

ASSETS, PREMISES AND FUNDING OF THE NSW RURAL FIRE SERVICE

Organisation: Clarence Valley Council

Date Received: 9 May 2024

Submission to The Public Accounts Committee (PAC) May 2024

Clarence Valley Council - Position Statement on the Recognition of Rural Fire Service Assets

In order not to just repeat information already provided to PAC by the submission made by Berrigan Shire. Council would like to state that it supports Berrigan's Shire Council submission.

Clarence Valley Council also has a long history of preparing position papers, council reports and supporting documentation for audit purposes to support its decision not to recognise RFS Red Fleet Plant & Equipment. Councils' stance is that unless Council has control of an asset and can clearly identify future economic benefits flowing to the entity from that asset, then it cannot be included in the entity's assets schedule.

It is considered that when all criteria of asset recognition included in the AASB Accounting Framework and Standards are considered, Clarence Valley Council retains effective control of associated Land and Buildings, but that the RFS retains control of plant and equipment.

In line with this Clarence Valley Council's current practice is to recognise associated Land and Buildings in its asset schedules, but not Plant and Equipment.

It is also considered that in regard to the objectives of financial reporting, councils' obligation and commitment to the rural fire fighting function is fully and accurately reflected in the statutory contribution expense made and the net cost of other relevant facilities provided under the local agreement.

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