

**WHITEHORSE MANNINGHAM REGIONAL  
LIBRARY CORPORATION**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2025**



# WHITEHORSE MANNINGHAM LIRARIES

## Financial Report

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Whitehorse Manningham Libraries  
2024/2025 Financial Report

**Certification of the Financial Statements**

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989* (as per the transisitional arrangements of the *Local Government Act 2020*), the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Principal Accounting Officer

Julie Lawes

Date:

In our opinion, the accompanying financial statements presents fairly the financial transactions of the Whitehorse Manningham Regional Library Corporation for the year ended 30 June 2025 and the financial position of the Corporation as at that date.

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

We have been authorised by the Library Board and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

Councillor

Date:

Councillor

Date:

Chief Executive Officer

Sally Both

Date:

**Comprehensive Income Statement  
For the Year Ended 30 June 2025**

		<b>2025</b>	<b>2024</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Income/Revenue</b>			
Council Contributions	3.1	10,560,408	10,211,601
State Government Grants		1,914,028	1,914,028
Other Income	3.3	133,520	177,962
Other Grants	3.2	155,652	168,239
Interest from Investments		223,114	193,736
<b>Total Income/Revenue</b>		<b>12,986,722</b>	<b>12,665,566</b>
<b>Expenses</b>			
Employee Costs	4.1	8,504,415	8,340,255
Depreciation	4.2	1,829,348	1,186,719
Information Technology		485,146	420,840
Audit and Finance Costs	4.4	39,954	41,041
Collection Resources		333,323	331,258
Grant Expenditure		89,007	234,903
Warrandyte Library Expenses		300,387	295,118
Other Expenses	4.5	1,192,993	1,145,340
Loss on disposal of property, plant and equipment	4.3	560,070	658,953
<b>Total Expenses</b>		<b>13,334,643</b>	<b>12,654,427</b>
<b>Surplus/(Deficit) for the year</b>		<b>(347,921)</b>	<b>11,139</b>
<b>Total Comprehensive Result</b>		<b>(347,921)</b>	<b>11,139</b>

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

**Balance Sheet**  
**As at 30 June 2025**

	Note	2025 \$	2024 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5.1	3,158,253	2,843,516
Trade Receivables		167,466	125,574
Prepayments		137,485	75,600
Other Assets	5.2	16,895	26,981
<b>Total Current Assets</b>		<u>3,480,099</u>	<u>3,071,671</u>
<b>Non-Current Assets</b>			
Property and Equipment	6.1	8,083,588	8,363,088
<b>Total Non-Current Assets</b>		<u>8,083,588</u>	<u>8,363,088</u>
<b>Total Assets</b>		<u>11,563,687</u>	<u>11,434,759</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables	5.3	1,004,164	494,590
Provisions	5.4	1,755,902	1,800,566
<b>Total Current Liabilities</b>		<u>2,760,065</u>	<u>2,295,156</u>
<b>Non-Current liabilities</b>			
Provisions	5.4	159,946	148,007
<b>Total Non-Current Liabilities</b>		<u>159,946</u>	<u>148,007</u>
<b>Total Liabilities</b>		<u>2,920,012</u>	<u>2,443,163</u>
<b>Net Assets</b>		<u>8,643,675</u>	<u>8,991,596</u>
<b>Equity</b>			
Members Contribution on Formation		3,922,043	3,922,043
Accumulated Surplus		4,721,632	5,069,553
<b>Total Equity</b>		<u>8,643,675</u>	<u>8,991,596</u>

The above balance sheet should be read with the accompanying notes

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

	<b>Total 2025 \$</b>	<b>Accumulated Surplus 2025 \$</b>	<b>Members Contribution 2025 \$</b>
<b>2025</b>			
Balance at beginning of the financial year	8,991,596	5,069,553	3,922,043
Deficit for the year	(347,921)	(347,921)	-
<b>Balance at end of the financial year</b>	<b>8,643,675</b>	<b>4,721,632</b>	<b>3,922,043</b>

	<b>Total 2024 \$</b>	<b>Accumulated Surplus 2024 \$</b>	<b>Members Contribution 2024 \$</b>
<b>2024</b>			
Balance at beginning of the financial year	8,980,457	5,058,414	3,922,043
Surplus for the year	11,139	11,139	-
<b>Balance at end of the financial year</b>	<b>8,991,596</b>	<b>5,069,553</b>	<b>3,922,043</b>

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

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

	Notes	2025 \$	2024 \$
<b>Cash flows from operating activities</b>			
Council Contributions		11,616,449	11,232,761
Government Grants		1,914,028	1,914,028
Interest Income		233,201	193,475
Grants (GST free)		136,925	154,680
Other Income		170,708	212,288
Employee Costs		(8,442,727)	(8,284,345)
Payments to suppliers (inclusive of GST)		(2,512,550)	(3,549,261)
Net GST payments		(691,380)	(644,208)
<b>Net cash provided by in operating activities</b>	9.1	<u><u>2,424,654</u></u>	<u><u>1,229,418</u></u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of Equipment		15,000	2,059
Payment for Library Stock, Information Technology & Furniture		(2,124,916)	(2,101,815)
<b>Net cash used in investing activities</b>		<u><u>(2,109,916)</u></u>	<u><u>(2,099,756)</u></u>
Net increase/(decrease) in cash and cash equivalents		314,737	(870,338)
Cash and cash equivalents at beginning of the year		2,843,516	3,713,854
<b>Cash and cash equivalents at the end of the financial year</b>	5.1	<u><u>3,158,253</u></u>	<u><u>2,843,516</u></u>
Financing arrangements	5.5		

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

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

	2025	2024
	\$	\$
<b>Plant and Equipment</b>		
Library Stock	1,809,850	1,834,278
Furniture and Equipment	76,028	62,449
IT Replacement	201,594	162,545
Motor Vehicles Replacement	37,444	40,486
<b>Total Capital Works Expenditure</b>	<b><u>2,124,916</u></b>	<b><u>2,099,758</u></b>
<b>Represented by</b>		
Asset Renewal Expenditure	2,124,916	2,099,758
<b>Total Capital Works Expenditure</b>	<b><u>2,124,916</u></b>	<b><u>2,099,758</u></b>

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



## Note 1 OVERVIEW

### Introduction

The Whitehorse Manningham Regional Library Corporation was established under Section 196 of the *Local Government Act 1989* by the Minister of Local Government on 12 December 1995. The Corporation's headquarters is located at 1040 Whitehorse Road, Box Hill.

### Statement of compliance

These financial statements constitute a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, with the *Local Government Act 1989* (as per the transitional arrangements of the *Local Government Act 2020*) and the *Local Government (Planning and Reporting) Regulations 2014*.

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

### Accounting policy information

#### a. Basis of Accounting

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

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

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

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

**a. Basis of Accounting (cont.)**

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

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

- the determination of depreciation for library collections, computer equipment and furniture (refer to note 6.1) and
- the determination of employee provisions (refer to note 5.4)

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

**Goods and Services Tax (GST)**

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

## Note 2 Analysis of our results

### 2.1 Performance against budget

The budget comparison notes compare the Corporation's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. The Corporation has adopted a materiality threshold of 10% where further explanation is warranted. Explanations have not been provided for variations below the material threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the transitional arrangements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2014*.

### 2.2 Income and Expenditure

	Budget 2025 \$	Actual 2025 \$	Variance 2025 \$	Variance 2025 %	Ref
<b>Income</b>					
Council Contributions	9,991,482	10,560,408	568,926	6%	
State Government Grant	1,961,879	1,914,028	(47,851)	-2%	
Other Income	124,140	133,520	9,380	8%	
Other Grants	139,451	155,652	16,201	12%	1
Transfer from Investments	244,811	-	(244,811)	-100%	2
Interest from Investments	120,000	223,114	103,114	86%	3
	<u>12,581,763</u>	<u>12,986,722</u>	<u>404,959</u>		
<b>Expenditure</b>					
Employee costs	8,534,834	8,504,415	(30,419)	-0.4%	
Depreciation	1,401,447	1,829,348	427,901	31%	4
Information Technology	439,364	485,146	45,782	10%	5
Audit and Finance Costs	45,000	39,954	(5,046)	-11%	6
Collection Resources	295,890	333,323	37,433	13%	7
Other Expenses	1,047,359	1,192,993	145,634	14%	8
Grant Expenditure	139,451	89,007	(50,444)	-36%	9
Warrandyte Library Expenses	-	300,387	300,387	100%	10
Net loss on disposal of property and equipment	483,183	560,070	76,887	16%	11
	<u>12,386,528</u>	<u>13,334,643</u>	<u>948,115</u>		

**Note 2 Analysis of our results (cont.)**

<b>Surplus(deficit) for the year</b>	<b>195,235</b>	<b>(347,921)</b>	<b>(543,156)</b>
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**(i) Explanation of material variations**

<b>Variance Ref</b>	<b>Item</b>	<b>Explanation</b>
1	Other Grants	The Corporation received two small grants for specific projects that were unexpected.
2	Transfer from Investments	Included in 24/25 Budget in error
3	Interest from Investments	The budget amount for interest does not include the interest earned on the LSL fund. Interest from At call investments and short term fixed deposits are included. The interest rates were higher than anticipated.
4	Depreciation	The depreciation expense was influenced by a number of a factors; increased procurement of electronic resources and the higher depreciation rate associated with these resources; an error in the depreciation rate was identified in the 23/24 accounts in relation to electronic resources which was being charged at 20% instead of 50% and increased information technology expenditure associated with upgrades.
5	Information Technology	Included in the end of year figure is non capitalised assets from the IT capital budget.
6	Audit and Finance Costs	Audit and Finance Costs were less than budgeted as only one internal audit was completed in 24/25.
7	Collection Resources	Relates to collections items that are not capitalised, including some electronic resources. Cost of magazines and newspapers significantly increased this year due to supplier changes.
8	Other expenses	Unexpended areas were Utilities, Cleaning and Professional Services. Over expended areas included Insurance and ICT. Also included in this expense is the cost of additional services provided at Doncaster and The Pines Libraries which are fully funded by Manningham City Council.

**Note 2 Analysis of our results (cont.)**

9	Grant Expenditure	Grants are underspent due a number of projects incomplete.
10	Warrandyte Library Expenses	Income and expenditure for Warrandyte Library is not included in the Budget preparation as is funded by Manningham City Council outside of the Regional Library Agreement.
11	Net loss on disposal of property and equipment	The disposal of library stock figures for the budget are an estimate only. Minor amounts of discarded items are written off on disposal.

**2.3 Capital Works**

	Budget 2025 \$	Actual 2025 \$	Variance 2025 \$	Variance 2025 %	Ref
Library Stock	1,820,250	1,809,850	(10,400)	-0.6%	
Furniture & Equipment	69,615	76,028	6,413	9%	
Information Technology	190,000	201,594	11,594	6%	
Motor Vehicles	-	37,444	37,444	100%	1
<b>Total Capital Works Expenditure</b>	<b>2,079,865</b>	<b>2,124,916</b>	<b>7,607</b>		
<b>Represented by:</b>					
Renewal	2,079,865	2,124,916	7,607	0%	
<b>Total Capital Works Expenditure</b>	<b>2,079,865</b>	<b>2,124,916</b>	<b>7,607</b>		

**(i) Explanation of material variations**

Variance Ref	Item	Explanation
1	Motor Vehicles Replacement	Money was carried forward from last financial year. This funded the replacement of one pool vehicle

	2025	2024
	\$	\$

**Note 3 Funding for the delivery of our services**

**3.1 Council Contributions**

Whitehorse City Council	6,003,341	5,842,668
Manningham City Council	3,988,141	3,881,402
Manningham City Council - Warrandyte	347,145	334,349
Manningham City Council - Other projects	221,781	153,182
	<u>10,560,408</u>	<u>10,211,601</u>

**3.2 Other Grants**

Local Priorities Grant	101,026	101,026
Premiers Reading Challenge	35,899	35,899
Italian and Arabic storytime	16,518	26,364
Other	2,209	4,950
	<u>155,652</u>	<u>168,239</u>

Council Contributions and Grants are recognised as revenue when the Corporation obtains control over the funds.

**3.3 Other Income**

Overdue Charges	-	482
Photocopying Services	39,170	35,537
Other Service Charges	74,740	55,357
Sale of Products	13,645	10,273
Library Programs & Activities	2,024	8,243
Fundraising	3,941	1,383
Centrelink Paid Parental Leave	-	15,890
Insurance Payout	-	50,797
	<u>133,520</u>	<u>177,962</u>

Revenue for other income is recognised at the time of receipt.

	2025	2024
	\$	\$

**Note 4 The cost of delivering services**

**4.1 Employee Costs**

Wages and Salaries	7,365,395	7,154,808
Annual Leave	1,720	13,546
WorkCover	67,441	65,649
Superannuation	848,813	836,647
Staff Training Expenses	61,688	55,910
Long Service Leave	159,358	197,805
Centrelink Paid Parental Leave	-	15,890
	<u>8,504,415</u>	<u>8,340,255</u>

**b) Superannuation**

The Corporation made contributions to the following funds

**Defined Benefit Fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	<u>65,901</u>	<u>86,201</u>
Employer contributions payable at reporting date.	-	-

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	390,608	375,205
Employer contributions - other funds;	391,742	346,111
Active Super	-	866
AMP Super	5,525	3,894
Australian Ethical Super	-	2,207
Australian Super	82,341	64,696
Aware Super	20,085	12,702
Care Super	10,852	14,842
Centric	8,930	8,299
Colonial First State	27,574	23,501
Equip Super	6,958	8,349
First Super	2,276	1,869
Future Super	6,075	5,742
HESTA Superannuation	38,033	37,550
Hostplus/Statewide Super	43,716	38,266

	2025	2024
	\$	\$
<b>b) Superannuation (cont.)</b>		
ING LIVING SUPER	12,131	8,592
Legal Super	7,559	-
LGIA Super	10,863	10,981
Mercer Smart Super	3,668	3,483
MLC	5,635	4,806
Netwealth	2,652	-
REST	44,075	42,455
SMSF	10,300	6,475
UNISUPER	19,726	17,398
Verve Super	12,316	16,873
VicSuper	10,452	12,266
	<u>782,350</u>	<u>721,316</u>

Employer contributions payable at reporting date. - -

Contributions made exclude amounts accrued at balance date. Refer to 8.1 for further information relating to the Corporation's superannuation obligations.

#### 4.2 Depreciation

Library Stock	1,585,932	887,126
Furniture and Equipment	80,016	81,198
Computer Equipment	142,753	192,761
Motor Vehicles	20,647	25,634
	<u>1,829,348</u>	<u>1,186,719</u>

Refer to note 6.1 for a more detailed breakdown of depreciation and accounting policy.

#### 4.3 Disposal of Assets

##### Library Stock

Written down value of assets written off	<u>(564,620)</u>	<u>(614,111)</u>
Loss on disposal of assets	<u>(564,620)</u>	<u>(614,111)</u>

##### Furniture and Equipment

Proceeds from sale of furniture and equipment	-	2,059
Written down value of assets disposed	<u>(4,028)</u>	<u>(6,928)</u>
Loss on disposal of assets	<u>(4,028)</u>	<u>(4,869)</u>



	2025 \$	2024 \$
<b>4.3 Disposal of Assets (cont.)</b>		
<b>Motor Vehicles</b>		
Proceeds from sale of motor vehicles	15,000	-
Written down value of assets sold	(6,422)	(39,973)
Gain/(Loss) on disposal of assets	8,578	(39,973)
<b>Total loss on Disposal of Assets</b>	<b>(560,070)</b>	<b>(658,953)</b>
<b>4.4 Audit and Finance Costs</b>		
Audit fee payable to Victorian Auditor General	19,600	18,900
Internal audit fees - RSM	11,750	18,150
Other finance costs	8,604	3,991
	39,954	41,041
<b>4.5 Other Expenses</b>		
Cleaning, Security	263,018	235,982
Utility Costs	170,666	163,342
Headquarters Costs	69,747	77,191
Couriers	79,272	76,039
Professional Services	15,314	80,679
Insurance	110,081	89,356
Office Expenses	62,390	49,251
Programs and Marketing Costs	128,306	123,881
Vehicle Maintenance	18,127	17,129
Fundraising Expenditure	3,941	4,341
Manningham Additional Hours Project	221,842	153,182
Doncaster and Bulleen Project	30,055	47,045
Staff Amenities	20,234	27,922
	1,192,993	1,145,340

	2025	2024
	\$	\$

**Note 5 Investing in and financing our operations**

**5.1 Financial assets**

**(a) Cash and cash equivalents**

Cash on Hand	1,500	1,500
Cash at Bank	58,073	56,384
Money Market call account	671,411	434,833
Term Deposits	942,781	933,869
Money Market - restricted LSL	1,484,488	1,416,930
<b>Total cash and cash equivalents</b>	<b>3,158,253</b>	<b>2,843,516</b>
<b>Total Financial Assets</b>	<b>3,158,253</b>	<b>2,843,516</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

**5.2 Other Assets**

Accrued Income	16,895	26,981
<b>Total other assets</b>	<b>16,895</b>	<b>26,981</b>

**5.3 Payables**

*Non Statutory Payables*

Creditors	535,440	204,840
Accrued Expenses	468,724	289,750
	<b>1,004,164</b>	<b>494,590</b>

**5.4 Provisions**

**Annual Leave**

Balance at beginning of the financial year	561,924	548,378
Additional Provisions	628,335	641,652
Amounts Used	(626,615)	(628,106)
<b>Balance at end of the financial year</b>	<b>563,644</b>	<b>561,924</b>

	2025 \$	2024 \$
<b>5.4 Provisions (cont. )</b>		
<b>Long Service Leave</b>		
Balance at beginning of the financial year	1,386,650	1,163,282
Additional Provisions	120,519	365,461
Amounts Used	(154,966)	(142,093)
Balance at end of the financial year	<u>1,352,203</u>	<u>1,386,650</u>
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual Leave	445,338	464,397
Long Service Leave	58,151	34,204
	<u>503,489</u>	<u>498,601</u>
<b>Current provisions expected to be settled after 12 months</b>		
Annual Leave	118,307	97,527
Long Service Leave	1,134,106	1,204,439
	<u>1,252,413</u>	<u>1,301,966</u>
<b>Total current employee provisions</b>	<u>1,755,902</u>	<u>1,800,567</u>
<b>Non current provisions</b>		
Long Service Leave	159,946	148,007
<b>Total non current provisions</b>	<u>159,946</u>	<u>148,007</u>
<b>Total Provisions</b>	<u>1,915,848</u>	<u>1,948,574</u>

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

*Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

## 5.4 Provisions (cont. )

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

### *Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

Key assumptions:

• discount rate	4.20%	4.35%
• weighted average increase in employee costs	4.35%	4.45%
• settlement	7 yrs	7 yrs

## 5.5 Financing arrangements

The Corporation has the following funding arrangements in place as at the end of the year.

	2025	2024
	\$	\$
Bank overdraft	20,000	20,000
Credit card facilities	13,000	13,000
Total facilities	<u>33,000</u>	<u>33,000</u>
Unused facilities	<u>26,824</u>	<u>28,997</u>
	<u>26,824</u>	<u>28,997</u>

## Note 6 Assets we manage

### 6.1 Summary of property and equipment

	Opening Asset at Cost	Opening Accumulated Depreciation	Carrying Value at 30 June 2024	Additions	Depreciation	Disposals sold	Disposals written off	Carrying Value at 30 June 2025
	\$	\$	\$	\$	\$	\$	\$	\$
Library Stock	7,920,353	(528,779)	7,391,574	1,809,850	(1,585,932) <sup>1</sup>	-	(564,620)	7,050,872
Furniture & Equipment	2,188,848	(1,676,553)	512,295	76,028	(80,016)	-	-	508,308
Computer Equipment	694,597	(322,883)	371,714	201,594	(142,753)	-	(4,028)	426,528
Motor Vehicles	130,094	(42,589)	87,505	37,444	(20,647)	(6,422)	-	97,880
	10,933,892	(2,570,805)	8,363,088	2,124,916	(1,829,348)	(6,422)	(568,648)	8,083,588

<sup>1</sup> The depreciation was higher in the 24/25 year due to as system error in the 23/24 year. Comparative not restated given materiality of adjustment.

#### (a) Recognition and measurement of assets

The Corporation has adopted the purchase method of accounting in relation to the measurement of the acquisition of assets, being the fair value of the assets provided as consideration at the date of acquisition plus any incidental cost attributable to the acquisition. In accordance with the Corporation's policy, the threshold limits below have been applied when recognising assets within an applicable asset class. (Same as applied in 2023/2024)

Class of asset	Threshold limit
----------------	--------------------

Library Stock	Nil Limit
Audio Visual	Nil Limit
Electronic Resources	Nil Limit
Computer Hardware	\$1,000

Class of asset	Threshold limit
----------------	--------------------

Computer Equipment	\$1,000
Motor Vehicles	Nil Limit
Furniture and Equipment	\$1,000

**Note 6 Assets we manage (cont.)**

**(b) Depreciation of non current assets**

Library Stock, motor vehicles, furniture and equipment, including computer equipment and other assets having limited useful lives are systematically depreciated over their useful lives to the Corporation. Estimates of remaining useful lives and residual values are reassessed annually. Depreciation is recognised on either the straight-line basis or diminishing value basis using rates that are, unless otherwise stated, consistent with the prior year:

	Useful Life	Depreciation Basis
Library Stock	10 Years	Straight Line
Audio Visual	5 Years	Straight Line
Electronic Resources	2 Years	Straight Line
Computer Equipment	3 Years	Straight Line
Computer Hardware	5 Years	Straight Line
Motor Vehicles	4.44 Years	Diminishing
Furniture and Equipment	6.67 Years	Diminishing

**(c) Repairs and maintenance**

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

**(d) Land and Buildings**

The library branches are operated out of Council owned or leased properties. The libraries at Box Hill, Nunawading, Vermont South and Blackburn are operated from Whitehorse Council controlled, owned and maintained buildings. The libraries at Doncaster, The Pines, Warrandyte and Bulleen are operated from buildings controlled, owned or leased by Manningham Council.

## **Note 7 People and Relationships**

### **7.1 Board and Key Management Remuneration**

(a) Names of Key Management Personnel at the Whitehorse Manningham Regional Library Corporation for the period 1 July 2024 to 30 June 2025

#### **Key Management Personnel**

##### **Councillors**

Cr Trudy Skilbeck - City of Whitehorse (to 26 October 2024)

Cr Andrew Davenport - City of Whitehorse (to 26 October 2024)

Cr Hayley Weller - City of Whitehorse (from 11 December 2024)

Cr Peter Allan - City of Whitehorse (from 11 December 2024)

Cr Andrew Conlon - Manningham City Council

Cr Michelle Kleinert - Manningham City Council (to 26 October 2024)

Cr Jim Grivas Manningham City Council (from 11 December 2024)

##### **Council Representatives**

Ms Lisa Letic - City of Whitehorse

Ms Lee Robson - Manningham City Council

##### **Community Representatives**

Ms Nicola Nye - City of Whitehorse

Ms Dionne Dearman - Manningham City Council (to 5 January 2025)

Ms Alison Low -Manningham City Council (from 10 March 2025)

##### **Chief Executive Officer**

Ms Sally Both

### **(b) Remuneration of Key Management Personnel**

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

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

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

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

## Board and Key Management Remuneration (cont.)

Board Members who are Councillors and Officers nominated by the Member Councils do not receive remuneration from Whitehorse Manningham Regional Library Corporation.

	2025	2024
	\$	\$
Total remuneration of key management personnel was as follows:		
Short term benefit	203,374	199,021
Other long-term benefits	4,771	(8,370)
Post-Employment Benefits	22,082	21,473
	<u>230,227</u>	<u>212,124</u>

Total remuneration of key management personnel persons were within the following band:

	No.	No.
\$210,000 - \$219,999	-	1
\$230,000 - \$239,999	1	-
	<u>1</u>	<u>1</u>

### (c) Senior Officers Remuneration

A Senior Officer is an officer, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; and
- b) whose total annual remuneration exceeds \$170,000

The Corporation have no Senior Officers who fit this criteria.

## 7.2 Related party disclosure

### (a) Transactions with related parties

#### Revenue

Contributions received from member councils are detailed under 3.1 Council Contributions. These payments are made quarterly in advance in July, October, January and April.



**Related party disclosure (cont.)**

<b>Other Revenue received from member councils</b>	<b>2025</b>	<b>2024</b>
	\$	\$
Manningham City Council		
Reimbursement of Warrandyte library expenses	347,145	334,349
Additional Hours Project - Doncaster/Pines Library	221,781	153,182
Additional grants for specific projects	16,518	26,364
Whitehorse City Council		
Additional grants for specific projects	2,571	5,600
<b>Expenses</b>		
Manningham City Council		
Warrandyte Library Expenses	300,387	295,117
Utilities reimbursement - Doncaster Library	26,016	28,600
Additional Hours Project - Doncaster/Pines Library	221,842	153,182
Return of funds for Doncaster/Bulleen Project	21,795	-
Hall hire	1,170	-
Marketing	143	404
Reimbursement door sensor - Warrandyte Library	-	
City of Whitehorse		
Headquarters Rental	68,200	68,200
Utilities reimbursement - Nunawading, Vermont	51,254	56,364
South and Blackburn Libraries		

**(b) Loans to/from related parties**

No loans were made to or received from related parties

**(c) Commitments to/from related parties**

There are no commitments in existence at balance date.

**(d) Other Transactions - Peppercorn leases**

Manningham and Whitehorse Councils provide library floor space to the Corporation. Any charges related to the leasing or maintenance of these branch libraries are not passed on to the Corporation. The councils do not charge the Corporation for these leases.

The Whitehorse Manningham Regional Library Corporation leases the headquarters space at the Box Hill and Nunawading branches for \$68,200 (2023/2024 \$68,200) per annum from City of Whitehorse on a 3 monthly basis. There is no formal tenancy agreement so it is considered to be an open ended agreement and the charge is not at commercial rate.

Other related party transactions have been considered and there are no matters to report.

## **Note 8 Managing uncertainties**

### **8.1 Contingent assets and liabilities**

#### **(a) Contingent assets**

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

At the reporting date, the Corporation had no contingent assets (2023-2024: Nil).

#### **(b) Contingent liabilities**

Contingent liabilities are:

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

The following is a potential contingencies to be considered.

#### **Superannuation**

The Corporation has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 9.2. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

### **8.2 Financial instruments**

#### **(a) Objectives and policies**

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

## 8.2 Financial instruments (cont.)

### (b) Market risk

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

#### *Interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Corporation does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989* (as per the transitional arrangements of the *Local Government Act 2020*). We manage interest rate risk by adopting an investment policy that ensures:

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

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

Interest rate movements have been significant enough during the year to have an impact on the Corporation's year end result.

### (c) Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

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

The credit risk with receivables is very low as it relates to one member council.

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

## 8.2 Financial instruments (cont.)

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party.

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

### (d) Liquidity risk

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

To help reduce these risks the Corporation:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments; and
- monitor budget to actual performance on a regular basis

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

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

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

## 8.3 Fair Value Measurement

### (a) Sensitivity disclosure analysis

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

- A parallel shift of +1.5% in market interest rates (AUD) from year-end rates of 3.75%.

### **8.3 Fair Value Measurement (cont.)**

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

#### *Fair value hierarchy*

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

### **8.4 Events occurring after balance date**

There are no subsequent events of which the Corporation is aware, that would affect the information provided within these Financial Statements.

**Note 9 Other matters**

**9.1 Reconciliation of cash flows from operating activities to surplus.**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Surplus (Deficit) for the year	(347,921)	11,139
Depreciation	1,829,348	1,186,719
Loss on Disposal of Fixed Assets	560,070	658,953
Changes in assets and liabilities		
Decrease/(Increase) in Receivables	(41,894)	(27,943)
Decrease/(Increase) in Other assets	10,086	(260)
Decrease/(Increase) in Prepayments	(61,885)	(22,503)
Increase/(Decrease) in Employee Provisions	(32,725)	132,130
Increase/(Decrease) in Payables	509,574	(708,817)
Net cash provided by operating activities	<u>2,424,654</u>	<u>1,229,418</u>

**9.2 Superannuation**

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

**Accumulation**

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024:11%).

**Defined Benefit**

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

## 9.2 Superannuation (cont.)

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

### Funding Arrangements

The Corporation makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%.

The financial assumptions used to calculate the VBI were:

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

As at 30 June 2025, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2025. The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

### Employer contributions

#### (a) Regular contributions

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

## 9.2 Superannuation (cont.)

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

### (b) Funding calls

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

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

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

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

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

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

### The 2024 interim actuarial investigation surplus amounts

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

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



## 9.2 Superannuation (cont.)

	2024 (Interim) \$m	2023 (Interim) \$m
● A VBI surplus	108.4	84.7
● A total service liability surplus	141.4	123.6
● A discounted accrued benefits surplus	156.7	141.9

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

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

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

### The 2025 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2025 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2025. The last interim actuarial investigation conducted prior to 30 June 2025 was at 30 June 2024. The VBI of the Defined Benefit category at that date was 105.4%. The financial assumptions used to calculate the 30 June 2024 VBI were:

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

The Corporation was notified of the 30 June 2024 VBI during August 2024. Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2025 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

## 9.2 Superannuation (cont.)

### The 2023 triennial investigation

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

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

In addition to the contributions 4.1b the Corporation has paid no unfunded liability payments to Vision Super.

## Note 10 Change in Accounting Policy

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