**Exceptions to lease accounting**

RTRL has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. RTRL recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

**Leases at significantly below market value / concessionary leases**

RTRL has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

### C3 Liabilities of Council

#### C3-1 Payables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Goods and services – operating expenditure	72	-	-	-
Accrued expenses:				
– Salaries and wages	159	-	135	-
– Other expenditure accruals	48	-	-	-
Other	-	-	6	-
Prepaid rates	-	-	-	-
<b>Total payables</b>	<b>279</b>	<b>-</b>	<b>141</b>	<b>-</b>

#### Payables relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
<b>Total payables relating to unrestricted assets</b>	<b>279</b>	<b>-</b>	<b>141</b>	<b>-</b>
<b>Total payables</b>	<b>279</b>	<b>-</b>	<b>141</b>	<b>-</b>

#### Current payables not anticipated to be settled within the next twelve months

The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.

### C3-2 Employee benefit provisions

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
Annual leave	517	-	392	-
Long service leave	781	13	593	6
Other leave	7	-	2	-
<b>Total employee benefit provisions</b>	<b>1,305</b>	<b>13</b>	<b>987</b>	<b>6</b>

#### Employee benefit provisions relating to restricted assets

<b>Total employee benefit provisions relating to restricted assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total employee benefit provisions relating to unrestricted assets</b>	<b>1,305</b>	<b>13</b>	<b>987</b>	<b>6</b>
<b>Total employee benefit provisions</b>	<b>1,305</b>	<b>13</b>	<b>987</b>	<b>6</b>

#### Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	861	595
	<b>861</b>	<b>595</b>



## C4 Reserves

### C4-1 Nature and purpose of reserves

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#### **IPPE Revaluation reserve**

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

## D Risks and accounting uncertainties

### D1-1 Contingencies

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The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Richmond Tweed Regional Library's financial report.

#### LIABILITIES NOT RECOGNISED

##### 1. Guarantees

###### (ii) Statewide Limited

RTRL is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. RTRL's share of the net assets or liabilities reflects RTRL's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that RTRL will be required to fund or share in respectively.

###### (iii) StateCover Limited

RTRL is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically RTRL.

RTRL has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

###### (iv) Other guarantees

RTRL has provided no other guarantees other than those listed above.

##### 2. Other liabilities

###### (i) Third party claims

The RTRL is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

RTRL believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

## E People and relationships

### E1 Related party disclosures

#### E1-1 Key management personnel (KMP)

Key Management Personnel (KMP) of Richmond Tweed Regional Library (RTRL) are those persons having the authority and responsibility for planning, directing and controlling the activities of the library, directly or indirectly. KMP for the RTRL are considered to include Committee Members, RTRL Manager and staff members acting in the position of Manager. Committee members and staff other than the RTRL Manager do not receive direct benefits from RTRL.

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

	2023	2022
<b>Compensation:</b>		
Short-term benefits	119	113
Post-employment benefits	9	9
Other long-term benefits	4	4
<b>Total</b>	<b>132</b>	<b>126</b>

#### Other transactions with KMP and their related parties

Richmond Tweed Regional Library has determined that transactions at arm's length between KMP and the committee and management as part of delivering public service objectives (e.g. access to library by KMP) will not be disclosed.

KMP and their related parties attend various functions from time to time as part of their position held within RTRL. Tickets, meals and small tokens of appreciation that are provided at these functions are considered immaterial and will not be disclosed.

## E2 Other relationships

### E2-1 Audit fees

\$ '000	2023	2022
<b>(i) Audit and other assurance services</b>		
Audit and review of financial statements	10	10
<b>Total audit fees</b>	<b>10</b>	<b>10</b>

## F Other matters

### F1-1 Statement of Cash Flows information

#### Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
<b>Net operating result from Income Statement</b>	<b>71</b>	<b>199</b>
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	1,059	598
Non-cash capital grants and contributions	(212)	-
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	127	(143)
Increase / (decrease) in payables	72	(10)
Increase / (decrease) in other accrued expenses payable	72	5
Increase / (decrease) in other liabilities	(6)	5
Increase/(decrease) in employee leave entitlements	325	(241)
<b>Net cash flows from operating activities</b>	<b>1,508</b>	<b>830</b>

## F2 Statement of performance measures

### F2-1 Statement of performance measures

\$ '000	Amounts 2023	Indicator 2023	Indicator 2022	Benchmark
<b>1. Operating performance ratio</b>				
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	(707)	(8.49)%	5.97%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	8,325			
<b>2. Own source operating revenue ratio</b>				
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	8,220	90.30%	97.43%	> 60.00%
Total continuing operating revenue <sup>1</sup>	9,103			
<b>3. Unrestricted current ratio</b>				
Current assets less all external restrictions	2,664	3.46x	3.76x	> 1.50x
Current liabilities less specific purpose liabilities	771			

F2-1 Statement of performance measures (continued)

\$ '000	Amounts 2023	Indicator 2023	Indicator 2022	Benchmark
<b>5. Cash expense cover ratio</b>				
Current year's cash and cash equivalents plus all term deposits	<b>2,648</b>	<b>4.23</b>	3.25	> 3.00
Monthly payments from cash flow of operating and financing activities	<b>626</b>	<b>months</b>	months	months

(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

End of the audited financial statements

## Independent Auditor's Report to the Members of Richmond Tweed Regional Library

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Richmond Tweed Regional Library ("the Library") which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance or other applicable assertion by management or those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Library as at 30 June 2023, and its financial performance and its cash flow for the year then ended in accordance with the accounting policies described in Note A1-1 of the financial report

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Library in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter – Basis of Accounting

We draw attention to Note A1-1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Library to meet the financial reporting requirements of member Council's. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Responsibilities of the Library Committee for the Financial Report

Management is responsible for the preparation and fair presentation of the special purpose financial report in accordance with the accounting policies described in Note A1-1 of the financial report and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial report, management is responsible for assessing the Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Library or to cease operations, or have no realistic alternative but to do so.

The Library Committee are responsible for overseeing the Library's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in



accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Library's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Library Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**THOMAS NOBLE & RUSSELL  
CHARTERED ACCOUNTANTS**

Per:

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A J BRADFIELD (Partner)

Dated at Lismore this 27th day of June 2024.