



murchisonshire

Ancient land under brilliant skies

Ordinary Council Meeting

16 December 2023

Minutes Attachments

SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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The Shire of Murchison conducts the operations of a local government with the following community vision:

Working together to preserve the unique character of the Shire, supporting diverse and sustainable lifestyle and economic opportunities

Principal place of business:
Murchison Settlement
Carnarvon-Mullewa Road
Western Australia

**SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

STATEMENT BY CEO

The accompanying financial report of the Shire of Murchison has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 1st day of December 2023



Chief Executive Officer

William James Boehm

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SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Rates	2(a),22	671,803	623,919	538,967
Grants, subsidies and contributions	2(a)	15,047,853	14,847,858	6,843,572
Fees and charges	2(a)	545,285	625,445	478,569
Interest revenue	2(a)	88,779	45,000	10,134
Other revenue	2(a)	341,137	272,230	272,938
		16,694,857	16,414,452	8,144,180
Expenses				
Employee costs	2(b)	(1,525,756)	(1,311,381)	(1,411,298)
Materials and contracts		(11,116,646)	(16,154,497)	(1,791,490)
Depreciation		(5,441,519)	(3,520,116)	(3,653,752)
Finance costs	2(b)	(53,047)	(47,061)	(27,790)
Insurance		(185,182)	(184,439)	(180,109)
Other expenditure	2(b)	(147,392)	(160,850)	(121,519)
		(18,469,542)	(21,378,344)	(7,185,958)
		(1,774,685)	(4,963,892)	958,222
Capital grants, subsidies and contributions	2(a)	2,059,431	1,938,566	1,829,863
Loss on asset disposals		-	-	(11,568)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	922	-	999
Impairment of Buildings and Improvements	8(a)	(37,060)	-	-
Loss on revaluation of Infrastructure - bridges	9(a)	-	-	(1,925,144)
		2,023,293	1,938,566	(105,850)
Net result for the period		248,608	(3,025,326)	852,372
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	-	-	22,180,187
Total other comprehensive income for the period	15	-	-	22,180,187
Total comprehensive income for the period		248,608	(3,025,326)	23,032,559

This statement is to be read in conjunction with the accompanying notes.



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**SHIRE OF MURCHISON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	10,542,527	9,109,699
Trade and other receivables	5	385,542	127,164
Other financial assets	4(a)	-	3,422,952
Inventories	6	230,472	139,174
Other assets	7	1,752,976	182,020
TOTAL CURRENT ASSETS		12,911,517	12,981,009
NON-CURRENT ASSETS			
Other financial assets	4(b)	20,373	19,451
Property, plant and equipment	8	13,172,850	12,770,481
Infrastructure	9	91,592,586	90,544,571
TOTAL NON-CURRENT ASSETS		104,785,809	103,334,503
TOTAL ASSETS		117,697,326	116,315,512
CURRENT LIABILITIES			
Trade and other payables	11	1,521,473	880,062
Other liabilities	12	1,044,818	377,174
Borrowings	13	194,552	193,898
Employee related provisions	14	246,429	187,775
TOTAL CURRENT LIABILITIES		3,007,272	1,638,909
NON-CURRENT LIABILITIES			
Borrowings	13	1,533,838	1,736,657
Employee related provisions	14	60,087	92,425
TOTAL NON-CURRENT LIABILITIES		1,593,925	1,829,082
TOTAL LIABILITIES		4,601,197	3,467,991
NET ASSETS		113,096,129	112,847,521
EQUITY			
Retained surplus		24,005,077	23,116,002
Reserve accounts	25	9,675,984	10,316,451
Revaluation surplus	15	79,415,068	79,415,068
TOTAL EQUITY		113,096,129	112,847,521

This statement is to be read in conjunction with the accompanying notes.



**SHIRE OF MURCHISON
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2021		25,451,098	7,128,983	57,234,881	89,814,962
Comprehensive income for the period					
Net result for the period		852,372	-	-	852,372
Other comprehensive income for the period	15	-	-	22,180,187	22,180,187
Total comprehensive income for the period		852,372	-	22,180,187	23,032,559
Transfers to reserve accounts	25	(3,187,468)	3,187,468	-	-
Balance as at 30 June 2022		23,116,002	10,316,451	79,415,068	112,847,521
Comprehensive income for the period					
Net result for the period		248,608	-	-	248,608
Other comprehensive income for the period	15	-	-	-	-
Total comprehensive income for the period		248,608	-	-	248,608
Transfers from reserve accounts	25	5,781,902	(5,781,902)	-	-
Transfers to reserve accounts	25	(5,141,435)	5,141,435	-	-
Balance as at 30 June 2023		24,005,077	9,675,984	79,415,068	113,096,129

This statement is to be read in conjunction with the accompanying notes.



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**SHIRE OF MURCHISON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		768,663	1,026,508
Grants, subsidies and contributions		14,934,444	6,905,551
Fees and charges		537,087	472,645
Interest revenue		88,779	10,134
Goods and services tax received		-	70,899
Other revenue		341,137	272,938
		16,670,110	8,758,675
Payments			
Employee costs		(1,502,778)	(1,314,582)
Materials and contracts		(12,212,746)	(2,537,822)
Finance costs		(53,047)	(27,790)
Insurance paid		(185,182)	(180,109)
Goods and services tax paid		(155,036)	-
Other expenditure		(147,392)	(121,519)
		(14,256,181)	(4,181,822)
Net cash provided by operating activities	16(b)	2,413,929	4,576,853
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost		-	(3,422,952)
Payments for purchase of property, plant & equipment	8(a)	(1,516,963)	(528,372)
Payments for construction of infrastructure	9(a)	(5,412,000)	(3,309,267)
Capital grants, subsidies and contributions		2,727,075	1,716,695
Proceeds for financial assets at amortised cost		3,422,952	-
Proceeds from sale of property, plant & equipment		-	5,455
Net cash provided by (used in) investing activities		(778,936)	(5,538,441)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	24(a)	(202,165)	(85,623)
Proceeds from new borrowings	24(a)	-	2,000,000
Net cash provided by (used in) financing activities		(202,165)	1,914,377
Net increase in cash held		1,432,828	952,789
Cash at beginning of year		9,109,699	8,156,910
Cash and cash equivalents at the end of the year	16(a)	10,542,527	9,109,699

This statement is to be read in conjunction with the accompanying notes.



**SHIRE OF MURCHISON
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
Rates	22	671,803	623,919	538,967
Grants, subsidies and contributions		15,047,853	14,847,858	6,843,572
Fees and charges		545,285	625,445	478,569
Interest revenue		88,779	45,000	10,134
Other revenue		341,137	272,230	272,938
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	922	-	999
		16,695,779	16,414,452	8,145,179
Expenditure from operating activities				
Employee costs		(1,525,756)	(1,311,381)	(1,411,298)
Materials and contracts		(11,116,646)	(16,154,497)	(1,791,490)
Depreciation		(5,441,519)	(3,520,116)	(3,653,752)
Finance costs		(53,047)	(47,061)	(27,790)
Insurance		(185,182)	(184,439)	(180,109)
Other expenditure		(147,392)	(160,850)	(121,519)
Loss on asset disposals		-	-	(11,568)
Loss on revaluation of non-current assets		(37,060)	-	(1,925,144)
		(18,506,602)	(21,378,344)	(9,122,670)
Non-cash amounts excluded from operating activities	23(a)	5,507,989	3,520,116	5,673,805
Amount attributable to operating activities		3,697,166	(1,443,776)	4,696,314
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,059,431	1,938,566	1,829,863
Proceeds from disposal of assets		-	59,000	5,455
		2,059,431	1,997,566	1,835,318
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(1,516,963)	(1,959,000)	(528,372)
Purchase and construction of infrastructure	9(a)	(5,412,000)	(5,062,079)	(3,309,267)
		(6,928,963)	(7,021,079)	(3,837,639)
Amount attributable to investing activities		(4,869,532)	(5,023,513)	(2,002,321)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	24(a)	-	950,000	2,000,000
Transfers from reserve accounts	25	5,781,902	5,804,223	-
		5,781,902	6,754,223	2,000,000
Outflows from financing activities				
Repayment of borrowings	24(a)	(202,165)	(200,599)	(85,623)
Transfers to reserve accounts	25	(5,141,435)	(553,800)	(3,187,468)
		(5,343,600)	(754,399)	(3,273,091)
Amount attributable to financing activities		438,302	5,999,824	(1,273,091)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	23(b)	1,403,306	481,440	(17,596)
Amount attributable to operating activities		3,697,166	(1,443,776)	4,696,314
Amount attributable to investing activities		(4,869,532)	(5,023,513)	(2,002,321)
Amount attributable to financing activities		438,302	5,999,824	(1,273,091)
Surplus or deficit after imposition of general rates	23(b)	669,242	13,975	1,403,306

This statement is to be read in conjunction with the accompanying notes.



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**SHIRE OF MURCHISON
FOR THE YEAR ENDED 30 JUNE 2023
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SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

1. BASIS OF PREPARATION

The financial report of the Shire of Murchison which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied, except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity
All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 26 of the financial report.

Judgements and estimates
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.

Initial application of accounting standards
During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These amendments have no material impact on the current annual financial report.

New accounting standards for application in future years
The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates

This standard will result in a terminology change for significant accounting policies

- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified. Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers
Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General Rates.	Over time.	Payment dates adopted by Council during the year.	None.	When rates notice is issued.
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services.	Over time.	Fixed terms transfer of funds based on agreed milestones and reporting.	Contract obligation if project not complete.	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government.	Over time.	Fixed terms transfer of funds based on agreed milestones and reporting.	Contract obligation if project not complete.	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared.
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment.	No obligations.	Not applicable.	Not applicable.	When assets are controlled.
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time.	Full payment prior to issue.	None.	On payment and issue of the licence, registration or approval.
Other inspections	Regulatory Food, Health and Safety.	Single point in time.	Full payment prior to inspection.	None.	Revenue recognised after inspection event occurs.
Property hire and entry	Use of halls and facilities.	Single point in time.	In full in advance.	Refund if event cancelled within 7 days.	On entry or at conclusion of hire.
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works.	Single point in time.	Payment in full in advance.	None.	Output method based on provision of service or completion of works.
Commissions	Commissions on licencing and ticket sales.	Over time.	Payment in full on sale.	None.	When assets are controlled.
Reimbursements	Insurance claims.	Single point in time.	Payment in arrears for claimable event.	None.	When claim is agreed.

Consideration from contracts with customers is included in the transaction price.

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	671,803	-	671,803
Grants, subsidies and contributions	15,047,853	-	-	-	15,047,853
Fees and charges	545,285	-	-	-	545,285
Interest revenue	-	-	3,980	84,799	88,779
Other revenue	341,137	-	-	-	341,137
Capital grants, subsidies and contributions	-	2,059,431	-	-	2,059,431
Total	15,934,275	2,059,431	675,783	84,799	18,754,288

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	538,967	-	538,967
Grants, subsidies and contributions	6,843,572	-	-	-	6,843,572
Fees and charges	478,569	-	-	-	478,569
Interest revenue	-	-	5,481	4,653	10,134
Other revenue	272,938	-	-	-	272,938
Capital grants, subsidies and contributions	-	1,829,863	-	-	1,829,863
Total	7,595,079	1,829,863	544,448	4,653	9,974,043

Note	2023 Actual \$	2022 Actual \$
Assets and services acquired below fair value		
Contributed assets	-	-
Recognised volunteer services	-	-
Interest revenue		
Interest on reserve account funds	82,596	4,563
Rates instalment and penalty interest	3,980	5,481
Other interest revenue	2,203	90
	88,779	10,134
The 2023 original budget estimate in relation to: rates and penalty interest was \$5,500.		
Fees and charges relating to rates receivable		
Charges on instalment plan	132	-
The 2023 original budget estimate in relation to: Charges on instalment plan was \$330.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	44,700	43,989
- Other services – grant acquittals	-	6,500
	44,700	50,489
Employee Costs		
Employee benefit costs	1,445,954	1,343,635
Other employee costs	79,802	67,663
	1,525,756	1,411,298
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	53,047	27,790
	53,047	27,790
Other expenditure		
Impairment (writeback) on rates and statutory receivables	(8,198)	(5,924)
Sundry expenses	155,590	127,443
	147,392	121,519

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

3. CASH AND CASH EQUIVALENTS

	Note	2023	2022
		\$	\$
Cash at bank and on hand		10,542,527	9,109,699
Total cash and cash equivalents	16(a)	10,542,527	9,109,699
Held as			
- Unrestricted cash and cash equivalents		1,574,701	1,839,026
- Restricted cash and cash equivalents	16(a)	8,967,826	7,270,673
		10,542,527	9,109,699

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and 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.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Financial assets at fair value through profit and loss - Units in Local Government House Trust

Units in Local Government House Trust - closing balance

	2023	2022
	\$	\$
	-	3,422,952
	-	3,422,952
	-	3,422,952
	-	3,422,952
	-	3,422,952
	-	3,422,952
	20,373	19,451
	20,373	19,451
	19,451	18,452
	922	999
	20,373	19,451

Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 21 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The Shire has elected to classify the following financial assets at fair value through profit or loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has elected to recognise as fair value gains and losses through profit or loss.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

5. TRADE AND OTHER RECEIVABLES

	Note	2023 \$	2022 \$
Current			
Rates and statutory receivables		60,272	78,537
Trade receivables		87,289	1,517
Other receivables		31,653	-
GST receivable		214,623	59,587
Receivables for employee related provisions	14	-	4,016
Allowance for credit losses of rates and statutory receivables		(8,295)	(16,493)
		385,542	127,164

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

	Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
Trade and other receivables from contracts with customers		87,289	1,517	67,512
Contract assets	7	1,752,976	182,020	-
Allowance for credit losses of trade receivables	5	-	-	-
Allowance for impairment of contract assets	7	-	-	-
Total trade and other receivables from contracts with customers		1,840,265	183,537	67,512

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers including grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

6. INVENTORIES

	Note	2023	2022
Current		\$	\$
Fuel and materials		230,472	139,174
		230,472	139,174
The following movements in inventories occurred during the year:			
Balance at beginning of year		139,174	143,889
Inventories expensed during the year		(946,190)	(970,678)
Additions to inventory		1,037,488	965,963
Balance at end of year		230,472	139,174

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

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.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

7. OTHER ASSETS

Other assets - current

Contract assets

2023	2022
\$	\$
1,752,976	182,020
1,752,976	182,020

SIGNIFICANT ACCOUNTING POLICIES

Contract assets

Contract assets primarily relate to the Shire's right to . consideration for work completed but not billed at the end of the period.

Impairment of assets associated with contracts with customers are detailed at Note 2(b).

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Buildings and improvements	Total land and buildings not subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$		\$	\$	\$
Balance at 1 July 2021	7,530,913	7,530,913	7,530,913	38,272	3,087,240	10,656,425
Additions	251,616	251,616	251,616	8,849	267,907	528,372
Disposals	-	-	-	-	(17,023)	(17,023)
Revaluation increments transferred to revaluation surplus	2,464,567	2,464,567	2,464,567	-	-	2,464,567
Depreciation	(396,261)	(396,261)	(396,261)	(6,245)	(459,354)	(861,860)
Balance at 30 June 2022	9,850,835	9,850,835	9,850,835	40,876	2,878,770	12,770,481
Comprises:						
Gross balance amount at 30 June 2022	13,393,789	13,393,789	13,393,789	52,969	4,445,160	17,891,918
Accumulated depreciation at 30 June 2022	(3,542,954)	(3,542,954)	(3,542,954)	(12,093)	(1,566,390)	(5,121,437)
Balance at 30 June 2022	9,850,835	9,850,835	9,850,835	40,876	2,878,770	12,770,481
Additions	587,082	587,082	587,082	30,025	899,856	1,516,963
Impairment (losses)	(37,060)	(37,060)	(37,060)	-	-	(37,060)
Depreciation	(629,276)	(629,276)	(629,276)	(9,840)	(438,418)	(1,077,534)
Balance at 30 June 2023	9,771,581	9,771,581	9,771,581	61,061	3,340,208	13,172,850
Comprises:						
Gross balance amount at 30 June 2023	13,943,811	13,943,811	13,943,811	82,994	5,345,016	19,371,821
Accumulated depreciation at 30 June 2023	(4,172,230)	(4,172,230)	(4,172,230)	(21,933)	(2,004,808)	(6,198,971)
Balance at 30 June 2023	9,771,581	9,771,581	9,771,581	61,061	3,340,208	13,172,850

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Buildings and improvements	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2022	Improvements to land using residual values and remaining useful life assessments inputs.
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment		Cost	Cost		Purchase cost
Plant and equipment		Cost	Cost		Purchase cost

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

9. INFRASTRUCTURE

(a) Movements in Balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Infrastructure - bridges	Total Infrastructure
	\$	\$	\$
Balance at 1 July 2021	68,396,399	3,840,321	72,236,720
Additions	3,309,267	-	3,309,267
Revaluation increments / (decrements) transferred to revaluation surplus	19,774,835	(59,215)	19,715,620
Revaluation (loss) transferred to profit or loss	-	(1,925,144)	(1,925,144)
Depreciation	(2,740,689)	(51,203)	(2,791,892)
Balance at 30 June 2022	88,739,812	1,804,759	90,544,571
Comprises:			
Gross balance at 30 June 2022	129,306,253	4,658,230	133,964,483
Accumulated depreciation at 30 June 2022	(40,566,441)	(2,853,471)	(43,419,912)
Balance at 30 June 2022	88,739,812	1,804,759	90,544,571
Additions	5,412,000	-	5,412,000
Depreciation	(4,305,757)	(58,228)	(4,363,985)
Balance at 30 June 2023	89,846,055	1,746,531	91,592,586
Comprises:			
Gross balance at 30 June 2023	134,718,253	4,658,230	139,376,483
Accumulated depreciation at 30 June 2023	(44,872,198)	(2,911,699)	(47,783,897)
Balance at 30 June 2023	89,846,055	1,746,531	91,592,586

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition residual values and remaining useful life assessments.
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition residual values and remaining useful life assessments.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings and Improvements	7 to 90 years
Furniture and equipment	3 to 25 years
Plant and equipment	5 to 20 years
Sealed roads and streets	
formation	not depreciated
pavement	12 years
seal	10 years
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	45 years
Footpaths	10 years
Culverts	60 years
Signs	20 years
Stock Grids	80 years
Floodways	21 years
Water supply piping and drainage systems	75 years
Bridges	80 years

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value (as indicated), less any accumulated depreciation and impairment losses.

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements on vested land acquired by the Shire).

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

Revaluation (continued)

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income in the period in which they arise.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued expenses

2023	2022
\$	\$
234,549	306,064
82,143	3,548
47,726	41,429
50,303	59,938
511,211	423,879
595,541	45,204
1,521,473	880,062

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises income for the prepaid rates that have not been refunded.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

12. OTHER LIABILITIES

Current

Capital grant/contributions liabilities

Reconciliation of changes in capital grant/contribution liabilities

Opening balance

Additions

Revenue from capital grant/contributions held as a liability at the start of the period

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year

2023	2022
\$	\$
1,044,818	377,174
1,044,818	377,174
377,174	308,322
1,044,818	377,174
(377,174)	(308,322)
1,044,818	377,174
1,044,818	377,174
377,174	377,174
1,044,818	377,174

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

13. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Long term borrowings		194,552	1,533,838	1,728,390	193,898	1,736,657	1,930,555
Total secured borrowings	24(a)	194,552	1,533,838	1,728,390	193,898	1,736,657	1,930,555

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Murchison.

The Shire of Murchison has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

Details of individual borrowings required by regulations are provided at Note 24(a).

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2023	2022
	\$	\$
Annual leave	134,720	140,902
Long service leave	79,566	22,905
	214,286	163,807
Employment on-costs	32,143	23,968
	32,143	23,968
Total current employee related provisions	246,429	187,775
Long service leave	52,964	79,545
	52,964	79,545
Employment on-costs	7,123	12,880
	7,123	12,880
Total non-current employee related provisions	60,087	92,425
Total employee related provisions	306,516	280,200

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

15. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Buildings and improvements	7,861,593	-	7,861,593	5,397,026	2,464,567	7,861,593
Infrastructure - roads	71,553,475	-	71,553,475	51,778,640	19,774,835	71,553,475
Infrastructure - bridges	-	-	-	59,215	(59,215)	-
	79,415,068	-	79,415,068	57,234,881	22,180,187	79,415,068

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	10,542,527	9,109,699
Restrictions			
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	8,967,826	7,270,673
- Financial assets at amortised cost	4	-	3,422,952
		8,967,826	10,693,625
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	25	9,675,984	10,316,451
Contract assets	7	(1,752,976)	-
Capital grant liabilities	12	1,044,818	377,174
Total restricted financial assets		8,967,826	10,693,625

**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result	248,608	852,372
Non-cash items:		
Adjustments to fair value of financial assets at fair value through profit or loss	(922)	(999)
Depreciation/amortisation	5,441,519	3,653,752
(Profit)/loss on sale of asset	-	11,568
Impairment of Buildings and Improvements	37,060	-
Loss on revaluation of fixed assets	-	1,925,144
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(258,378)	610,947
(Increase)/decrease in other assets	(1,570,956)	(182,020)
(Increase)/decrease in inventories	(91,298)	4,715
Increase/(decrease) in trade and other payables	641,411	(739,139)
Increase/(decrease) in employee related provisions	26,316	88,356
Increase/(decrease) in other liabilities	667,644	68,852
Capital grants, subsidies and contributions	(2,727,075)	(1,716,695)
Net cash provided by/(used in) operating activities	2,413,929	4,576,853

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	100,000	100,000
Bank overdraft at balance date	-	-
Credit card limit	5,000	5,000
Credit card balance at balance date	(1,891)	(1,566)
Total amount of credit unused	103,109	103,434

Loan facilities

Loan facilities - current	194,552	193,898
Loan facilities - non-current	1,533,838	1,736,657
Total facilities in use at balance date	1,728,390	1,930,555

Unused loan facilities at balance date	NIL	NIL
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**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

17. CONTINGENT LIABILITIES

The Shire of Murchison was in compliance with the *Contaminated Sites Act 2003* section 11 listed sites to be possible sources of contamination

- Murchison settlement tip; and
- Murchison works depot

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and degree with the Department of Water and Environmental Regulation (DWER), the need and criteria for remediation, the Shire is unable to accurately quantify its clean-up liabilities for potential contaminated sites.

The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach.

18. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	3,909,892	201,780
- plant & equipment purchases	281,166	59,666
	4,191,058	261,446
Payable:		
- not later than one year	4,191,058	261,446

The capital expenditure projects outstanding at the end of the current reporting period represent construction of roads, water supply and power supply and plant purchases. The prior year commitments were for building renovations, cool rooms and a vehicle purchase.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

19. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
President's annual allowance	14,032	14,032	12,032
Deputy President's annual allowance	3,508	3,508	5,015
Meeting attendance fees	63,323	63,323	59,760
Annual allowance for ICT expenses	12,000	12,000	6,990
Travel and accommodation expenses	19,839	20,000	16,593
19(b)	112,702	112,863	100,390

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Note	2023 Actual	2022 Actual
	\$	\$
Short-term employee benefits	435,108	409,473
Post-employment benefits	52,699	45,065
Employee - other long-term benefits	14,145	11,339
Council member costs	112,702	100,390
19(a)	614,654	566,267

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

19. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2023 Actual	2022 Actual
	\$	\$
Purchase of goods and services	733,896	759,373
Amounts payable to related parties:		
Trade and other payables	-	52,223
- Elected members	-	80

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 19(a) and 19(b)

ii. Other Related Parties

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The contract involved roadworks in the Shire, and amounted to \$589,626 in the current year (\$110,589 in the prior year).

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The contract involved roadworks in the Shire, and amounted to \$141,350 in the current year (\$712,388 in the prior year).

During the previous year, a company controlled by a related party of a council member, provided water sampling on terms and conditions equivalent to those that prevail in arm's length transactions under the Shire's procurement process.

The services amounted to \$2,200 in the current year (\$0 in the prior year).

During the previous year, a company controlled by a related party of a council member, provided roadworks under a contract awarded in the 2020 year under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement processes.

The contract involved roadworks in the Shire, and amounted to \$9,914 in the prior year.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

20. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Murchison has participated in a joint arrangement with the Department of Housing for the construction of eight units in the Murchison Settlement. The provision of housing aims to provide accommodation for Shire employees. The Shire of Murchison has a 15.69% interest in one unit and 0% in the remaining seven units. All revenue and expenses as well as liabilities of the joint arrangement are recognised in the relevant financial statements of council.

	2023 Actual	2022 Actual
Statement of Financial Position		
Buildings	\$ 96,723	\$ 96,273
Less: Accumulated depreciation	(25,900)	(22,049)
Total assets	70,823	74,224
Total equity	70,823	74,224
Statement of Comprehensive Income		
Employee Costs	(19,405)	(16,505)
Materials and Contracts	(229,354)	(67,968)
Insurance	(14,823)	(14,294)
Depreciation	(3,850)	(6,940)
Profit/(loss) for the period	(267,432)	(105,707)
Other comprehensive income	-	(78,449)
Total comprehensive income for the period	(267,432)	(184,156)
Statement of Cash Flows		
Employee Costs	(19,405)	(16,505)
Materials and Contracts	(229,354)	(67,968)
Insurance	(14,823)	(14,294)
Net cash (used in) operating activities	(263,582)	(98,767)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

21. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with 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 which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification
The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures
All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures
Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures
Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation
The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities
Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue
Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy
AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques
The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach
Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach
Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach
Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets
In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

22. RATING INFORMATION

(a) General Rates

RATE TYPE				2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	2021/22	
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value*	Actual Rate Revenue	Actual Reassessed Rates	Actual Total Revenue	Budget Rate Revenue	Budget Reassessed Rate	Budget Total Revenue	Actual Total Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
UV Pastoral	Unimproved valuation	0.04863	22	1,232,902	59,956	-	59,956	59,952	-	59,952	54,399
UV Mining	Unimproved valuation	0.24552	25	1,624,080	398,744	2,096	400,840	398,748	-	398,748	390,091
UV Prospecting and exploration	Unimproved valuation	0.09339	52	1,486,433	138,818	45,789	184,607	138,819	-	138,819	81,277
Total general rates			99	4,343,415	597,518	47,885	645,403	597,519	-	597,519	525,767
Minimum payment											
		Minimum Payment \$									
UV Pastoral	Unimproved valuation	800	6	17,311	4,800	-	4,800	4,800	-	4,800	3,600
UV Mining	Unimproved valuation	800	-	-	-	-	-	-	-	-	-
UV Prospecting and exploration	Unimproved valuation	800	27	215,510	21,600	-	21,600	21,600	-	21,600	9,600
Total minimum payments			33	232,821	26,400	-	26,400	26,400	-	26,400	13,200
Total general rates and minimum payments			132	4,576,236	623,918	47,885	671,803	623,919	-	623,919	538,967
Discounts							-			-	-
Concessions							-			-	-
Total Rates							671,803			623,919	538,967
Rate instalment interest							-			5,500	-
Rate overdue interest							3,980			-	5,481

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

*Rateable Value at time of raising of rate.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

23. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23 Budget	2022/23	2021/22
	2022/23 (30 June 2023 Carried Forward)	(30 June 2023 Carried Forward)	(1 July 2022 Brought Forward)	(30 June 2022 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Movement in receivables for employee related provisions	4,016	-	(4,016)	(4,016)
Less: Movement in liabilities associated with restricted cash	58,654	-	53,292	53,292
Less: Fair value adjustments to financial assets at fair value through profit or loss	(922)	-	(999)	(999)
Add: Loss on disposal of assets	-	-	11,568	11,568
Add: Loss on revaluation of fixed assets	9(a) -	-	1,925,144	1,925,144
Add: impairment losses on fixed assets	8(a) 37,060	-	-	-
Add: Depreciation	10(a) 5,441,519	3,520,116	3,653,752	3,653,752
Non-cash movements in non-current assets and liabilities:				
Employee benefit provisions	(32,338)	-	35,064	35,064
Non-cash amounts excluded from operating activities	5,507,989	3,520,116	5,673,805	5,673,805
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	25 (9,675,984)	(5,955,025)	(10,316,451)	(10,316,451)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13 194,552	593	193,898	193,898
- Employee benefit provisions	246,429	134,483	183,759	183,759
Total adjustments to net current assets	(9,235,003)	(5,819,949)	(9,938,794)	(9,938,794)
Net current assets used in the Statement of Financial Activity				
Total current assets	12,911,517	7,258,342	12,981,009	12,981,009
Less: Total current liabilities	(3,007,272)	(1,424,418)	(1,638,909)	(1,638,909)
Less: Total adjustments to net current assets	(9,235,003)	(5,819,949)	(9,938,794)	(9,938,794)
Surplus or deficit after imposition of general rates	669,242	13,975	1,403,306	1,403,306

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

24. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Actual												Budget				
Purpose	Note	Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Actual Interest Expense During 2021-22	Actual Interest Repayments During 2021-22	Principal at 30 June 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Actual Interest Expense During 2022-23	Actual Interest Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
		\$	\$	\$			\$	\$	\$			\$	\$	\$	\$	\$
Plant		16,178	-	(583)	679	(529)	15,745	-	(14,650)	150	(1,245)	-	15,000	-	(15,000)	-
Roadworks in 2020-21		-	2,000,000	(91,531)	24,762	(18,421)	1,914,810	-	(185,598)	52,897	(53,719)	1,728,390	1,908,469	-	(185,599)	1,722,870
Loan 3 MicroGrid Power		-	-	-	-	-	-	-	-	-	-	-	-	950,000	-	950,000
Total Borrowings	13	16,178	2,000,000	(92,114)	25,441	(18,950)	1,930,555	-	(200,248)	53,047	(54,964)	1,728,390	1,923,469	950,000	(200,599)	2,672,870
Repayment of Borrowings for Statement of Cashflows and Statement of Financial Activity						(85,623)						(202,165)	(200,599)			

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022
Plant		1	WATC*	3.330%	14-Sep-22	\$ 150	\$ (490)	\$ (679)
Roadworks in 2020-21		2	WATC*	1.842%	28-Oct-31	52,897	(34,305)	(24,762)
Total Finance Cost Payments						53,047	(34,795)	(25,441)

* WA Treasury Corporation

(b) New Borrowings - 2022/23

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2023 Actual	2023 Budget	2023 Actual	2023 Budget		
Loan 3 MicroGrid Power	WATC*	Semi Annual	N/A	4.00%	\$ -	\$ 950,000	\$ -	(950,000)	\$ -	\$ -
					-	950,000	-	(950,000)	-	-

* WA Treasury Corporation

(c) Unspent Borrowings

The Shire had no unspent borrowings at 30 June 2023.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

25. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	139,147	25,844	-	164,991	139,147	25,700	-	164,847	139,088	59	-	139,147
(b) Plant replacement reserve	1,372,758	296,000	(417,000)	1,251,758	1,372,758	500,000	(621,000)	1,251,758	1,372,757	1	-	1,372,758
(c) Building reserve	499,635	6,218	-	505,853	488,635	2,700	-	491,335	499,422	213	-	499,635
(d) Beringarra-Cue road reserve	3,457,924	48,477	(2,064,814)	1,441,587	3,457,923	24,000	(850,000)	2,631,923	3,454,306	3,618	-	3,457,924
(e) CSIRO Beringarra-Pindar road reserve	176,024	2,190	-	178,214	176,024	900	-	176,924	175,949	75	-	176,024
(f) Flood damage repairs reserve	105,969	-	(100,000)	5,969	105,969	500	(100,000)	6,469	105,969	-	-	105,969
(g) Settlement buildings and facilities reserve	522,857	58,918	-	581,775	1,822,857	-	(750,000)	1,072,857	522,634	223	-	522,857
(h) Asset rehabilitation reserve	858,912	-	-	858,912	458,912	-	(300,000)	158,912	858,858	54	-	858,912
(i) Grants Commission reserve	3,183,225	4,702,453	(3,200,088)	4,685,590	3,183,223	-	(3,183,223)	-	-	3,183,225	-	3,183,225
(j) Community Economic Development Reserve	-	1,335	-	1,335	-	-	-	-	-	-	-	-
	10,316,451	5,141,435	(5,781,902)	9,675,984	11,205,448	553,800	(5,804,223)	5,955,025	7,128,983	3,187,468	-	10,316,451

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	To be used to fund annual and long service leave requirements.
(b) Plant replacement reserve	To be used for the purchase of plant.
(c) Building reserve	To be used for the construction/renovation of administration centre and Works Depot.
(d) Beringarra-Cue road reserve	To be used to maintain the road in a post Jack Hills mine closure environment by converting the road from bitumen to gravel and performing other associated works as required.
(e) CSIRO Beringarra-Pindar road reserve	To be used to fund additional maintenance work required for CSIRO traffic.
(f) Flood damage repairs reserve	To be used towards the "trigger point" for Western Australia Natural Disaster Relief funded flood damage works.
(g) Settlement buildings and facilities reserve	To be used to fund improvements to and maintenance of settlement buildings and facilities as well as new facilities.
(h) Asset rehabilitation reserve	To be used to fund works associated with rehabilitating Council's Infrastructure Assets.
(i) Grants Commission reserve	To ensure that any Grants Commission funds received are only applied to income and expenses in the financial year in which they apply.
(j) Community Economic Development Reserve	To be used to fund actions and activities that support and increase progress in the development of the Shire community and Shire based organisations economically, socially and culturally.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

26. TRUST FUNDS

The Shire did not have any funds held at balance date over which it has no control.



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Shire of Murchison

To the Council of the Shire of Murchison

Opinion

I have audited the financial report of the Shire of Murchison (Shire) which comprises:

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 and its financial position as at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit 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 my 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 the financial report. 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.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Murchison for the year ended 30 June 2023 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
5 December 2023



murchisonshire

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SHIRE OF MURCHISON

MONTHLY FINANCIAL REPORT

For the Period Ending 30 November 2023



RSM Australia Pty Ltd

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Compilation Report

To the Council

Shire of Murchison

Scope

We have compiled the accompanying special purpose financial statements.

The specific purpose for which the special purpose financial report has been prepared is to provide information relating to the financial performance and financial position of the Shire that satisfies the information needs of the Council and the *Local Government Act 1995* and associated regulations.

The responsibility of the Shire

The Shire is solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the Council and the *Local Government Act 1995* and associated regulations.

Our responsibility

On the basis of information provided by the Shire, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Management provided, into a financial report. Our procedures do not include any verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Shire of Murchison, may suffer arising from negligence on our part.

This report was prepared for the benefit of the Council of the Shire of Murchison and the purpose identified above. We do not accept responsibility to any other person for the content of the report.

Travis Bate
Signed at GERALDTON

RSM Australia Pty Ltd
Chartered Accountants

Date 13th December 2023

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

SHIRE OF MURCHISON
MONTHLY FINANCIAL REPORT
For the Period Ending 30 November 2023
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SHIRE OF MURCHISON
MONTHLY FINANCIAL REPORT
For the Period Ending 30 November 2023
EXECUTIVE SUMMARY

Statement of Financial Activity

Statements are presented on pages 5 and 6 showing a surplus/(deficit) as at 30 November 2023 of \$3,602,076

Significant Revenue and Expenditure

	Collected / Completed %	Annual Budget \$	YTD Budget \$	YTD Actual \$
Significant Projects				
Beri-Pindar Rd - Resheet Incl Floodway Sections	100%	623,448	259,770	634,561
Carn-Mul Rd 208.68 - 241.74 Reconstruct & Widen vario	38%	2,291,451	954,765	873,745
Community Swimming Pool	68%	1,050,000	437,500	-
SKA Route General Construction Works	73%	3,045,854	1,269,105	2,214,801
Improvements To drinking Water reticulation	0%	450,000	187,500	94,127
	53%	7,010,754	2,921,140	3,723,107
Grants, Subsidies and Contributions				
Grants, subsidies and contributions	43%	5,504,585	5,172,419	2,392,785
Capital grants, subsidies and contributions	37%	5,800,331	2,397,306	2,119,961
	40%	11,304,916	7,569,725	4,512,747
Rates Levied				
	70%	3,261,265	1,784,804	2,272,425

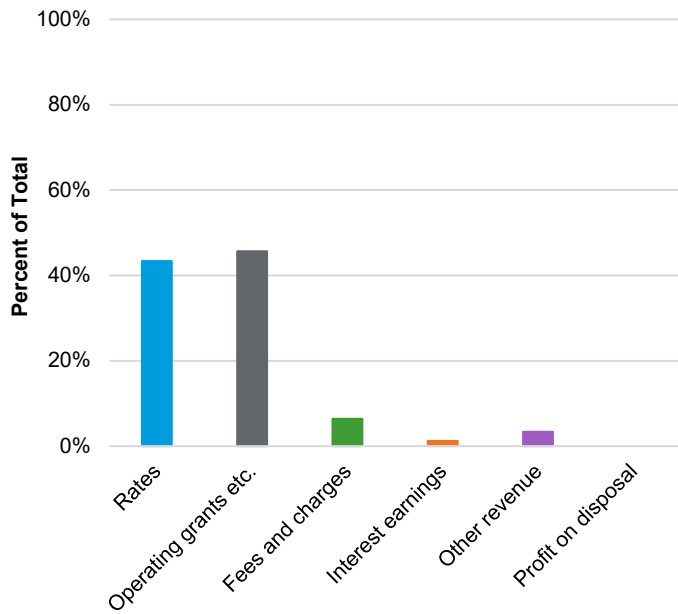
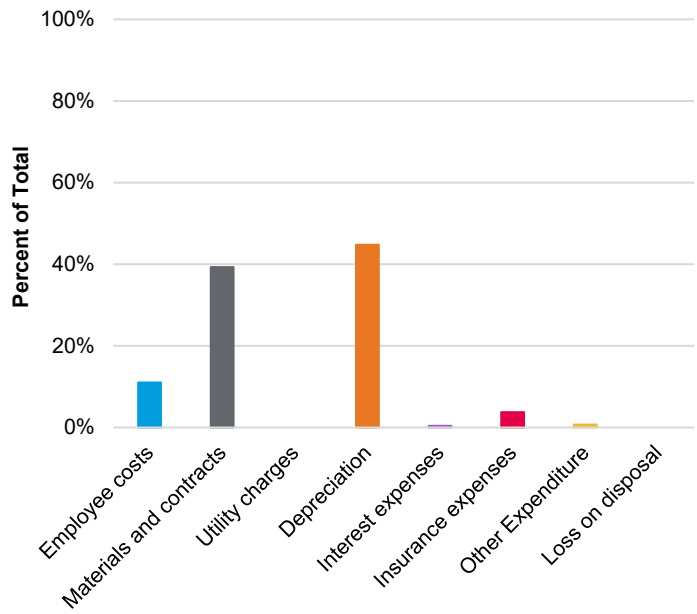
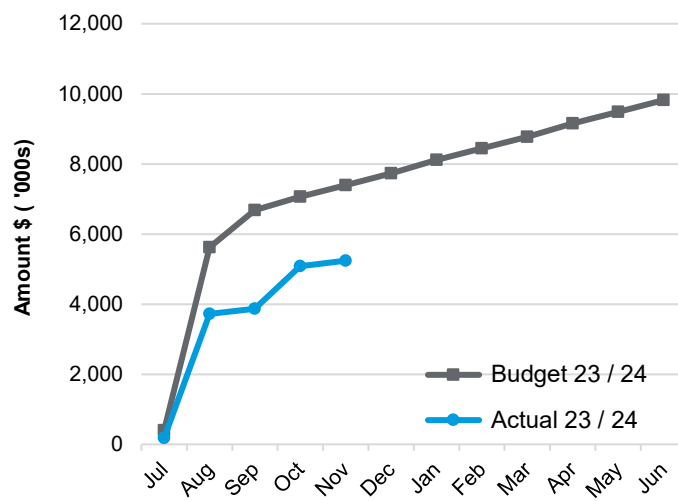
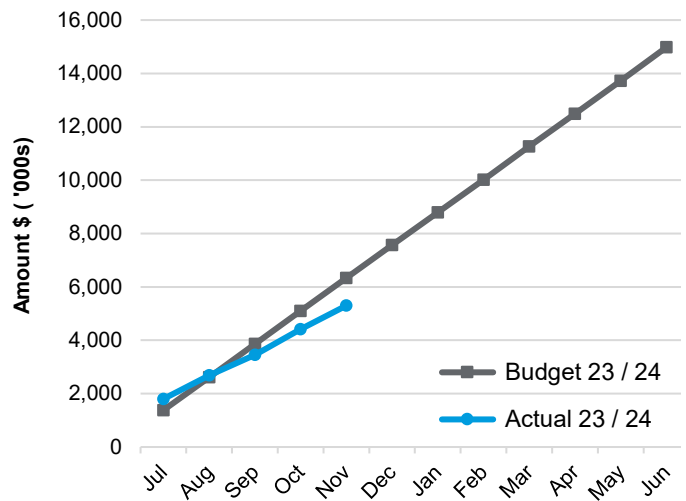
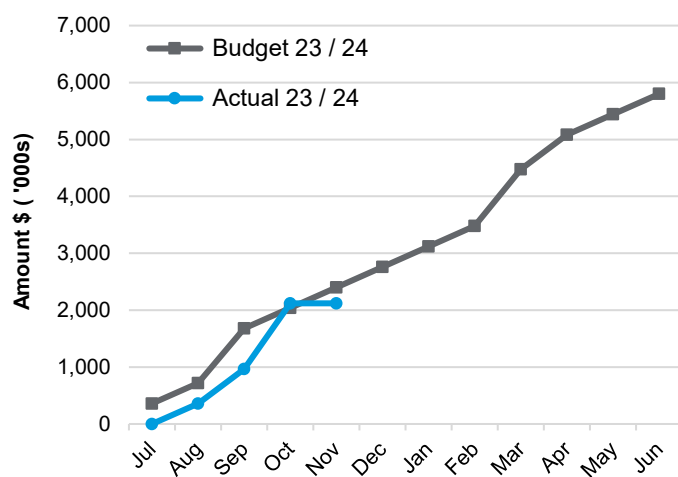
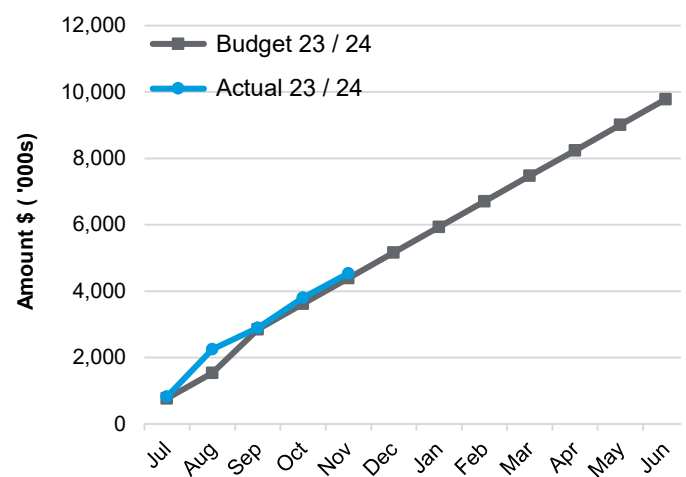
% - Compares current YTD actuals to the Annual Budget

Financial Position

Account	Difference to Prior Year %	Current Year 30 Nov 23 \$	Prior Year 30 Nov 22 \$
Adjusted net current assets	(3,038%)	3,602,076	(118,580)
Cash and equivalent - unrestricted	258%	3,714,910	1,437,286
Cash and equivalent - restricted	0%	6,569,120	9,533,427
Receivables - rates	173%	182,677	105,845
Receivables - other	72%	15,190	21,193
Payables	112%	2,573,939	2,303,649

% - Compares current YTD actuals to prior year actuals

SHIRE OF MURCHISON
MONTHLY FINANCIAL REPORT
For the Period Ending 30 November 2023
SUMMARY GRAPHS

Operating Income**Operating Expenditure****Operating Revenues****Operating Expenses****Capital Revenues - Investing****Capital Expenses**

SHIRE OF MURCHISON
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023
NATURE OR TYPE

	Note	Annual Budget \$	YTD Budget \$	YTD Actual \$	Var* \$	Var* %	Var
Revenue from Operating Activities							
Rates	10	3,261,265	1,784,804	2,272,425	487,621	27%	▲
Grants, subsidies and contributions	12(a)	5,504,585	5,172,419	2,392,785	(2,779,634)	(54%)	▼
Fees and charges		586,958	244,550	335,586	91,036	37%	▲
Interest earnings		88,100	35,632	63,279	27,647	78%	▲
Other revenue		378,701	157,940	176,313	18,373	12%	▲
Profit on disposal of assets	8	-	-	-	-		
		9,819,610	7,395,345	5,240,390			
Expenditure from Operating Activities							
Employee costs		(1,362,949)	(593,393)	(578,654)	14,739	2%	
Materials and contracts		(7,821,231)	(3,278,094)	(2,063,297)	1,214,797	37%	▲
Depreciation on non-current assets		(5,400,126)	(2,249,960)	(2,350,607)	(100,647)	(4%)	
Finance cost		(44,738)	(18,640)	(22,058)	(3,419)	(18%)	
Insurance expenses		(188,949)	(142,004)	(197,357)	(55,353)	(39%)	▼
Other expenditure		(160,373)	(60,560)	(37,785)	22,775	38%	▲
Loss on disposal of assets	8	-	-	-	-		
		(14,978,366)	(6,342,651)	(5,249,758)			
Excluded Non-cash Operating Activities							
Depreciation and amortisation		5,400,126	2,249,960	2,350,607			
(Profit) / loss on asset disposal		-	-	-			
Net Amount from Operating Activities		241,370	3,302,655	2,341,239			
Investing Activities							
Inflows from Investing Activities							
Capital grants, subsidies and contributions	12(b)	5,800,331	2,397,306	2,119,961	(277,345)	(12%)	▼
Proceeds from disposal of assets	8	100,000	41,667	-	(41,667)	(100%)	▼
		5,900,331	2,438,973	2,119,961			
Outflows from Investing Activities							
Land and buildings	9(a)	(567,500)	(236,450)	(27,972)	208,478	88%	▲
Plant and equipment	9(c)	(543,000)	(543,000)	(369,183)	173,817	32%	▲
Furniture and equipment	9(b)	(91,500)	(38,120)	(28,174)	9,946	26%	
Infrastructure - roads	9(d)	(6,331,117)	(2,637,940)	(3,890,738)	(1,252,798)	(47%)	▼
Infrastructure - other	9(e)	(2,250,000)	(937,490)	(225,077)	712,413	76%	
		(9,783,117)	(4,393,000)	(4,541,143)			
Net Amount from Investing Activities		(3,882,786)	(1,954,027)	(2,421,182)			
Financing Activities							
Inflows from Financing Activities							
Transfer from reserves	7	6,327,983	6,269,037	4,684,983	(1,584,054)	25%	
		6,327,983	6,269,037	4,684,983			
Outflows from Financing Activities							
Repayment of debentures	11(a)	(189,033)	(94,083)	(94,083)	(0)	(0%)	
Transfer to reserves	7	(2,972,301)	(631,268)	(1,578,112)	(946,844)	(150%)	▼
		(3,161,334)	(725,351)	(1,672,195)			
Net Amount from Financing Activities		3,166,649	5,543,686	3,012,788			
Movement in Surplus or Deficit							
Opening Funding Surplus / (Deficit)	3	508,088	508,088	669,232			
Amount attributable to operating activities		241,370	3,302,655	2,341,239			
Amount attributable to investing activities		(3,882,786)	(1,954,027)	(2,421,182)			
Amount attributable to financing activities		3,166,649	5,543,686	3,012,788			
Closing Surplus / (Deficit)	3	33,321	7,400,401	3,602,076			

* - Note 2 provides an explanation for the relevant variances shown above.

This statement needs to be read in conjunction with the accompanying Financial Statements and Notes.

SHIRE OF MURCHISON
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023
REPORTING PROGRAM

	Note	Annual Budget \$	YTD Budget \$	YTD Actual \$	Var* \$	Var* %
Revenue from Operating Activities						
Governance		45,469	18,945	14,929	(4,016)	(21%)
General purpose funding		3,556,858	1,924,334	2,440,879	516,545	27%
Law, order and public safety		19,567	18,975	10,374	(8,601)	(45%)
Housing		-	-	8,441	8,441	
Recreation and culture		9,350	3,855	2,750	(1,105)	(29%)
Transport		5,158,007	4,999,941	2,235,874	(2,764,067)	(55%)
Economic services		945,358	393,880	483,966	90,086	23%
Other property and services		85,000	35,415	43,177	7,762	22%
		9,819,610	7,395,345	5,240,390		
Expenditure from Operating Activities						
Governance		(888,938)	(440,299)	(277,428)	162,871	37%
General purpose funding		(14,122)	(5,875)	(22,010)	(16,135)	(275%)
Law, order and public safety		(81,961)	(36,592)	(35,015)	1,577	4%
Health		(37,904)	(15,765)	(27,512)	(11,747)	(75%)
Education and welfare		(10,357)	(2,750)	(70)	2,680	97%
Housing		(86,790)	(35,915)	(44,821)	(8,906)	(25%)
Community amenities		(180,489)	(68,850)	(75,240)	(6,390)	(9%)
Recreation and culture		(419,281)	(174,555)	(154,126)	20,429	12%
Transport		(11,057,300)	(4,616,228)	(3,476,421)	1,139,806	25%
Economic services		(2,122,234)	(884,015)	(923,987)	(39,972)	(5%)
Other property and services		(78,990)	(61,807)	(213,129)	(151,322)	(245%)
		(14,978,366)	(6,342,651)	(5,249,757)		
Excluded Non-cash Operating Activities						
Depreciation and amortisation		5,400,126	2,249,960	2,350,607		
Movement in Employee Benefits		-	-	-		
(Profit) / loss on asset disposal	8	-	-	-		
Net Amount from Operating Activities		241,370	3,302,655	2,341,239		
Investing Activities						
Inflows from Investing Activities						
Capital grants, subsidies and contribution	12(b)	5,800,331	2,397,306	2,119,961	(277,345)	(12%)
Proceeds from disposal of assets	8	100,000	41,667	-	(41,667)	(100%)
		5,900,331	2,438,973	2,119,961		
Outflows from Investing Activities						
Land and buildings	9(a)	(567,500)	(236,450)	(27,972)	208,478	88%
Plant and equipment	9(c)	(543,000)	(543,000)	(369,183)	173,817	32%
Furniture and equipment	9(b)	(91,500)	(38,120)	(28,174)	9,946	26%
Infrastructure - roads	9(d)	(6,331,117)	(2,637,940)	(3,890,738)	(1,252,798)	(47%)
Infrastructure - other	9(e)	(2,250,000)	(937,490)	(225,077)	712,413	76%
		(9,783,117)	(4,393,000)	(4,541,143)		
Net Amount from Investing Activities		(3,882,786)	(1,954,027)	(2,421,182)		
Financing Activities						
Inflows from Financing Activities						
Proceeds from New Loans	11(c)	-	-	-	-	
Proceeds from self supporting loans	11(b)	-	-	-	-	
Proceeds from long term borrowings	11(a)	-	-	-	-	
Transfer from reserves	7	6,327,983	6,269,037	4,684,983	(1,584,054)	(25%)
		6,327,983	6,269,037	4,684,983		
Outflows from Financing Activities						
Repayment of debentures	11(a)	(189,033)	(94,083)	(94,083)	(0)	(0%)
Transfer to reserves	7	(2,972,301)	(631,268)	(1,578,112)	(946,844)	(150%)
		(3,161,334)	(725,351)	(1,672,195)		
Net Amount from Financing Activities		3,166,649	5,543,686	3,012,788		
Movement in Surplus or Deficit						
Opening Funding Surplus / (Deficit)						
Amount attributable to operating activities	3	508,088	508,088	669,232		
Amount attributable to investing activities		241,370	3,302,655	2,341,239		
Amount attributable to financing activities		(3,882,786)	(1,954,027)	(2,421,182)		
Amount attributable to financing activities		3,166,649	5,543,686	3,012,788		
Closing Funding Surplus / (Deficit)	3	33,321	7,400,401	3,602,076		

SHIRE OF MURCHISON
STATEMENT OF FINANCIAL POSITION
For the Period Ending 30 November 2023

	NOTE	FY 2024 30 November 2023	FY 2023 30 June 2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	10,284,029	10,542,523
Trade and other receivables	5	292,783	301,632
Inventories		232,591	230,472
Other assets	7	1,752,976	1,752,976
TOTAL CURRENT ASSETS		12,562,379	12,827,603
NON-CURRENT ASSETS			
Other financial assets		20,372	20,372
Property, plant and equipment	9	13,356,180	13,172,851
Infrastructure	9	93,599,796	91,592,587
TOTAL NON-CURRENT ASSETS		106,976,348	104,785,810
TOTAL ASSETS		119,538,727	117,613,413
CURRENT LIABILITIES			
Trade and other payables	14	1,351,885	1,443,082
Other liabilities		1,044,818	1,044,818
Borrowings	11(a)	190,774	189,033
Employee related provisions		246,429	246,429
TOTAL CURRENT LIABILITIES		2,833,906	2,923,361
NON-CURRENT LIABILITIES			
Borrowings	11(a)	1,438,014	1,533,838
Employee related provisions		60,087	60,087
TOTAL NON-CURRENT LIABILITIES		1,498,101	1,593,925
TOTAL LIABILITIES		4,332,007	4,517,286
NET ASSETS		115,206,720	113,096,127
EQUITY			
Retained surplus		30,802,591	26,547,831
Reserve accounts	7	4,989,061	7,133,228
Revaluation surplus		79,415,068	79,415,068
TOTAL EQUITY		115,206,720	113,096,127

SHIRE OF MURCHISON

STATEMENT OF CAPITAL ACQUISITIONS AND FUNDING

For the Period Ending 30 November 2023

CAPITAL ACQUISITIONS AND FUNDING

Asset Group	Note	Annual Budget \$	YTD Actual Total \$
Land and buildings	9(a)	567,500	27,972
Plant and equipment	9(c)	543,000	369,183
Furniture and equipment	9(b)	91,500	28,174
Infrastructure - roads	9(d)	6,331,117	3,890,738
Infrastructure - other	9(e)	2,250,000	225,077
Total Capital Expenditure		9,783,117	4,541,143
Capital Acquisitions Funded by:			
Capital grants and contributions		5,800,331	2,119,961
Borrowings		-	-
Other (disposals and c/fwd)		100,000	-
Council contribution - from reserves		1,643,000	-
Council contribution - operations		2,239,786	2,421,182
Total Capital Acquisitions Funding		9,783,117	4,541,143

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

1. SIGNIFICANT ACCOUNTING POLICIES

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996 Regulation 34*.

The material variance adopted by the Shire of Murchison for the 2023/24 year is \$10,000 or 10%, whichever is greater. Items considered to be of material variance are disclosed in Note 2.

The statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation. The preparation also requires management to make judgements, estimates and assumptions which effect the application of policies and the reported amounts in the statements and notes. These estimated figures are based on historical experience or other factors believed to be reasonable under the circumstances. Therefore, the actual results may differ from these reported amounts.

Actual and Budget comparatives are presented in year to date format unless otherwise stated. The Adopted Budget is used in the report until superseded by the Budget Review.

Preparation

Prepared by: Bertus Lochner
 Reviewed by: Travis Bate
 Date prepared: 13 Dec 23

(a) Basis of Preparation

The following financial statements are special purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Authoritative Interpretations, the *Local Government Act 1995*, and regulations, within the context in which they relate to local governments and not-for-profit entities.

With the exception of the cash flow statement and rate setting information, the following report has been prepared on an accrual basis with balances measured at historical cost unless subject to fair value adjustments. Items subject to fair value adjustments include certain non-current assets, financial assets, and financial liabilities. Items such as assets, liabilities, equity, income and expenses have been recognised in accordance with the definitions and recognition criteria set out in the Framework for the Preparation and Presentation of Financial Statements.

These financial statements comply with, and supersede, the Australian Accounting Standards with the *Local Government (Financial Management) Regulations 1996* where applicable. Further information is provided in Note 1(i).

The functional and presentation currency of the report is Australian dollars.

(b) The Local Government Reporting Entity

The Australian Accounting Standards define local government as a reporting entity which can be a single entity or a group comprising a parent and all its subsidiaries. All funds controlled by the Shire in order to provide its services have formed part of the following report. Transactions and balances related to these controlled funds, such as transfers to and from reserves, were eliminated during the preparation of the report.

Funds held in Trust, which are controlled but not owned by the Shire, do not form part of the financial statements. Further information on the Shire funds in Trust are provided in Note 5.

(c) Rounding of Amounts

The Shire is an entity to which the *Local Government (Financial Management) Regulations 1996* applies and, accordingly amounts in the financial report have been rounded to the dollar except for amounts shown as a rate in the dollar. Where total assets exceed \$10,000,000 in the prior audited annual financial report, the amounts may be rounded to the nearest \$1,000.

SHIRE OF MURCHISON**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY****For the Period Ending 30 November 2023****1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(d) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

(e) Superannuation

The Shire contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

(f) Cash and Cash Equivalents

Cash and cash equivalents normally include cash on hand, cash at bank, deposits on demand with banks, other short term highly liquid investments 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 as short term borrowings in current liabilities in Note 3 - Net Current Assets.

(g) Financial Assets at Amortised Cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

(h) Inventories**General**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs related to completion and its sale.

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for grants, contributions, reimbursements, and goods sold and services performed on the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss allowance for all trade receivables. To measure the expected credit losses, rates receivables are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Recognition of Assets

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Gains and Losses on Disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

(i) Depreciation of Non-current Assets

The depreciable amount of fixed assets included in buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:

Asset Class	Useful life
Buildings & Improvements	7 to 90 years
Furniture and equipment	3 to 25 years
Plant and equipment	5 to 20 years
Sealed roads and streets formation	not depreciated
pavement	12 years
seal	10 years
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads formation	not depreciated
pavement	45 years
Footpaths	10 years
Culverts	60 years
Signs	20 years
Stock Grids	80 years
Floodways	21 years
Water supply piping and drainage systems	75 years
Bridges	80 years

SHIRE OF MURCHISON**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY****For the Period Ending 30 November 2023****1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(l) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

(m) Prepaid Rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

(n) Employee Benefits**Short-term employee benefits**

Provision is made for the Shire's obligation for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position. The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in the statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(o) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Subsequent measurement is at amortised cost using the effective interest method. The annual government guarantee fee is expensed in the year incurred.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied. Fair values of borrowings are not materially different to their carrying amount, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on the discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the unobservable inputs, including own credit risk.

(p) Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measure using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Contract Liabilities

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

(r) Current and Non-current Classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

(p) Nature or Type Classifications

Rates

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

Grants, Subsidies and Contributions

Refer to all amounts received as grants, subsidies and contributions that are not capital grants.

Capital Grants, Subsidies and Contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

Profit on Asset Disposal

Gain on the disposal of assets including gains on the disposal of long term investments.

Fees and Charges

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Service Charges

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Excluding rubbish removal charges, interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Other Revenue / Income

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

Employee Costs

All costs associated with the employment of a person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Nature or Type Classifications (Continued)

Materials and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Utilities (Gas, Electricity, Water, etc.)

Expenditures made to the respective agencies for the provision of power, gas, water and communication expenses. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

Insurance

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

Loss on Asset Disposal

Loss on the disposal of fixed assets.

Depreciation on Non-current Assets

Depreciation expense raised on all classes of assets.

Finance Cost

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

Other Expenditure

Statutory fees, taxes, provision for bad debts, member's fees or State taxes, donations and subsidies made to community groups.

SHIRE OF MURCHISON**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY****For the Period Ending 30 November 2023****1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(q) Program Classifications (Function / Activity)**

Council operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GOVERNANCE

Administration and operation of facilities and services to members of Council. Other costs that relate to the task of assisting elected members and electors on matters which do not concern specific Council services.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER AND PUBLIC SAFETY

Supervision of various by-laws, fire prevention and animal control.

HEALTH

Monitor health control standards within the community, provide support and assistance with airstrips to enable all residents access to the Royal Flying Doctor for regular and emergency health services.

EDUCATION AND WELFARE

Support of education facilities within the Shire and of any external resources necessary to assist with education programmes for all residents.

HOUSING

Provision and maintenance of staff housing.

COMMUNITY AMENITIES

Maintain a refuse site for the settlement.

RECREATION AND CULTURE

Provide a library and museum and operation there of. Maintain recreation centre, sports field, parks, gardens and other recreational facilities.

TRANSPORT

Construction and maintenance of roads, drainage works and traffic signs. Maintenance of the settlement airstrip.

ECONOMIC SERVICES

Building control, provision of power and water supplies. Supply and maintenance of television re-broadcasting installation. Provision of radio communication. Maintenance of caravan park. Vermin control and area promotion.

OTHER PROPERTY AND SERVICES

Private works operations, plant repairs and operation costs.

SHIRE OF MURCHISON

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 30 November 2023

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Revenue Recognition Policy

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns / Refunds / Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle

SHIRE OF MURCHISON

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 30 November 2023

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Revenue Recognition Policy (Continued)

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns / Refunds / Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Roadhouse fuel & kiosk sales.	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council policy & annual fees and charges review, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF MURCHISON

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 30 November 2023

2. EXPLANATION OF MATERIAL VARIANCES

Variances which have exceeded the thresholds are listed below by Program. Significant variances within the Program are listed underneath it by Nature or Type.

The material variance adopted by Council for the 2023/24 year is \$10,000 and 10%.

Nature or Type	Var \$	Var %	Var	Timing / Permanent	Explanation of Variance
Operating Revenues					
Rates	487,621	27%	▲	Timing	Timing issue of budget profile. Misc licences back rates and annual rates pending.
Grants, Subsidies and Contributions	(2,779,634)	(54%)	▼	Timing	Main contribution of variance relates to timing of Flood Damage claim. Refer note 12 for detail.
Fees and Charges	91,036	37%	▲	Timing	Mostly related to Roadhouse Fuel Sales which are \$78,326 above budget year to date.
Interest earnings	27,647	78%	▲	Timing	Timing of quarterly earnings on Term Deposit Reserve bank account.
Other Revenue	18,373	12%	▲	Timing	Mostly related to Roadhouse Shop Sales which are \$10,346 above budget year to date.
Capital Operating Grants, Subsidies and Contributions	(277,345)	(12%)	▼	Timing	Timing variance mostly relates MRWA and SKA Roads. Refer to Note 12 for further detail.

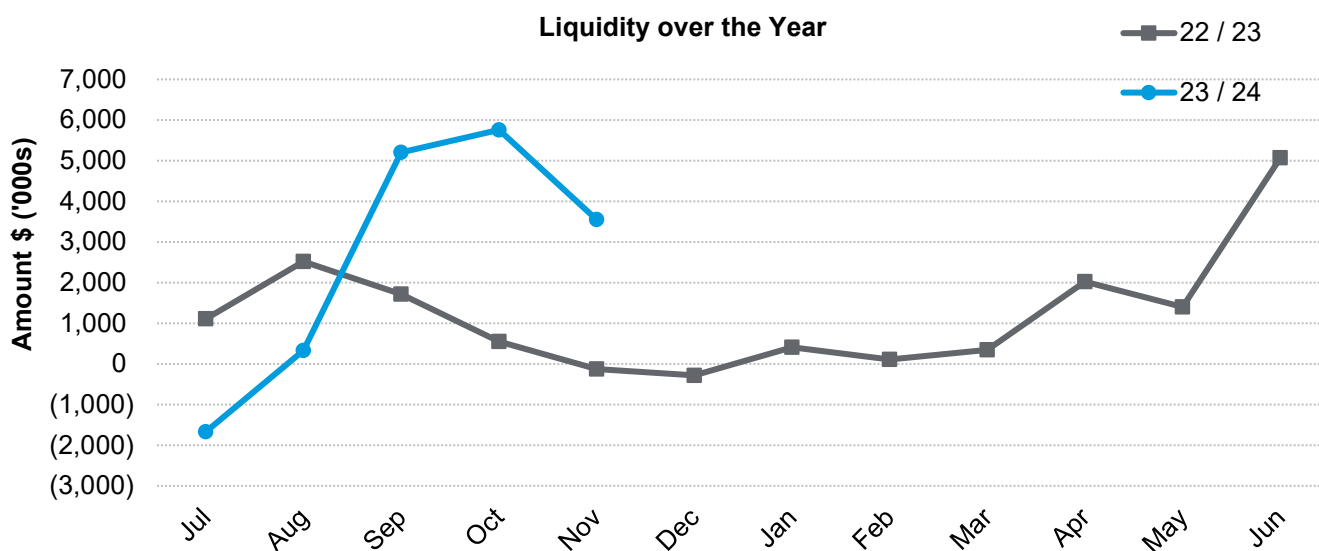
Operating Expense

Materials and contracts	1,214,797	37%	▲	Timing	Mainly due to timing of Flood Damage works.
Insurance Expenses	(55,353)	(39%)	▼	Timing	Annual insurance cost expensed, to normalise as the year progresses.
Other expenditure	22,775	38%	▲	Timing	Timing differences in relation to Council expenditure, should normalise towards end of the year.

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

3. NET CURRENT FUNDING POSITION

	Note	Current Month 30 Nov 23	Prior Year Closing 30 Jun 23	This Time Last Year 30 Nov 22
Current Assets		\$	\$	\$
Cash unrestricted	4	3,714,910	866,532	1,437,286
Cash restricted	4	6,569,120	9,675,991	9,533,427
Receivables - rates	6(a)	182,677	(21,870)	105,845
Receivables - sundry	6(b)	15,190	87,289	21,193
Receivables - other		89,673	162,366	197,855
Provision for doubtful debts		(8,295)	(8,295)	(16,493)
Contract assets		1,752,976	1,752,976	182,020
Inventories		232,591	230,472	170,490
Total Current Assets		12,548,841	12,745,460	11,631,623
Current Liabilities				
Payables - sundry		(238,472)	(237,916)	(1,367,165)
Payables - other		59,218	87,277	(48,946)
PAYG Tax withheld		(45,954)	(50,303)	
Accrued salaries and wages		-	(47,726)	
Accrued expenses		(595,541)	(595,541)	
Trust Liability		(354,719)	(353,351)	
Deposits and bonds		(157,360)	(157,860)	(423,490)
Contract liabilities		(1,044,818)	(1,044,818)	(377,174)
Loan liabilities	11(a)	(196,293)	(194,552)	(86,874)
Total Payables		(2,573,939)	(2,594,790)	(2,303,649)
Provisions		(246,429)	(246,429)	(183,760)
Total Current Liabilities		(2,820,367)	(2,841,218)	(2,487,409)
Less: cash reserves	7	(6,569,120)	(9,675,991)	(9,533,427)
Less: movement in provisions (non current)		246,429	246,429	183,759
Add: Loan principal (current)		196,293	194,552	86,874
Net Funding Position - Surplus / (Deficit)		3,602,076	669,232	(118,580)



SHIRE OF MURCHISON

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 30 November 2023

4. CASH AND FINANCIAL ASSETS

	Unrestricted	Restricted	Total	Institution	Interest	Maturity
	\$	\$	\$		Rate	Date
Cash					%	
Murchison Community Fund	355,649		355,649	Westpac	Variable	N/A
Municipal	2,850,559		2,850,559	Westpac	Variable	N/A
Cash On Hand	500		500	Cash on hand	Nil	N/A
Muni Short Term Investment	154,896		154,896	Westpac	Variable	N/A
Roadhouse	345,898		345,898	Westpac	Variable	N/A
CSIRO	7,407		7,407	Westpac	Variable	N/A
Reserve Funds		6,569,120	6,569,120	Westpac	Variable	N/A
Total Cash and Financial Assets	3,714,910	6,569,120	10,284,029			

5. TRUST FUND

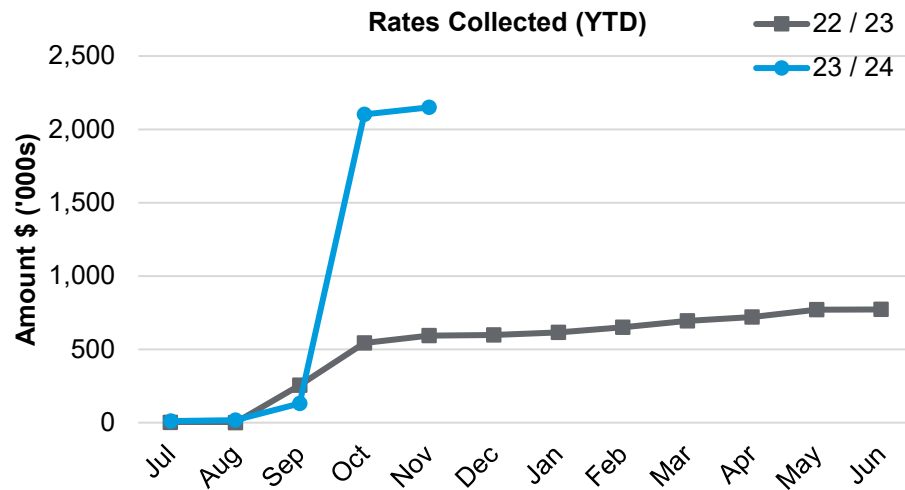
There are no funds held at balance date over which the Shire has no control

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

6. RECEIVABLES

(a) Rates Receivable

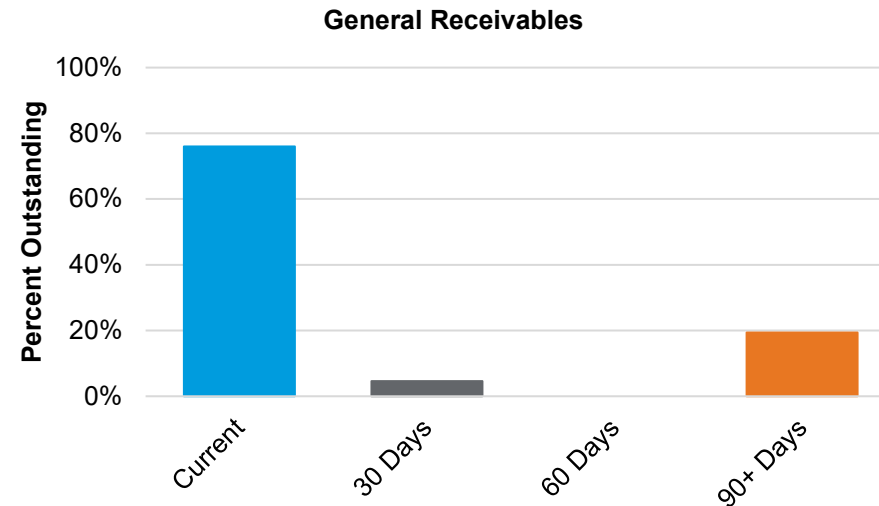
	30 Nov 23
	\$
Rates receivables	182,677
Total Rates Receivable Outstanding	182,677
Closing balances - prior year	(21,870)
Rates levied this year	2,272,425
Closing balances - current month	(182,677)
Total Rates Collected to Date	2,067,878



Comments / Notes

(b) General Receivables

	30 Nov 23
	\$
Current	11,544
30 Days	700
60 Days	-
90+ Days	2,945
Total General Receivables Outstanding	15,190



Comments / Notes

Amounts shown above include GST (where applicable)

SHIRE OF MURCHISON

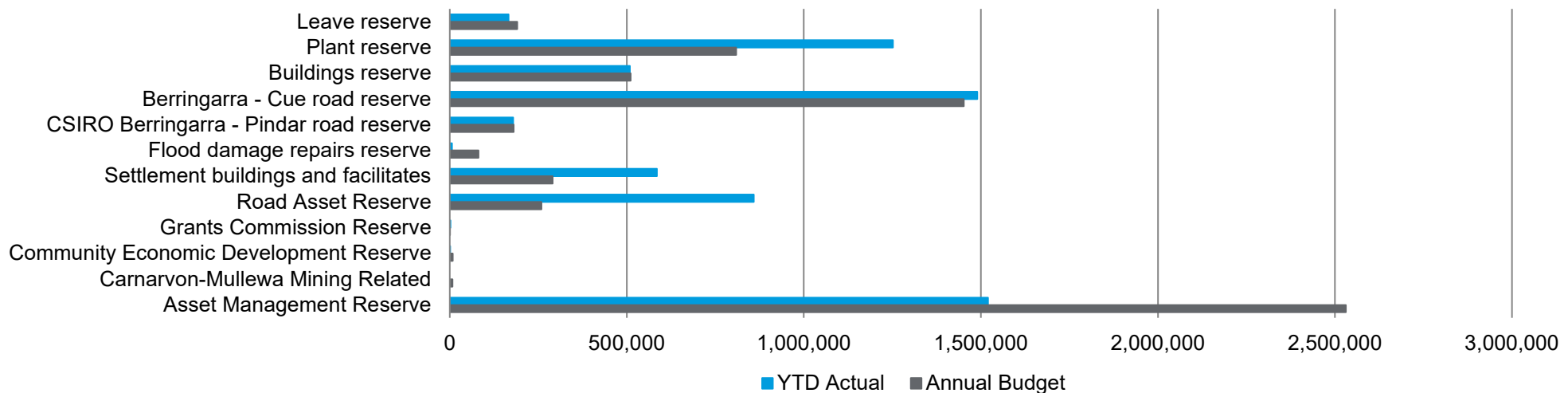
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 30 November 2023

7. CASH BACKED RESERVES

Restricted by council:	Annual Budget				YTD Actual			
	Balance 01 Jul 23 \$	Transfers from \$	Transfer to \$	Balance 30 Jun 24 \$	Balance 01 Jul 23 \$	Transfers from \$	Transfer to \$	Balance 30 Nov 23 \$
Reserve Name								
Leave reserve	164,992	-	25,844	190,836	164,992	-	971	165,963
Plant reserve	1,251,758	(443,000)	-	808,758	1,251,758	-	-	1,251,758
Buildings reserve	505,854	-	5,325	511,179	505,854	-	2,979	508,833
Berringarra - Cue road reserve	1,441,587	-	10,000	1,451,587	1,441,587	-	48,279	1,489,866
CSIRO Berringarra - Pindar road rese	178,214	-	1,875	180,089	178,214	-	1,049	179,263
Flood damage repairs reserve	5,968	-	75,000	80,968	5,968	-	-	5,968
Settlement buildings and facilitates	581,775	(600,000)	308,961	290,736	581,775	-	3,278	585,053
Road Asset Reserve	858,912	(600,000)	-	258,912	858,912	-	-	858,912
Grants Commission Reserve	4,685,590	(4,684,983)	-	607	4,685,590	(4,684,983)	1,398	2,005
Community Economic Development F	1,335	-	6,720	8,055	1,335	-	4	1,339
Carnarvon-Mullewa Mining Related	-	-	7,500	7,500	-	-	-	-
Asset Management Reserve	-	-	2,531,076	2,531,076	-	-	1,520,154	1,520,154
Total Cash Backed Reserves	9,675,985	(6,327,983)	2,972,301	6,320,303	9,675,985	(4,684,983)	1,578,112	6,569,114

Annual Budget v YTD Actual



SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

8. DISPOSAL OF ASSETS

Annual Budget

	WDV	Proceeds	Profit	(Loss)
	\$	\$	\$	\$
Transport				
Plant and Equipment				
Plant and Equipment	100,000	100,000	-	-
Total Disposal of Assets	100,000	100,000	-	-
Total Profit or (Loss)				-

YTD Actual

	WDV	Proceeds	Profit	(Loss)
	\$	\$	\$	\$
Other Property & Services				
Motor Vehicle				
	-	-	-	-
				-
				-
				-
Total Disposal of Assets	-	-	-	-
Total Profit or (Loss)				-

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

9. CAPITAL ACQUISITIONS

(a) Land and Buildings	Funding Source	Annual Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	% Complete
Community Amenities						
Container Deposit Shed		10,000	4,165	-	4,165	0%
Economic Services						
Tour Area Prom Buildings & Improvements		507,500	211,455	27,972	183,483	6%
Tour Area Prom Infrastructure		50,000	20,830	-	20,830	0%
Total Land and Buildings		567,500	236,450	27,972	208,478	

(b) Furniture & Equipment	Funding Source	Annual Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	% Complete
Housing						
Staff Housing Furniture & Equipment		3,000	1,250	2,693	(1,443)	100%
Economic Services						
Cap Ex Point Of Sale System Roadhouse		25,000	10,415	-	10,415	0%
Capex - Washing Machines		22,000	9,165	20,945	(11,780)	95%
Roadhouse Appliances		16,000	6,665	4,536	2,129	28%
Roadhouse Furniture		10,500	4,375	-	4,375	0%
Tour Area & Prom Buildings & Improvements		15,000	6,250	-	6,250	0%
Total Furniture & Equipment		91,500	38,120	28,174	9,946	

(c) Plant and Equipment	Funding Source	Annual Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$	% Complete
Transport						
Road Plant Purchases		543,000	543,000	369,183	173,817	68%
Total Plant and Equipment		543,000	543,000	369,183	173,817	

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

9. CAPITAL ACQUISITIONS (Continued)

(d) Infrastructure - Roads	Funding Source	Annual Budget	YTD Budget	YTD Actual	YTD Variance	% Complete
		\$	\$	\$	\$	
Transport						
Beri-Pindar Rd Wreath Flower Works		-	-	29,209	(29,209)	
Beri-Pindar Rd - Resheet Incl Floodway Sections		623,448	259,770	634,561	(374,791)	100%
Carn-Mul Rd - Resheet Incl Floodway Sections		121,834	50,760	121,834	(71,074)	100%
Carn-Mul Rd 208.68 - 241.74 Reconstruct & Widen various s		2,291,451	954,765	873,745	81,020	38%
Reseal Works		148,530	61,885	-	61,885	0%
SKA Route General Construction Works		3,045,854	1,269,105	2,214,801	(945,696)	73%
SKA Route Twin Peaks - Wooleen Rd		-	-	1,976	(1,976)	
Capex Grids General		100,000	41,655	14,611	27,044	15%
		6,331,117	2,637,940	3,890,738	(1,252,798)	
Total Infrastructure - Roads		6,331,117	2,637,940	3,890,738	(1,252,798)	

(e) Infrastructure - Other	Funding Source	Annual Budget	YTD Budget	YTD Actual	YTD Variance	% Complete
		\$	\$	\$	\$	
Recreation & Culture						
Community Swimming Pool		1,050,000	437,500	-	437,500	0%
Sports Club Access Upgrade		30,000	12,500	-	12,500	0%
Community Splash Pool		350,000	145,830	-	145,830	0%
Economic Services						
Roadhouse & C/V Park Precinct Works		20,000	8,330	-	8,330	0%
Improvements To drinking Water reticulation		450,000	187,500	94,127	93,373	21%
Power Supply Upgrade		350,000	145,830	130,950	14,880	37%
Community Amenities						
Total Infrastructure - Other		2,250,000	937,490	225,077	712,413	
Total Capital Expenditure		9,783,117	4,393,000	4,541,143	(148,143)	

SHIRE OF MURCHISON

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 30 November 2023

10. RATING INFORMATION

	Rateable Value \$	Rate in \$	Number of Properties #	Annual Budget Revenue \$	Rate Revenue \$	Interim Rates CY \$	Interim Rates PY \$	YTD Actual Revenue \$
General Rates								
UV Pastoral	1,232,909	0.088894	22	109,655	109,655	-	-	109,655
UV Mining	16,725,080	0.169410	21	2,832,030	1,820,146	9,616	15,430	1,845,192
UV Prospecting and exploration	1,754,201	0.169410	61	297,180	297,180	(2,484)	(318)	294,378
Total General Rates				3,238,865	2,226,981	7,132	15,113	2,249,225
Minimum Rates								
UV Pastoral	21,304	800	6	4,800	4,800	-	-	4,800
UV Mining	8,140	800	4	3,200	4,000	-	-	4,000
UV Prospecting and exploration	43,144	800	18	14,400	14,400	-	-	14,400
Total Minimum Rates				22,400	23,200	-	-	23,200
Total General and Minimum Rates				3,261,265	2,250,181	7,132	15,113	2,272,425
Other Rate Revenue								
Facilities fees (Ex Gratia)								-
Total Rate Revenue				3,261,265				2,272,425

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

11. INFORMATION ON BORROWINGS

(a) Debenture Repayments

(i) Loan 2 Roadworks in 2020-21

	Annual Budget	YTD Budget	YTD Actual
	\$	\$	\$
Transport			
Opening balance	1,722,871	1,722,871	1,722,871
Principal payment	(189,033)	(94,083)	(94,083)
Principal Outstanding	1,533,838	1,628,788	1,628,788
Finance cost payment	(30,870)	(15,869)	(15,869)
Service fee			
Total Principal, Finance Cost and Fees Paid	(219,903)	(109,952)	(109,952)
Total Principal Outstanding	1,533,838	1,628,788	1,628,788
Total Principal Repayments	(189,033)	(94,083)	(94,083)

30/11/2023 SHIRE OF MURCHISON
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Period Ending 30 November 2023

12. GRANTS, SUBSIDIES AND CONTRIBUTIONS

(a) Grants, Subsidies and Contributions

	Program / Details	Grant Provider	Annual Budget \$	YTD Budget \$	YTD Actual \$
	General Purpose Funding				
03201	F.A.G Grant - General	WALGGC	151,325	75,662	75,663
03202	F.A.G. Grant - Roads	WALGGC	55,693	27,846	27,847
	Law, Order and Public Safety				
05102	DFES Operating Grant	DFES	18,560	18,560	10,187
	Community Amenities				
	Transport				
12212	MRWA Direct	MRWA	269,961	112,480	269,961
12219	WANDRRA Flood Damage	MRWA	4,887,046	4,887,046	1,965,048
	Economic Services				
13201	Tour Area Prom Revenue		32,000	13,330	904
13609	Roadhouse Other Revenue		5,000	2,080	-
	Other Property & Services				
14404	Diesel Fuel Rebate		85,000	35,415	43,177
Total Grants, Subsidies and Contributions			5,504,585	5,172,419	2,392,785

(b) Capital Grants, Subsidies and Contributions

	Transport				
12213	MRWA Specific	MRWA	1,062,746	442,810	360,000
12216	Roads to Recovery		288,121	120,050	-
12238	LRCIP		632,708	-	36,899
12237	MRWA - SKA Roads	MRWA	2,956,810	1,232,000	1,153,092
12244	Mining Related Road Contributions		7,500	-	-
	Recreation & Culture				
11311	Other Rec & Sport Grants		852,446	602,446	569,970
Total Capital Grants, Subsidies and Contributions			5,800,331	2,397,306	2,119,961
Total Grants, Subsidies and Contributions			11,304,916	7,569,725	4,512,747

SHIRE OF MURCHISON
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 30 November 2023

13. BUDGET AMENDMENTS

GL Code	Job Code	Description	Council Resolution	Classification	Increase in Cash	Decrease in Cash	Running Balance
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2024

January						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Western Australia Holidays and Observances

Jan 01	New Year's Day	Jan 26	Australia Day	Mar 29	Good Friday
Apr 01	Easter Monday	Apr 25	Anzac Day	Jun 03	Western Australia Day
Dec 25	Christmas Day	Dec 26	Boxing Day		

Proposed Council Meeting Dates

To: Vicki Dumbris <admin@murchison.wa.gov.au>

Cc: NELSON Sonia [Pia Wadjarri Remote Comm Sch] <Sonia.Nelson@education.wa.edu.au>; NELSON-BROTHERSTON Kara [Pia Wadjarri Remote Comm Sch] <kara.nelson-brotherston@education.wa.edu.au>

Subject: Re: Nominations for Community Representatives on Working Groups

Good afternoon Bill,

I am not sure how we can help with the working groups, but I would like to offer the support of our senior students and staff to work on a working group. We don't really mind which one, and school will ensure students get to arranged meetings when scheduled.

Let me know what the next step is in the application process and we will enthusiastically proceed.

Kind Regards,

Susan Trigwell

Principal

Pia Wadjarri Remote Community School

Rmb Via Yalgoo WA 6635

Phone: 08 9962 7351

Mobile: 044 959 3119

Susan.Trigwell2@education.wa.edu.au

From: Vicki Dumbris <admin@murchison.wa.gov.au>

Sent: Monday, 20 November 2023 11:51 AM

To: Vicki Dumbris <admin@murchison.wa.gov.au>

Subject: Nominations for Community Representatives on Working Groups

To all Community Members

Following the recent Local Government Elections, Council's normal practice is to seek new nominations for Community Representatives on various Working Groups.

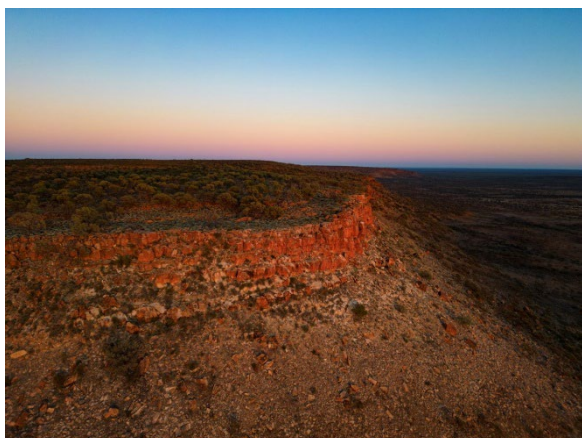
Copy of advertisement is attached.

Bill Boehm

Chief Executive Officer



Ancient Lands Brilliant skies



www.murchisongeoregion.com Google Play, Apple Store to download app

The Murchison GeoRegion and Aspiring Geopark was launched three years ago on 18th September 2020. With its remarkable “one of a kind” geology underpinning natural landscapes with overarching dark night skies, unique biodiversity and culture, it was recognised that the opportunity existed to open up experiences to a growing national, and international, multi-million dollar geotourism market.

Forming the first geotrail, an initial 21 key geological sites were identified across the seven shires of Murchison, Meekatharra, Yalgoo, Mount Magnet, Cue, Sandstone and Wiluna to draw people through the Murchison GeoRegion and into each community. This geotrail is currently being expanded in response to feedback from visitors, who are asking for more geosites and also, more local information, at Visitor Centres, about some of the inaccessible geosites.

The Murchison GeoRegion Project Working Group (MGR PWG), with representatives from each of the seven local governments, is currently working towards incorporation.

PWG members chose incorporation as the preferred governance model for MGR. As the only legal requirement for a UNESCO global geopark, this will place the MGR in a good position for future geopark development.



Errabiddy Bluff



2023 Australian Earth Sciences Convention Australian Geoparks Network. Board Members: Chair, Prof Ross Dowling, Karen Morrissey (MGR Project Officer), Prof Patrick James. www.australiangeoparksnetwork.org

Geoparks are different to georegions and geotrails. Unlike other designated parks, geoparks don't influence land titles, have no requirement for legislation and are grass roots led community organisations. Geoparks are like Regional Tourism Organisations in that they do not affect land tenure (as confirmed by WA Lands Department) but rather, are marketing and promotional organisations which are known to grow local businesses and create employment in rural and remote regions.

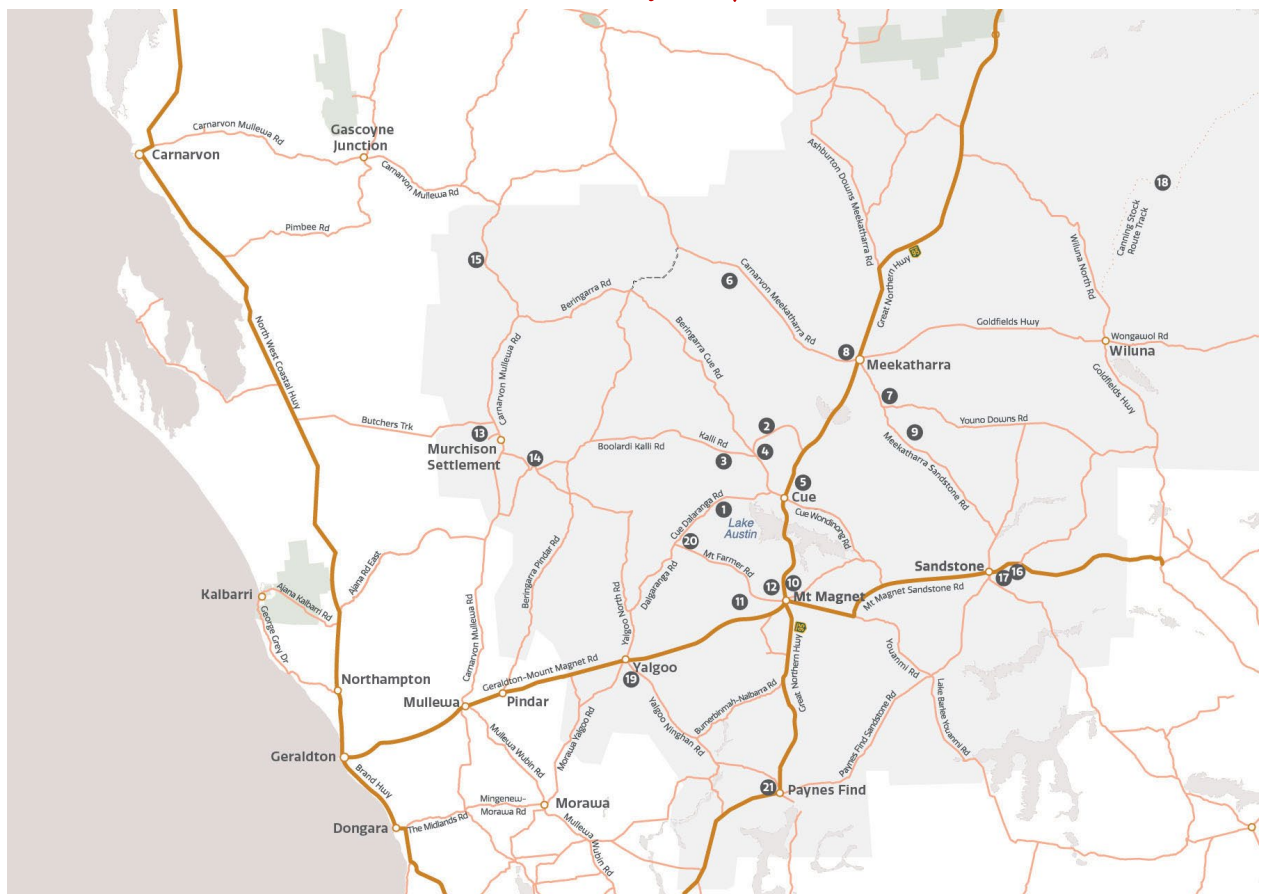
Australasia's first UNESCO Global Geopark, NZ's Waitaki Whitestone Geopark, was declared earlier this year and covers some active farming land.

Pronounced "Australia's first major geotourism development", the Murchison GeoRegion is one

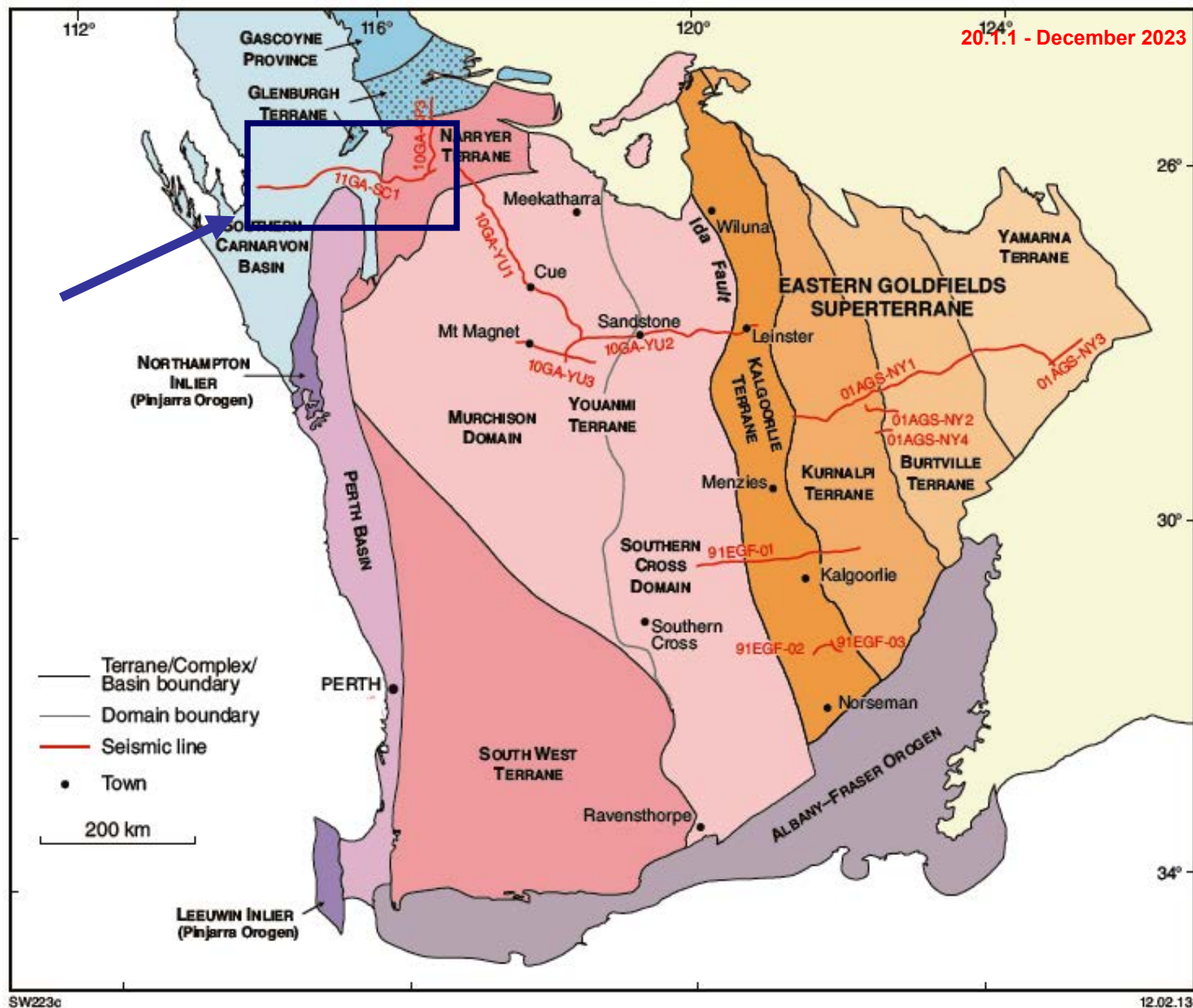
of three geotourism projects aiming to be nominated as an Aspiring UNESCO Global Geopark - noted in Thrive 2030, Australia's national strategy for the long term sustainable growth of the visitor economy. As a case study, the Murchison GeoRegion has a seat on the National Geotourism Strategy Working Group 2, designed to support orderly development including pathways for identifying and implementing major geotourism projects.

With its various plans completed or underway, and incorporation imminent, the Murchison GeoRegion is another step closer to stakeholder engagement 2024.

Murchison GeoRegion Map



- | | | | | |
|---------------|-----------------------|--------------------------------|--------------------|------------------------|
| 1 Walga Rock | 5 Garden Granite Rock | 9 Barlagani Rock | 13 Errabiddy Bluff | 17 The Brewery |
| 2 Wilgie Mia | 6 Jack Hills | 10 The Granites | 14 Wooleen Lake | 18 Shoemaker Crater |
| 3 Poona | 7 Mount Yagahong | 11 Boogardie Orbicular Granite | 15 Bilung Pool | 19 Jokers Tunnel |
| 4 Afghan Rock | 8 Peace George | 12 The Amphitheatre | 16 London Bridge | 20 Dalgara Crater |
| | | | | 21 Paynes Find Battery |



SW223c

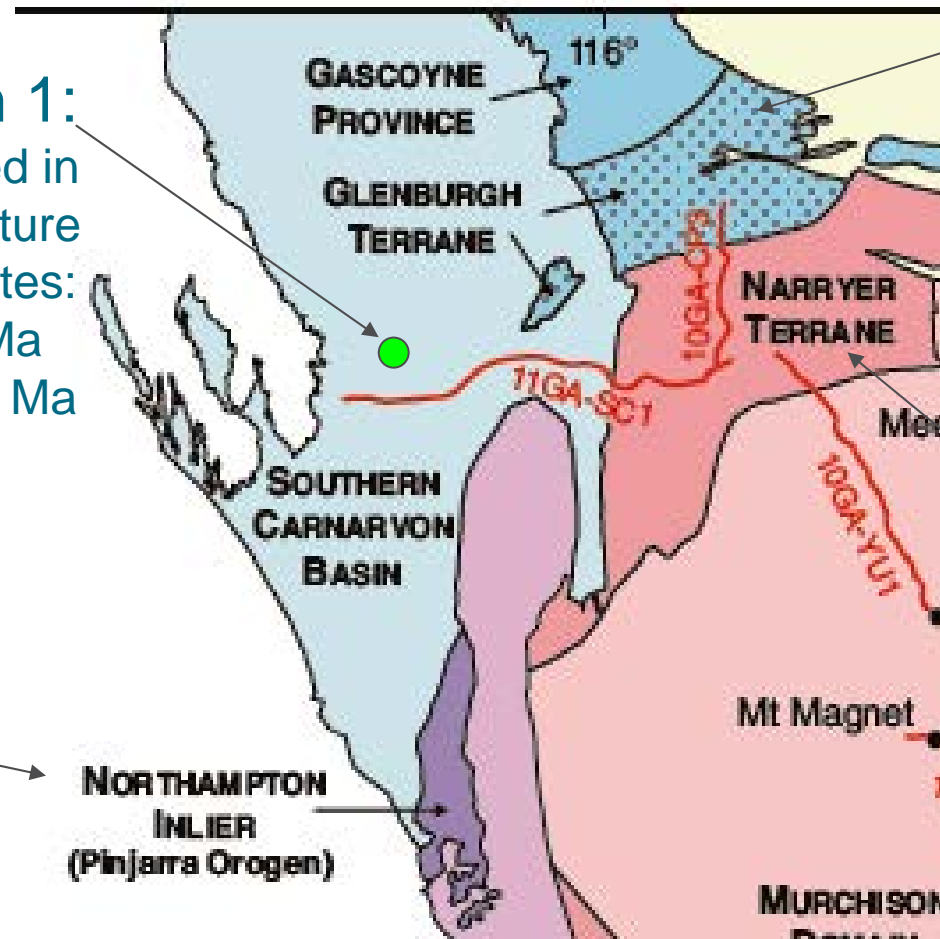
12.02.13

Basement terranes under Southern Carnarvon Basin

20.1.1 - December 2023

GSWA Woodleigh 1:
Gneissic granite sampled in
Woodleigh Impact Structure
Preliminary SHRIMP dates:
Magmatic - ca. 1300 Ma
Metamorphic - ca. 1195 Ma

Pinjarra Orogen:
Deformation,
metamorphism &
magmatism
ca. 1080 Ma to 990 Ma



Glenburgh Terrane:
ca. 2555 Ma to
ca. 1945 Ma
(+ younger
events)

Narryer Terrane:
ca. 3730 Ma to
ca. 2620 Ma
(+ younger
rocks)