



murchisonshire

Ancient land under brilliant skies

Minutes for the Ordinary Meeting of the
Murchison Shire Council

Held in the Council Chambers, Carnarvon Mullewa Road, Murchison,
on Tuesday **31 August 2021**, commencing at 12 Noon.

Note: meeting was conducted in accordance with COVID-19 restrictions.

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ATTACHMENTS

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

Shire President declared the meeting open at 12.14pm.

President Rossco Foulkes-Taylor left the meeting at 12.14pm.

President Rossco Foulkes-Taylor returned to the meeting at 12.15pm.

Relief Finance Manager entered the meeting at 12.15pm.

2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Present

Councillors

Cr R Foulkes-Taylor – President

Cr A Whitmarsh – Deputy President

Cr E Foulkes-Taylor

Cr P Squires

Cr G Mead

Cr Q Fowler

Staff

Bill Boehm – CEO

Steven Cosgrove – Community Manager DCEO

William Herold – Works Manager

Keith White – Relief Finance Manager

3 CONFIRMATION OF MINUTES

3.1 Ordinary Council Meeting – 22 July 2021

Background

Minutes of the Ordinary Meeting of Council have previously been circulated to all Councillors.

Recommendation

That the minutes of the Ordinary Council meeting held on 22 July 2021 be confirmed as an accurate record of proceedings.

Voting Requirements:

Simple majority

Council Decision

Moved: Cr G Mead

Seconded: Cr A Whitmarsh

That the minutes of the Ordinary Council meeting held on 22 July 2021 be confirmed as an accurate record of proceedings.

Carried

For 6

Against 0

4 DISCLOSURE OF INTERESTS

Cr Mead declared a Financial Interest in relation to Item Report 21.2

Cr Squires declared a Financial Interest in relation to Item Report 21.2

5 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

6 STANDING ORDERS

Matter for Consideration

It has been customary practice in the interests of a productive meeting in relation to the Conduct of Members during debates for the Council suspend Standing Orders 8.2 (Limitation on Number of speeches) and 8.3 (Duration of Speeches) under Local Law 2001. To facilitate this, the following recommended resolution is required.

Recommendation

That the following Local Law-Standing Orders 2001 be stood down:

8.2 Limitation on the number of speeches

8.3 Duration of speeches

Voting Requirements

Simple Majority

Council Decision

Moved: Cr E Foulkes-Taylor

Seconded: Cr P Squires

That the following Local Law-Standing Orders 2001 be stood down:

8.2 Limitation on the number of speeches

8.3 Duration of speeches

Carried

For

6

Against

0

7 PUBLIC QUESTION TIME

Nil

8 NEXT MEETING

Thursday 23 September 2021 commencing at 12:00noon

9 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

10 URGENT BUSINESS

To consider recommendations from the Audit Committee Meeting held earlier in the day as outlined under Item 15.1.

Recommendation

That Council allow for the consideration of pending further information relating to recommendations from the Audit Committee Meeting held earlier in the day as outlined under Item 15.1.

Voting Requirements

Absolute Majority

Council Decision

Moved: Cr A Whitmarsh

Seconded: Cr Q Fowler

That Council allow for the consideration of pending further information relating to recommendations from the Audit Committee Meeting held earlier in the day as outlined under Item 15.1.

Carried

For

6

Against

0

11 NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

21.1 Freight Services

21.2 Roadworks Contract

12 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil

13 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Councillors received a Zoom Presentation with an update of the SKAO Project from Antony Schinckel (SKAO), Rebecca Wheadon (CSIRO) and Geoffrey King (CSIRO) prior to the meeting

14 ANNOUNCEMENTS CONCERNING MEETINGS ATTENDED

14.1 Shire President

- ~ Attended an Audit Exit Meeting on the 9 August 2021 and a meeting of the Audit Committee on 31 August 2021

14.2 Councillors

Cr A Whitmarsh

- ~ Attended an Audit Committee Meeting on 31 August 2021
- ~ RAC Reconnect meeting with CEO and Community Manager/DCEO 9 August 2021

Cr E Foulkes-Taylor

- ~ RAC Reconnect teleconference with CEO, Works Manager and Community Manager/DCEO 9 August.
- ~ GeoRegion Murchison at Mt Magnet 4 August
- ~ MWDC Zoom Meeting 27 August

15 REPORTS OF COMMITTEES

15.1 Audit Committee

File: 2.2
Author: Bill Boehm – Chief Executive Officer
Interest Declared: No interest to disclose
Date: 31 August 2021
Attachments: *Audit Committee Meeting Agenda and Attachments separately circulated*

Matter for Consideration

Amongst other things one of the objectives of the Audit Committee is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

A copy of the Audit Committee Meeting Agenda and Attachments including the 2019/20 Financial Report has been separately circulated.

Committee Recommendations

Following deliberations of the Audit Committee Meeting held earlier in the day. A specific matter relating the 2019/20 Financial Report is addressed under Item 17.3 later in the meeting.

The following matters were decided by the Audit Committee

Committee Decision / Recommendation 1

Moved: Cr Q Fowler **Seconded:** Cr A Whitmarsh

That the Audit Committee notes this report (Chief Executive Officers Report 2019/20 Audit Exit Meeting) and the attached Audit Closing Report and that this decision be presented as a recommendation to the Ordinary Council Meeting of 31 August 2021 for Council to also note these reports.

Carried	For	3	Against	0
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Committee Decision / Recommendation 2

Moved: Cr A Whitmarsh **Seconded:** Cr R Foulkes-Taylor

That the Audit Committee recommends to Council that Council adopt the 2019/20 Financial Report.

Carried	For	3	Against	0
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Committee Decision / Recommendation 3

Moved: Cr Q Fowler **Seconded:** Cr R Foulkes-Taylor

That the Audit Committee notes the Chief Executive Officers Report (Matters Arising from the 2019/20 Financial Report) including the attachments and that this decision be presented as a recommendation to the Ordinary Council Meeting of 31 August 2021 to do likewise

Carried	For	3	Against	0
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Recommendations

That Council adopt the recommendations numbered 1 and 3 above from the Audit Committee Meeting held on 31 August 2021

Voting Requirements

Simple Majority

Council Decision

Moved: Cr A Whitmarsh

Seconded: Cr E Foulkes-Taylor

That Council adopt the recommendations numbered 1 and 3 in the Council Agenda from the Audit Committee Meeting held on 31 August 2021

Carried

For 6

Against 0

16 WORKS

16.1 Works Report

File: 12
Author: William Herold – Works Manager
Interest Declared: No interest to disclose
Date: 25 August 2021
Attachments: 16.1.1 Three year Rolling Roadworks Program

Construction Crew

The Construction Crew are moving along at a remarkably good pace and in spite of a few electrical issues with the grader and Pad Foot Roller, are at least a fortnight ahead of where I expected them to be. By the time Council meets, they should be fairly close to having laid out 8 km. A start should also have been made on the Pinegrove corner re-alignment. Wet and boggy soil may still cause a few issues as far as the boxing out goes, but this is a small price to pay for the wonderful season the whole Shire has experienced.

As a result of this progress the foreshadowed Main Roads WA funded project on the Carnarvon-Mullewa Road for 2021/22 has been moved from south of the hill to SLK 241.74 to SLK 245.04 abutting the existing narrow seal.

Arrangements are also being made to undertake a new sealing program to seal all of these works by November 2021.

Maintenance Crew

Like the Construction Crew they have had their challenges over the last month. They have been doing some temporary repairs to storm damage and opening up work. As of 16th August, they are more or less back into Maintenance grading heading south on the Carnarvon-Mullewa Rd as far as the Settlement. By the time Council meets they should have made a start on Butchers Track. The crews next move will be onto the Beringarra-Pindar Rd, starting at Pindar and working North.

New Grid

The new grid for the Pinegrove re-alignment should be completed by the time Council meets.

SKA Roadworks

On 9th August, Josh Kirk from Greenfield and I did a pickup on the proposed route for the upgrade and development of the SKA project. The Greenfield report has been circulated to all Council members for perusal.

Three Year Rolling Roadworks Program

As indicated in the 2020/21 Budget preparation and adoption, rather than the roads program being developed annually a strategic approach is required.

A preliminary rolling three-year draft program was discussed at the July Budget workshop. Unlike the actual budget which apportions funding into various accounts this is presented on a road-by-road SLK to SLK basis regardless of the funding source. This is in part due to several project segments being funded from more than one source.

As indicated in a formal report to the February Council Meeting the 2020/21 Program was recast to meet changes in priority and to maximise use of new LRCIP funding. It was also affected with additional unforeseen costs required due to rain, Cyclone Seroja and Boral who were late arriving and altered the timing of works meaning additional grading, watering, and rolling was required to avoid deterioration in the then prepared pavement.

The program as attached fits within existing and known funding sources with 2021/22 works now incorporated into the proposed 2021/22 Budget. The overall purpose of the three-year program is to ensure a sustainable

works program provide on more than on a year-to-year basis but still provide a degree of flexibility. It will still require some tweaking and amendment from time to time particularly with respect to the Carnarvon-Mullewa Road but provides a sound way forward. Amounts are estimates only for the purposes of programming.

Recommendation

That Council

1. Notes the Works Report and
2. Adopts the Three-Year Rolling Roadworks Program of works noting that actual budget allocations will be handled separately.

Voting Requirements

Simple Majority

Council Decision

Moved: Cr G Mead

Seconded: Cr P Squires

That Council

1. Notes the Works Report and
2. Adopts the Three-Year Rolling Roadworks Program of works noting that actual budget allocations will be handled separately.

Carried

For 6

Against 0

17 FINANCE

17.1 Accounts Paid since the last list was presented to Council

File: 4.37.1
Author: Keith White – Relief Finance Manager
Interest Declared: No interest to disclose
Date: 19 July 2021
Attachments: 17.1.1 EFT & Cheque Details for June & July 2021

Matter for Consideration

The *Local Government (Financial Management) Regulations 1996 Regulation 13* requires that if the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, then the CEO is to prepare a list of accounts paid by the CEO for each month and present this to the next ordinary meeting of the Council after the list has been prepared and have this list recorded in the minutes of the meeting.

A list of payments presented in accordance with *Regulation 13* of the *Local Government (Financial Management) Regulations 1996* made since the last report to Council is attached.

Strategic Implications

None

Policy Implications

None

Budget/Financial Implications

Nil

Consultation

Nil

Recommendation

That the accounts since the last report to Council, as per the attached Schedule be recorded in the minutes as being presented to Council.

Voting Requirements

Simple Majority

Council Decision

Moved: Cr Fowler

Seconded: Cr Mead

That the accounts since the last report to Council, as per the attached Schedule be recorded in the minutes as being presented to Council.

Carried

For

6

Against

0

17.2 Financial Activity Statements 31 May 2021

File: 2.6
Author: Keith White – Relief Finance Manager
Interest Declared: No interest to disclose
Date: 19 July 2021
Attachments: 17.2.1 Monthly Management Financial Report June 2021

Matter for Consideration

The Local Government (Financial Management) Regulations 1996 Regulation 34 requires that local government report monthly and prescribes what is required to be reported. Council is required to consider receipt the Monthly Financial Statements.

Comment

These statements are being presented to meet a statutory obligation to have each month's end and report presented within the following two months.

Budget/Financial Implications:

Reports showing year to date financial performance allow monitoring of actual expenditure, revenue and overall results against budget targets.

Consultation

Moore Australia

Recommendation

That Council note the financial statements as presented for the period ending 30 June 2021 as attached.

Voting Requirements

Simple Majority

Council Decision

Moved: Cr A Whitmarsh **Seconded: Cr** E Foulkes-Taylor

That Council note the financial statements as presented for the period ending 30 June 2021 as attached.

Carried	For	6	Against	0
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17.3 2019/20 Financial Report

File: 2.2
Author: Bill Boehm – Chief Executive Officer
Interest Declared: No interest to disclose
Date: 25 August 2021
Attachments: 17.3.1 Financial Report 2020

Matter for Consideration

Consideration of the 2019-20 Financial Report.

Background

The 2019-20 Financial Report was prepared and sent to the Auditor after 30 September 2020 following an extension in time being obtained from the Minister for Local Government as prescribed under the *Local Government Act 1995*.

At its meeting earlier today, the Audit Committee reviewed the Financial Report and consequently recommendations are Council is expected to follow.

The audited report, once adopted by Council, will be included in the Annual Report 2019-20 for presentation at the 2019/20 Annual Meeting of Electors to be held within 56 days of the adoption of the report.

Comment

The Office of the Auditor General arranged for RSM to conduct the audit of the Financial Report 2019-20 on its behalf in accordance with Australian Auditing Standards. The Office believe that the audit evidence obtained was sufficient and appropriate to provide a basis for its audit opinion.

In conducting the audit, the Auditor General and RSM followed applicable independence requirements of Australian professional ethical pronouncements.

The overall result is pleasing with the Auditor General issuing an unqualified audit opinion on the financial statements. There were also no matters of significance under s24(1) of the *Auditor General Act 2006* that came to their attention, and as such require reporting.

Statutory Environment

Local Government Act 1995

Division 3 — Reporting on activities and finance

6.4. Financial report

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) The financial report is to —*
 - (a) be prepared and presented in the manner and form prescribed; and*
 - (b) contain the prescribed information.*
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and*
 - (b) the annual financial report of the local government for the preceding financial year.*

Strategic Implications

Nil.

Policy Implications

Nil.

The cost of the 2019/20 annual audit is included within Council's 2021-22 Budget

Environmental	There are no known significant environmental considerations
Economic	There are no known significant economic considerations
Social	There are no known significant social considerations

17.4 2021-2022 Budget Adoption

File:	2.4
Author:	Bill Boehm - Chief Executive Officer
Interest Declared:	Nil
Date	20 August 2020
Attachments:	17.4.1 Murchison Shire 2021/22 Annual Budget
	17.4.2 Murchison Shire 2021/22 Budget Snapshot
	17.4.3 Corporate Business Plan Extract Update
	17.4.4 Fees and Charges 2021-22
	17.4.5 Local Government (COVID-19 Response) Order

Matter for Consideration

Council is to consider the Draft Budget for the 2021-22 Financial Year and the Fees & Charges Table for 2021-22 in the context of the current COVID-19 Coronavirus environment.

Background

As part of the function of a local government as per its obligations under Section 6.2 of *the Local Government Act 1995*, that during the period 1 June to 31 August in a financial year the local government is to prepare and adopt its Annual budget in the prescribed format.

The 2021-2022 draft budget has been developed amongst other things in consideration of the following:

- ~ Strategic Community Plan 2016/17- 2026/27 and Corporate Business Plan 2017-2021 (Plans for the Future)
- ~ 20-year Plant Replacement Plan.
- ~ 20-year Sealing Works Plan
- ~ Developed 3 Year detailed indicative program budgets
- ~ The general COVID-19 Coronavirus environment
- ~ A councilor workshop held in July 2021 to refine a preliminary draft document.

COVID-19 Coronavirus General Influences

Over the past few months Council has received, discussed, and resolved various actions associated with the COVID-19 Environment that it faces. Several notable decisions are listed below

- 1 *In responding to the COVID-19 Coronavirus that Council act in accordance with the following principles and rationale associated with health and economic activity*
 - (a) *Our overriding responsibility is to act to protect our citizens and community to prevent, control or abate the serious public health risk presented by COVID-19 by limiting the spread of COVID-19.*
 - (b) *Council will act to ensure that we can function and deliver the required works and services to support and stimulate the local economy.*
- 3 *That Council look to expanding its works program by bringing forward projects that can stimulate the local economy and provide lasting benefits for the community.*

2021/22 Budget Summary

Prior to finalising the 2021/22 Council Budget a significant amount of work was undertaken considered by Council during the year and at Councillor Workshop Meeting.

The 2021/22 Budget specifically addresses key in principle views with a strong COVID-19 Coronavirus influence as outlined in the Budget Summary and as a continuation from the previous year. This document provides budget highlights as well as articulating the overall strategic rationale.

Whilst Budgets are set and delivered on an annual basis, in reality, works and services are delivered on a continuous basis with the financial year merely a point in time. Long Term Financial and Asset Management

Plans are essential but in the current COVID-19 environment it is also considered prudent to at least look at the situation for at least a 3-year period, given the anticipated changes in an abnormal environment.

Part of the 2021/22 budget processes therefore involved examining such a 3-Year indicative budget. In doing so impacts of inflation have been ignored but also a conservative minimalist approach was taken to potential capital grant income with the full years grants commission allocation included. The figures, whilst not being at a refined budget level nevertheless provide a sound overall picture, especially with respect to variations in capital works over the course of the period.

The Budget Reserves Net Current Assets Summary Graph at the end of this summary highlights this 3-year approach.

Essentially to stimulate the local economy and deliver projects to the community, capital works are proposed to be moderately but prudently and responsibly accelerated over the next 12-18 months and funded by a combination of revenue, additional grants, and a loan that was proposed for in 2020/21 but not as yet actioned.

It is considered prudent that all supporting budget documents be formally endorsed by Council given the strategic importance to the 2021/22 Budget to in part address the current COVID-19 pandemic, and desires that all levels of governments to play their part to stimulate to assist in the recovery of the economy.

2021/22 Budget Snapshot

The attached 2020/21 Budget Snapshot is a two-page simple summary.

Local Government (COVID-19 Response) Order 2020

In response to the current COVID-19 Coronavirus environment The Minister for Local Government has implemented the *Local Government (COVID-19 Response) Order 2020* which has implications for Local Government on how Councils make their rating and budget decisions.

A copy of the Order is attached with the following specific clauses addressed in the report recommendations

Ministerial Order Clause 7 – Section 6.2 modified (local government to prepare annual budget)

To evidence compliance with Ministerial Order clause 7, it is essential to demonstrate that Council has considered the consequences of the COVID-19 pandemic and incorporated them to the preparation of the 2021/22 budget and particularly how these considerations have varied or impacted the previously adopted priorities arising from the Community Strategic Plan and Corporate Business Plan (Plan for the Future).

As outlined above in this instance various priorities may have been substantially impacted because of the consequences of the COVID-19 pandemic. As such Council may need to plan for a future review of the Community Strategic Plan and Corporate Business Plan in accordance with Administration Regulations Part 5, Division 3 but in any event the Corporate Business Plan was identified for review in 2021

The Budget has been adapted with a view to achieving the community's vision and Shire's strategic goals use outlined by the Shire's Strategic Community Plan 2016/17 -2026/27 and Corporate Business Plan 2017-2021 which together form the Shire Plan for Future.

Specific elements of the plan that have been directly impacted by the current COVID-19 Coronavirus environment are outlined in the attached Corporate Business Plan Extract Update.

It is also considered essential that once the budget is adopted that the State Government be formally and informally advised of the extent of COVID-19 response items that Council is pursuing so that its efforts are known.

Ministerial Order Clause 8 – Section 6.13 modified (interest on money owing to local governments)

Section 6.13 enables Local Governments to adopt (by absolute majority) an interest rate applicable to any amount of money owed to the Local Government (other than rates and service charges), that has been owed for a period of time not less than 35 days after the date issued as stated on the account for payment.

Ministerial Order clause 10 – Section 6.34 modified (limit on revenue or income from general rates)

Section 6.34 amends the lower limit of budget deficiency on revenue or income to be derived from general rates from 90% to 80%. The maximum limit of 110% remains.

In this current instance, the budget allows for surplus being 108% of the 2021/22 budget deficiency.

Ministerial Order Clause 9 – Section 6.33(3) modified (differential general rates) - being twice the lowest differential rates

Ministerial Order Clause 11 – Section 6.35(5) modified (minimum payment)

Ministerial Order Clause 12 – Section 6.36 modified (local government to give notice of certain rates)

2019-20 has seen many implications from COVID-19. Local governments were requested to freeze their rates for the upcoming financial year Council resolved to do so but in 2021/22 this situation does not apply such that the normal advertising provisions and requirements to seek ministerial consent for differential rating are required and have been followed.

Ministerial Order Clause 13 – Section 6.45 modified (options for payment of rates or service charges)

Ministerial Order clause 13(3) prohibits Local Governments from applying an additional charge and / or interest under s.6.45(3) on a rate or service charges instalment arrangements on an excluded person (being a residential ratepayer or small business ratepayer that is considered by the Local Government to be suffering financial hardship as a consequence of the COVID-19 pandemic).

In addition, Ministerial Order clause 13(4) limits the interest rate to 3% (maximum) applicable to a rate / service charge instalment arrangement, if a financial hardship policy has not been adopted.

If a financial hardship policy has been adopted by Council, then the 5.5% interest rate [FM r.68] can be applied to ratepayers, including residential and small business ratepayers suffering financial hardship not related to COVID-19 or that choose to pay by instalment for any other reason.

The purpose of the Financial Hardship Policy, which Council has in place is to establish principles that guide decisions about whether or not financial hardship exists and whether or not it is as a result of COVID-19, so that decisions are transparent, accountable and consistent.

In our instance Council currently does not charge by way of interest for ratepayers who elect to pay their rates by instalments, a situation that will remain for 2021/22. As such regardless of hardship in a general sense or specifically related to COVID-19 no additional charges would apply.

Ministerial Order Clause 14 – Section 6.51 modified (accrual of interest on overdue rates or service charges)

The amended Ministerial Order Clause 14 prohibits local governments from imposing under s.6.51 an interest rate exceeding 7% (applicable to unpaid rates or services charges after becoming due and payable) and provides that this interest cannot be imposed on an excluded person (being a residential ratepayer or small business ratepayer that is considered by the Local Government to be suffering financial hardship as a consequence of the COVID-19 pandemic).

The Ministerial Order requires Council's resolution to explicitly state the requirement for interest to not apply to an excluded person.

In this instance Council has adopted a financial hardship policy. Currently charges an interest rate (applicable to unpaid rates or services charges after becoming due and payable) of 7%. This is the maximum now applicable under the Ministerial Order. As such regardless of hardship in a general sense or specifically related

to COVID-19 no additional charges would apply, but in any event, it cannot be applied to excluded persons as defined under the Order.

Elected Members Fees and Allowances for 2021/22

Council is required on an annual basis, to determine fees and allowances for elected members. The range of permitted fee are determined under the *Salaries and Allowance Act 1975* as determined by the Salaries and Allowances Tribunal and as outlined in the 8 April 2021 Determination. Traditionally Council has adopted an Annual Attendance Fee in lieu of a per meeting attendance fee.

Details of applicable Fees and Allowances endorsed under the Salaries and Allowances Tribunal are shown as follows:

Tribunal Fee & Allowances (Band 4 Council)	Council Member		President	
	Minimum	Maximum	Minimum	Maximum
Annual Attendance Fees Council Member / President	\$3,589	\$9,504	\$3,589	\$19,534
Annual Allowance for President			\$513	\$20,063
Annual Allowance for Deputy President (25% of President)	\$128	\$5,015		
Information & Communication Technology (ICT)	\$500	\$3,500		

It is for Council to determine Member fees and allowances so long as they set are within the allowable limits.

Last year the annual allowance for the President, was increased as it then appeared on the surface to be well under the mark for the work undertaken. Except for the Member Annual Attendance Fees which were then at and still are at the maximum, a general notional 2% increase was applied.

Given these circumstances as per the July Budget Workshop, no changes are detailed as follows.

Murchison Fee & Allowances	Council Member		President	
	Current	Proposed	Current	Proposed
Annual Attendance Fees Council Member / President	\$9,504	\$9,504	\$13,824	\$13,824
Annual Allowance for President			\$12,032	\$12,032
Annual Allowance for Deputy President (25% of President)	\$3,008	\$3,008		
Information & Communication Technology (ICT)	\$1,785	\$1,785		

Fees and Charges

All of the fees and charges which applied in 2021/22 have been reviewed considering the cost to Council and by comparing the proposed Fee or Charge to that charged by alternative suppliers in a similar situation. In the main fees have remained at current levels but in some situations have been rationalised or modernised to reflect a more contemporary practice. The attached schedule 17.4.4 shows both current and proposed fees.

Statutory Environment:

Budget Adoption

Local Government Act 1995

Note as modified by the Local Government (COVID-19 Response) Ministerial Order 2020

Section 6.2 of the Local Government Act 1995.

Section 6.2(2) of the Act requires that in preparing its annual budget the Council is to have regard to the contents of its plan for the future prepared in accordance with section 5.56. Under the Integrated Planning Framework for Local Government, that is the Community Strategic Plan. This section requires that Council must prepare detailed estimates of:

- (a) *Expenditure.*
- (b) *Revenue and income, independent of general rates*
- (c) *The amount required to make up the 'deficiency' if any shown by comparing the estimated expenditure with the estimated revenue and income.*

Section 6.2(3) requires that all expenditure, revenue and income must be taken in account unless otherwise prescribed. Local Government (Financial Management) Regulation 32 prescribes amounts that may be excluded in calculating the 'budget deficiency'

Section 6.2(4) requires the annual budget to incorporate:

- (a) *Particulars of estimated expenditure proposed;*
- (b) *Detailed information relating to the rates and service charges which will apply, including:*
 - (i) *Amount estimated to be yielded by the general rate*
 - (ii) *Rate of interest to be charged on unpaid rates and service charges;*
- (c) *Fees and charges;*
- (d) *Borrowings and other financial accommodations proposed;*
- (e) *Reserve account allocations and uses;*
- (f) *Any proposed land transactions or trading undertakings per section 3.59*
- (g) *Such other matters that are prescribed*

Elected Member Fees & Allowance

Sections 5.98 to Section 599A Local Government Act 1995

Section 7A Salaries & Allowance Act 1975

Strategic Implications

As outlined above the Budget has been adapted to the with the view to achieving the community's vision and Shire's strategic goals use outlined by the Shire's Strategic Community Plan 2016/17 -2026/27 and Corporate Business Plan 2017-2021 which together form the Shire Plan for Future.

Sustainability Implications

Environmental	There are no known significant environmental considerations
Economic	There are no known significant economic considerations
Social	There are no known significant social considerations

Policy Implications

Nil

Financial Implications

The 2021-22 budget will guide the activities of the Shire for the financial year, but also in context for future years.

Consultation

Relief Finance Manager and Moore Australia

Recommendation

That Council resolve resolutions as outlined in PARTS A to H as follows:

Part A- COVID-19 Pandemic Budget Considerations

- A1 That in accordance with section 6.2 of the *Local Government Act 1995* and clause 7 of the *Local Government (COVID-19 Response) Ministerial Order 2020* that Council confirms that the 2021/22 Budget has been prepared having regard to the COVID-19 pandemic.
- A2 That Council in adopting the 2020/21 Budget, and given the strategic importance to the 2021/22 Budget, the COVID-19 pandemic situation, and desires that all level of governments look to stimulate to assist in the recovery of the economy, that that the State Government be formally and informally advised of extent of COVID-19 response items that Council is pursuing

- A3 That Council receives and notes the Corporate Business Plan Extract Update as attached to the Agenda, and the direct COVID-19 pandemic considerations that have been highlighted.

Voting Requirements

A1, A2, A3 Simple Majority

Part B – General Fees and Charges For 2021-22

- B1 That Council, pursuant to section 6.16 of the *Local Government Act 1995*, adopts the fees and charges for the 2021/22 year as attachment 17.4.4 to this agenda.

Voting Requirements

B1 Absolute Majority

Part C – Other Statutory Fees for 2021-22

- C1 That Council, pursuant to section 53 of the *Cemeteries Act 1986* adopts the Fees and Charges for Cemeteries within the Shire of Murchison as included in the draft 2021/22 Fees and Charges as attached to this agenda.

Voting Requirements

C1 Absolute Majority

Part D – Elected Members Fees and Allowances for 2021/22

- D1 That Council, pursuant to section 5.98(1)(b) of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopt the following meeting attendance fees for elected members:
- | | |
|-------------|--------------------|
| President | \$13,824 per Annum |
| Councillors | \$9,504 per annum. |
- D2 That Council, pursuant to section 5.99A of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual Information & Communication Technology (ICT) expenses allowance for elected members:
- ICT Expenses Allowance \$1,785
- D3 That Council, pursuant to section 5.98(5) of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual local government allowance to be paid in addition to the meeting attendance fees:
- President \$12,032
- D4 That Council, pursuant to section 5.98A of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual local government allowance to be paid in addition to the meeting attendance fees:
- Deputy President \$3,008

Voting Requirements

D1, D2, D3, D4 Absolute Majority

Part E- Municipal Fund Budget for 2020-21

- E1 That Council, pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, adopt the Municipal Fund Budget as contained in the Statutory Annual Budget attachment to this agenda for the Shire of Murchison for the 2021/22 financial year, including the following:
- 2021/22 Budget Summary
 - 2021/22 Statutory Budget Document including the following budget schedules
 - ~ Budget Accounts
 - ~ Capital Works

- E2 That Council endorses the 2021/22 Budget Snapshot as attached
- E3 That in adopting the 2021/22 Budget that Council specifically notes that
- E3.1 the budget has been prepared with reference to the consequences of the COVID-19 pandemic as outlined in the Report
- E3.2 in accordance with section 6.34 of the *Local Government Act 1995* and clause 10 of the *Local Government (COVID-19 Response) Ministerial Order 2020* the revenue estimated to be yielded by the general rates imposed for the 2021/22 financial year will be no less than 80% and no more than 110% of the 2020/21 Budget expenditure.

Voting Requirements

- E1 Absolute Majority
- E2, E3 Simple Majority

Part F – Interest on Money Owing to Local Governments

- F1 That Council in accordance with section 6.13 of the *Local Government Act 1995* and clause 8 of the *Local Government (COVID-19 Response) Ministerial Order 2020* will not apply an interest rate to any amount of money owing to the local government (other than rates or service charges) during the COVID-19 pandemic.

Voting Requirements

- F1 Absolute Majority

Part G – Differential and Minimum Rates Instalment Payment Arrangements

- G1 That Council, for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, pursuant to sections 6.32, 6.33, 6.34 and that pursuant to Section 6.35 of the *Local Government Act 1995*, impose the following differential and minimum rates on Unimproved Values.

Differential Rate Type	Rate in dollar cents	Minimum Payment (\$)
UV Pastoral	3.874	600
UV Mining	26.543	600
UV Exploration	9.618	600

- G2 That Council notes that in accordance with
- G2.1 section 6.32(1)(a)(ii), 6.32(1)(b)(ii), 6.33(3) and 6.35 of the *Local Government Act 1995* and clauses 9 and 11 of the *Local Government (COVID-19 Response) Ministerial Order 2020*, that the differential rates and minimum rates adopted have been approved by the Minister for Local Government.
- G3 That Council, pursuant to section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, offers a one and a four-instalment payment option, and nominates the following due dates for payment in full or by instalments:

Payment	Due Date
Full payment and 1 st instalment	15 October 2021
2 nd quarterly instalment	17 December 2021
3 rd quarterly instalment	18 February 2022
4 th quarterly and final instalment	18 April 2022

- G4 That Council, pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$11;

this being the same as that was adopted in the previous two years and is to be set for each instalment after the initial instalment is paid.

- G5 That Council, pursuant to section 6.45 of the *Local Government Act 1995* and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, adopts an interest rate of 0.0% where the owner has elected to pay rates and service charges through an instalment option.
- G6 That, pursuant to section 6.51(1) and subject to section 6.51(4) of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, and in accordance with clause 14 of the *Local Government (COVID-19 Response) Ministerial Order 2020* that Council
- G6.1 adopts an interest rate of 7% for rates and costs of proceedings to recover such charges that remain unpaid after becoming due and payable and
- G6.2 notes that this interest rate is not being applied to an excluded person as defined in the *Local Government (COVID-19 Response) Ministerial Order 2020* that has been determined by Council as suffering financial hardship as a consequence of the COVID-19 pandemic.

Voting Requirements

- G1, G5, G6 Absolute Majority
G2, G3, G4, Simple Majority

Part H – Material Variance Reporting for 2021/22

- H1 That Council, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and *AASB 1031 Materiality*, the level to be used in statements of financial activity in 2021/22 for reporting material variances shall be a percentage of ten (10) or a minimum of \$10,000.

Voting Requirements

- H1 Simple Majority

Overall Voting Requirements

As outlined under each Part.

Council Decision

Moved: Cr A Whitmarsh

Seconded: Cr Q Fowler

That Council resolve as follows:

Part A- COVID-19 Pandemic Budget Considerations

- A1 That in accordance with section 6.2 of the *Local Government Act 1995* and clause 7 of the *Local Government (COVID-19 Response) Ministerial Order 2020* that Council confirms that the 2021/22 Budget has been prepared having regard to the COVID-19 pandemic.
- A2 That Council in adopting the 2020/21 Budget, and given the strategic importance to the 2021/22 Budget, the COVID-19 pandemic situation, and desires that all level of governments look to stimulate to assist in the recovery of the economy, that that the State Government be formally and informally advised of extent of COVID-19 response items that Council is pursuing
- A3 That Council receives and notes the Corporate Business Plan Extract Update as attached to the Agenda and the direct COVID-19 pandemic considerations that have been highlighted.

Part B – General Fees and Charges For 2021-22

- B1 That Council, pursuant to section 6.16 of the *Local Government Act 1995*, adopts the fees and charges for the 2021/22 year as attachment 17.4.4 to this agenda.

Part C – Other Statutory Fees for 2021-22

- C1 That Council, pursuant to section 53 of the *Cemeteries Act 1986* adopts the Fees and Charges for Cemeteries within the Shire of Murchison as included in the draft 2021/22 Fees and Charges as attached to this agenda.

Part D – Elected Members Fees and Allowances for 2021/22

- D1 That Council, pursuant to section 5.98(1)(b) of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopt the following meeting attendance fees for elected members:
- President \$13,824 per Annum
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- D2 That Council, pursuant to section 5.99A of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual Information & Communication Technology (ICT) expenses allowance for elected members:
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- D3 That Council, pursuant to section 5.98(5) of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual local government allowance to be paid in addition to the meeting attendance fees:
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- D4 That Council, pursuant to section 5.98A of the *Local Government Act 1995* and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual local government allowance to be paid in addition to the meeting attendance fees:
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Part E- Municipal Fund Budget for 2020-21

- E1 That Council, pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, adopt the Municipal Fund Budget as contained in the Statutory Annual Budget attachment to this agenda for the Shire of Murchison for the 2021/22 financial year, including the following:
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 - 2021/22 Statutory Budget Document including the following budget schedules
 - ~ Budget Accounts
 - ~ Capital Works
- E2 That Council endorses the 2021/22 Budget Snapshot as attached
- E3 That in adopting the 2021/22 Budget that Council specifically notes that
- E3.1 the budget has been prepared with reference to the consequences of the COVID-19 pandemic as outlined in the Report
- E3.2 in accordance with section 6.34 of the *Local Government Act 1995* and clause 10 of the *Local Government (COVID-19 Response) Ministerial Order 2020* the revenue estimated to be yielded by the general rates imposed for the 2021/22 financial year will be no less than 80% and no more than 110% of the 2020/21 Budget expenditure.

Part F – Interest on Money Owing to Local Governments

- F1 That Council in accordance with section 6.13 of the *Local Government Act 1995* and clause 8 of the *Local Government (COVID-19 Response) Ministerial Order 2020* will not apply an interest rate to any amount of money owing to the local government (other than rates or service charges) during the COVID-19 pandemic.

Part G – Differential and Minimum Rates Instalment Payment Arrangements

- G1 That Council, for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, pursuant to sections 6.32, 6.33, 6.34 and that pursuant to Section 6.35 of the *Local Government Act 1995*, impose the following differential and minimum rates on Unimproved Values.

Differential Rate Type	Rate in dollar cents	Minimum Payment (\$)
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G2.1 section 6.32(1)(a)(ii), 6.32(1)(b)(ii), 6.33(3) and 6.35 of the *Local Government Act 1995* and clauses 9 and 11 of the *Local Government (COVID-19 Response) Ministerial Order 2020*, that the differential rates and minimum rates adopted have been approved by the Minister for Local Government.
- G3 That Council, pursuant to section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, offers a one and a four-instalment payment option, and nominates the following due dates for payment in full or by instalments:
- | Payment | Due Date |
|--|------------------|
| Full payment and 1 st instalment | 15 October 2021 |
| 2 nd quarterly instalment | 17 December 2021 |
| 3 rd quarterly instalment | 18 February 2021 |
| 4 th quarterly and final instalment | 18 April 2021 |
- G4 That Council, pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$11; this being the same as that was adopted in the previous two years and is to be set for each instalment after the initial instalment is paid.
- G5 That Council, pursuant to section 6.45 of the *Local Government Act 1995* and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, adopts an interest rate of 0.0% where the owner has elected to pay rates and service charges through an instalment option.
- G6 That, pursuant to section 6.51(1) and subject to section 6.51(4) of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, and in accordance with clause 14 of the *Local Government (COVID-19 Response) Ministerial Order 2020* that Council
- G6.1 adopts an interest rate of 7% for rates and costs of proceedings to recover such charges that remain unpaid after becoming due and payable and
- G6.2 notes that this interest rate is not being applied to an excluded person as defined in the *Local Government (COVID-19 Response) Ministerial Order 2020* that has been determined by Council as suffering financial hardship as a consequence of the COVID-19 pandemic.

Part H – Material Variance Reporting for 2021/22

- H1 That Council, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 1031 *Materiality*, the level to be used in statements of financial activity in 2021/22 for reporting material variances shall be a percentage of ten (10) or a minimum of \$10,000.

Carried	For	6	Against	0
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18 DEVELOPMENT

18.1 Murchison Settlement Masterplan Report – Community Feedback

File:

Author: Steven Cosgrove - Community Manager DCEO

Interest Declared: Nil

Date 23 August 2021

Attachments: Nil

Matter for Consideration

Final review of the Murchison Settlement Masterplan Report has concluded with formal community feedback received.

Comment

At the May 2021 Ordinary Meeting, Council considered the Murchison Settlement Masterplan Report and resolved

“That Council endorse in Principle the Murchison Settlement Masterplan Report prepared by UDLA and that public input and comment be sought.”

It was suggested that a two-month period would be reasonable, and that community feedback be received no later than 31 July 2021. Subsequent to this, community members were advised of the deadline for submitting feedback and engaged with the Shire via email communications and a Toolbox meeting.

The feedback received will assist the Shire with prioritising plans. A summary of comments received with update notes is shown as follows:

General

First and foremost, a major concern is the undrinkable water and suggests that this should be regarded a high priority for the health safety and wellbeing of our community before other parts of the settlement are upgraded.

Playground

It is realised that re-locating the playground closer to the Roadhouse be much more beneficial to tourists/visitors for they can see their children.

Note for this reason, the current RAC funding application excluded any playground works with the intention to wait until the re-location is complete before upgrading with new playground features and new paint.

Botanical Walk

It is one of our main tourist attractions in the settlement. It provides a lovely bush walk for people to wander through and look at our native flora whether it be travellers or community members. Some improvements that can be made is general upkeep, such as rock signs more visible, weeds removed on the paths and dead material matter removed on a more regular basis.

Note this has been addressed and consequently worked in to the RAC Reconnect funding application as set out in Item 18.2 Community Development Report.

Community Hall and Sports Ground

Many aspects of the Community Hall and Sports Ground space are addressed. Feedback has established that this space is the main gathering area for all community events. Some feedback includes, but is not limited to, a room for RFDS via video calling, extension of the sport's bar, a bowling green cover and inclusion of basketball hoops for extra activity. Further, a concern is raised for the main structure of the building with regards to the crumbling and breaking away of the lower bricks of the walls.

Around The Settlement

Feedback received regarding privacy and keeping pathways away from staff housing. The notion that once a pathway is established it leads people to walk them and concern of foot traffic around these areas could disrupt the unique living experience of the Murchison settlement where our community reside.

Statutory Environment

Nil.

Financial Implications

Nil

Consultation

Various community members

Recommendation

That Council note the Murchison Settlement Masterplan Report – Community Feedback and formally adopt the Murchison Settlement Masterplan Report.

Voting Requirements

Simple Majority.

Council Decision

Moved: Cr P Squires

Seconded: Cr G Mead

That Council:

- 1 Note the Murchison Settlement Masterplan Report – Community Feedback Report and formally adopt the Murchison Settlement Masterplan Report with the feedback received included as an attachment to the plan and;
- 2 The CEO be requested to formally thank those community members who provided feedback.

Carried

For 6

Against 0

18.2 Community Development Report

File:

Author: Steven Cosgrove - Community Manager DCEO

Interest Declared: Nil

Date: 23 August 2021

Attachments: Nil

Matter for Consideration

Ongoing update of community development at Murchison Shire.

Comment

RAC Reconnect

Most recently the Shire submitted a Reconnect WA funding application to the RAC. The Reconnect WA grant is a competitive grant, and its initiatives are:

- ~ create vibrant and active places for Western Australians to interact and reconnect with our cities and towns, and each other.
- ~ inspire and empower residents and business communities to co-design and drive change in their local area; and
- ~ lay the foundations for longer-term changes to support safe, sustainable, and connected communities.

A short time ago the Murchison Shire undertook an assessment of the Murchison Settlement's infrastructure and natural attributes. The Masterplan identified several opportunities to establish and or improve the functionality of environmental and infrastructure assets at the Settlement. Existing landscape challenges include pedestrian connections and wayfinding, as well as the need for respite from summer heat and upgrade to public amenity(s) that are reaching end-of-life.

This masterplan frames projects in the context of the Settlement and provides a document to help guide its future development. The plan notes there is a need to establish more amenity and diverse uses of the natural landscape with a view to enticing visitors to stay longer and strengthen the sense of community.

The proposed projects highlighted in the Masterplan align with the Reconnect WA initiative and its objectives e.g. Existing landscape challenges include among other things, pedestrian connections, and signage, providing a facelift to the existing botanical trail, greenways, and infrastructure (for example a gazebo which is located near the entrance to the Settlement), as well as establishing an avenue of native trees to provide respite from summer heat.

The Shire's application addresses a number of improvement opportunities identified in the Masterplan assessment process as well as pop up trials (as required in the funding guidelines) for example, an illuminate pathway (transferrable solar lights) from the back of the roadhouse to the community kitchen.

- ~ Upgrade a linear interactive pathway which includes pockets that comprise play/picnic/resting areas and information bays that blend with the natural elements and encourage opportunities for social connectivity.
- ~ Establish pathway and an avenue of trees alongside the polocrosse field to provide shade for community members and visitors to the Settlement
- ~ Upgrade pocket areas (inclusive of rest areas) and establish connective trails across a greenway to the existing botanical trail and information about flora that exists within the botanical trail.
- ~ Trial pop up illuminous pathways and alfresco settings surrounding the community kitchen.

The application was submitted on the 20th of August 2021. Successful applicants will be notified in October 2021.

Go for 2 & 5 Children's Week Regional and Remote Grant Program

The Shire has submitted a funding application to the Meerilinga Young Children's Foundation Inc. for a children's fun event to be held at the Settlement.

Meerilinga, through Healthway and Lotterywest is providing small grants to encourage WA not-for-profit community organisations and local governments in regional and remote WA to host their own Children's Week events! The competitive grants of up to \$500 (excl GST) will be available for local activities organised by one or more organisations.

The proposal includes CSIRO sponsorship. After recent discussions with Dr Chris Bourke Program Director - Indigenous Science and Engagement CSIRO, Dr Bourke has offered to sponsor some of the activities and has indicated the benefits of CSIRO representatives in attendance at the event.

Children's Week is an annual national event held during the fourth week of October across Australia. In WA, this week is dedicated to celebrating children across our state and highlighting their right to happiness. It is an opportunity for the community to engage in a variety of activities that facilitate, support and encourage children and their families to celebrate, play and discover together.

It is imperative that each event promotes good health and activities which encourage healthy lifestyles as demonstrated by Major Partner Sponsor, Healthway.

Key objectives of the Go for 2 & 5 Children's Week Community Grant Program include:

- ~ Celebrating children and the importance of a positive childhood,
- ~ Promoting the importance of learning through play in early childhood,
- ~ Increasing inclusiveness and social connectedness within the community,
- ~ Celebrating diversity,
- ~ Providing free activities and events for families to have fun together and increase their connection and sense of belonging within their community,
- ~ Addressing specific identified needs within local communities via place-based events,
- ~ Strengthening families by providing access to information and relevant community services to support overall health and wellbeing,
- ~ Raising awareness of the UN Convention on the Rights of Children, and the 2021 national Children's Week theme,
- ~ Priority is given to activities and events that support families with children in remote and regional Western Australia.

It is proposed that the event will include a children's healthy lunch that will be followed by a fun Character Party (2hrs). The Character Party includes face painting, and a range of interactive musical games, treasure hunt, parachute games, magic show, balloon games and more with the character of the Shire's choice.

The entertainer will use the stars and galaxy as a theme for the party and will bring the music, slap band prizes, stickers, and everything else needed for the entertainment. After the Character Party, there will be opportunity for a CSIRO representative to chat to the kids while they take turns stargazing on the telescope.

The Shire will advertise the event inviting children and family members from the Murchison Settlement, Pia Remote Community, and the wider Murchison community to attend.

1 Man & A Bike - Update

Visage Productions have finished filming series 2 "1 Man & A Bike".

Due to unforeseen circumstances and tied up police resources the script was slightly re-written and will now include a short story incorporating Wooleen Station, Errabiddy Bluff, Polocrosse event, the Oasis Roadhouse/Caravan Park and an interview with Shire president Rossco Foulkes-Taylor discussing the SKA project, its benefits to the Murchison and relationship with the Shire.

1 Man & A Bike series 2 is now in post-production and aims to air on Channel 7 in December 2021 for promotion of the Murchison GeoRegion 2022.

Statutory Environment

Nil.

Financial Implications

\$1,200 from the Community Development Budget is budgeted in 2021/22

Consultation

CEO, Dr Chris Bourke Program Director - Indigenous Science and Engagement CSIRO and Chris Brayton - MRO Deputy Site Entity Leader Astronomy and Space Science CSIRO

Recommendation

That Council note the Community Manager / DCEO's Community Development Report

Voting Requirements

Simple Majority

Council Decision			
Moved: Cr	A Whitmarsh	Seconded: Cr	P Squires
That Council note the Community Manager / DCEO's Community Development Report			
Carried	For	6	Against 0

The meeting was adjourned for lunch at 1.00pm.

The meeting was reconvened at 1.31pm.

19 ADMINISTRATION

19.1 Elected Member Training Report

File:

Author: Steven Cosgrove - Community Manager DCEO

Interest Declared: Nil

Date 20 August 2021

Attachments: 19.1.1 Council Member Essentials Progress Report.

Matter for Consideration

Local governments are to prepare a report for each financial year on the training completed by Elected Members in the financial year and publish the report on their website.

Comment

WALGA has provided a copy of the annual report of training completed by Murchison Shire Elected members for the period 1 July 2020 to 30 June 2021. The report was received by the Shire on 12 August 2021.

Statutory Environment

Local Government Act 1995

5.126 Training for council members

- (1) *Each council member must complete training in accordance with regulations.*
- (2) *Regulations may —*
 - (a) *prescribe a course of training; and*
 - (b) *prescribe the period within which training must be completed; and*
 - (c) *prescribe circumstances in which a council member is exempt from the requirement in subsection (1); and*
 - (d) *provide that contravention of subsection (1) is an offence and prescribe a fine not exceeding \$5000 for the offence.*

5.127 Report on training

- (1) *A local government must prepare a report for each financial year on the training completed by council members in the financial year*
- (2) *The CEO must publish the report on the local government's official website within 1 month after the end of the financial year to which the report relates.*

Strategic & Financial Implications

Nil

Recommendation

That Council:

1. Notes the Elected Member Essentials Progress Report as attached to this report; and
2. A copy of the report be published on the Shire of Murchison website.

It was noted at the meeting that some of the information provided from WALGA may not represent a complete and up to date list of all Elected Member Training that has been undertaken, and that this aspect should be investigated, and the Elected Member Essentials Progress Training Report and the Shire's website updated with any new information.

Voting Requirements

Absolute Majority

Council Decision

Moved: Cr E Foulkes-Taylor

Seconded: Cr G Mead

That Council:

- 1 Notes the Elected Member Essentials Progress Report as attached to this report; and
- 2 A copy of the report be published on the Shire of Murchison website along with any further updates to hand from WALGA.

Carried

For 6

Against 0

19.2 2019/20 Annual Report

File: 1.2
Author: Bill Boehm – Chief Executive Officer
Interest Declared: No interest to disclose
Date: 27 August 2021
Attachments: 19.2.1 2019/20 Annual Report

Background

Local Government is to prepare an Annual Report for each financial year containing information including but not limited to a report from the mayor or president, a report from the CEO, an overview of the plan for the future, the financial report for the financial year, information as may be prescribed in relation to payments to employees, the auditor's report for the financial year, information regarding Disability access and inclusion and details in the register of complaints. The Annual Report is to be the first item considered at the Annual General Meeting of Electors.

Matter for Consideration

The Annual Report for the 2019/20 financial year is presented for consideration by the Council. In accordance with s5.55 of the *Local Government Act 1995* the Annual Report will be made available to the public after it is accepted by Council.

Comments

The finalisation of the Audited Financials by Councils Auditors and the Auditors Report has been completed and is about to be finalised as outlined under items 15.1 and 17.3. Under the *Local Government Act 1995*, The Annual Report must be accepted by the Council by 31 December unless the Auditors Report is not available in time for this to be included in the Annual Report and hence adopted within this deadline.

The balance of the Annual Report less the Financial Report has been finalised and a draft was sent out to councillors as pre reading and feedback obtained and included in the document as attached. The Audited Financials by Councils Auditors and the Auditors Report will need to be added once the Audit Committee has reviewed the financials.

The audited report, once adopted by Council, will be included in the Annual Report 2019/20 for presentation at the Annual Meeting of Electors to be held within 56 days of the adoption of the report. The suggested date proposed is in on the day of the next ordinary meeting of Council. Accordingly, the proposed time and date of the meeting is at 3pm on Thursday 23 September 2021.

Statutory Environment

5.53 Annual reports

- (1) *The local government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain —*
 - (a) *a report from the mayor or president; and*
 - (b) *a report from the CEO; and*
 - (e) *an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and*
 - (f) *the financial report for the financial year; and*
 - (g) *such information as may be prescribed in relation to the payments made to employees; and*
 - (h) *the auditor's report for the financial year; and*
 - (ha) *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
 - (hb) *details of entries made under section 5.121 during the financial year in the register of complaints, including-*
 - (i) *the number of complaints recorded in the register of complaints; and*
 - (ii) *how the recorded complaints were dealt with; and*
 - (iii) *any other details that the regulations may require; and*
 - (i) *such other information as may be prescribed*

5.54. Acceptance of annual reports

- (1) *Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*
** Absolute majority required.*
- (2) *If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.*

5.55 Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.27 Electors' general meetings

- (1) *A general meeting of the electors of a district is to be held once every financial year.*
- (2) *A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*
- (3) *The matters to be discussed at general electors' meetings are to be those prescribed.*

5.29 Convening electors' meetings

- (1) *The CEO is to convene an electors' meeting by giving —*
- (a) *at least 14 days' local public notice; and*
 - (b) *each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.*

Strategic Implications

This is a statutory function.

Policy & Financial Implications

Nil

Consultation

Relief Finance Manager, Moore Australia and RSM in relation to the Financial Report portion of the Annual Report.

Recommendation

Note the following recommendation subject to the Audit Committees consideration and recommendation on the Financial Report section of the Annual Report.

That Council

- 1 adopts the Annual Report for 2019/20 and
- 2 that the 2019/20 Electors Annual General meeting be held at 3pm on the 23 September 2021.

Voting Requirements

Absolute Majority

Council Decision

Moved: Cr A Whitmarsh

Seconded: Cr P Squires

That Council:

- 1 Adopts the Annual Report for 2019/20 and;
- 2 The 2019/20 Electors Annual General meeting be held at 3pm on the 23 September 2021.

Carried

For

6

Against

0

19.3 2021 Council Elections

File: 4.9
Author: Bill Boehm – Chief Executive Officer
Interest Declared: No interest to disclose
Date: 27 August 2021
Attachments: 19.3.1 October 2021 Council Election Advertisement

For Information

As indicated in the attached advertisement nominations for the October 2021 Council Elections open on 2 September 2021 and close on 9 September 2021

Advertisements will be placed in the West Australian and on the with a notice has now been published on the Department of Local Government, Sport and Cultural Industries (DLGSC) website, and can be accessed using the link below.

<https://www.dlgsc.wa.gov.au/local-government/local-governments/council-elections/call-for-nominations-for-in-person-local-government-elections/>

For Information

Retiring Councillors are:

1. Cr Paul Squires
2. Cr Emma Foulkes-Taylor
3. Cr Greydon Mead

20 CEO ACTIVITY REPORT

File:

Author: Bill Boehm – Chief Executive Officer

Interest Declared: No interest to disclose

Date: 22 March 2021

Attachments: Nil

General

Summary of activities which highlights the areas worked in is shown as follows:

Date	Activity
20.07.2021	Budget and Agenda Work. Meetings with Finance Manager
21.07.2021	Undertake preliminary costs and outline of SKA Route
22.07.2021	Council and Budget Meeting
23.07.2021	Follow up Actions. Rates submission to Minister. Roads to Recovery Work
26.07.2021	Budget & Audit Follow up work. TOIL
27.07.2021	TOIL. Emails
28.07.2021	TOIL
29.07.2021	Meetings with Works Manager and Finance Manager. Budget work and sealing invoice follow up. Teams Meeting with City of Greater Geraldton over Carnarvon-Mullewa Rd upgrade
30.07.2021	Telephone Meeting with Ant Schinkel (SKA) and Shire President. Catch up with Finance Manager. Budget Work
2.08.2021	Audit Queries. LRCIP Phase 2 Quarterly Report. Airport Works Specification
3.08.2021	Airport Works Specification. Fuel Review. Briefing with Community Manager
4.08.2021	Fuel Review. Seal Review. Catchup meeting with Mike Fitzgerald
5.08.2021	Fuel Review. Seal Review. Telephone discussions with Rebecca Wheadon and Jeff King (CSIRO). Recruitment Work
6.08.2021	Audit Follow Up Work. Annual Return Work. Sealing works acquittal. Meeting with Community Manager.
7.08.2021	Finance Manager Recruitment. Annual Return Work
9.08.2021	Recruitment Work. Meetings with Community Manager and Works Manager. Meeting with Community Manager and Cr Whitmarsh followed up with. with separate telephone meeting with Community Manager and Cr Emma Foulkes-Taylor regarding RAC Connecting Spaces Application. Bilung Creek Project finalisation.
10.08.2021	Recruitment Work. Meetings with Community Manager. Bilung Creek Work. Audit Exit meeting with Shire President, Dominic Zappa and David Wall (RSM) and Subha Gunalan (OAG)
11.08.2021	Recruitment Work. Sealing Works. Meetings with Community Manager.
12.08.2021	LRCIP Phase 1 Acquittal. Works Fuel and Fuel Tax Assistance. Roadhouse Roof Space Photos and feedback to space consultants.
13.08.2021	Recruitment Work. Meeting with Chris Brayton (CSIRO), Works Manager and Community Manager. Meetings and briefing with Works Manager. Review Bank needs
14.08.2021	Office Administration and Annual Report Work
16.08.2021	Final Audit queries, Annual Report. Regional Roads Submission. LRCIP acquittal and update.
17.08.2021	Work on Annual Report. LRCIP. Airport Turnaround Lighting. Annual Statements Road Program
18.08.2021	Annual Financials Review
19.08.2021	Annual Financials Review. Discussion with Adam Murszewski (MWDC). Raft of other Budget Work
20.08.2021 to 21.08.2021	Annual Financials Review. Budget Work. Audit Committee work
22.08.2021 to 28.08.2021	Annual Financials Review. Budget Work. Audit Committee Work. Agenda Work. Meetings and work with Finance Manager.

Recommendation

That the CEO's Activity Report be accepted.

Voting Requirements

Simple Majority

Council Decision			
Moved: Cr	Q Fowler	Seconded: Cr	G Mead
That the CEO's Activity Report be accepted.			
Carried	For	6	Against 0

21 ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

Pursuant to LGA s5.23(2)(c) and (e) Council is to discuss the following items behind closed doors.

- 21.1 Freight Services
Review of Freight Services Contract requirements.
- 21.2 Roadworks Contract
Potential Roadworks Contract that may become before Council.

Recommendation

That the meeting moves behind closed doors to discuss an item pursuant to LGA s5.23(2)(c) and (e)) relating to the following items:

- 21.1 Freight Services
- 21.2 Roadworks Contract

Voting Requirements

Absolute Majority

Council Decision			
Moved: Cr	E Foulkes-Taylor	Seconded: Cr	A Whitmarsh
That the meeting moves behind closed doors to discuss an item pursuant to LGA s5.23(2)(c) and (e)) relating to the following items: <ul style="list-style-type: none">21.1 Freight Services21.2 Roadworks Contract			
Carried	For	6	Against 0

The meeting was closed to members of the public at 1:41pm

The meeting was adjourned at 2:06pm

The meeting was reconvened at 2.53pm at which time Councillors G Mead and P Squires were no longer in attendance.

Motion to open the meeting to the public.

Recommendation

That the meeting moves out from behind closed doors.

Voting Requirements

Absolute Majority

Council Decision			
Moved: Cr	A Whitmarsh	Seconded: Cr	E Foulkes-Taylor
That the meeting moves out from behind closed doors.			
Carried		For	4
		Against	0

The Meeting was reopened to members of the public at 3:20pm

Cr G Mead and Cr P Squires re-entered the meeting at 3:20pm

Decisions Disclosed from Closed Section of Meeting

21.1 Freight Services

Voting Requirements

Simple Majority

Council Decision			
Moved: Cr	P Squires	Seconded: Cr	Q Fowler
That subject to successful negotiations with Mid-west Freight the current Freight Services Contract be extended for a period of up to 12 months to allow the Shire and CSIRO to review and determine whether a joint partnership for freight arrangements between both parties is viable.			
Lost		For	2
		Against	4

Council Decision			
Moved: Cr	A Whitmarsh	Seconded: Cr	Q Fowler
That Council authorise the CEO to extend the current Freight Services Contract for 12 months subject to terms of a mutual agreeable contract.			
Carried		For	6
		Against	0

21.2 Roadworks Contract

Voting Requirements

Simple Majority

Council Decision

Moved: Cr A Whitmarsh

Seconded: Cr E Foulkes-Taylor

- 1 That Council note the Roadworks Contract Report and attachments as presented.
- 2 That the Council agree to enter into negotiations with Main Roads WA for the Shire to manage construct and maintain the SKA Access Route within the district.

Carried

For 4

Against 0

Cr E Foulkes-Taylor left the meeting at 3.21pm and returned to the meeting at 3.22pm

22 MEETING CLOSURE

The Shire President closed the meeting at 3.22pm.

Minutes of this meeting were confirmed at the Council Meeting held on 23 September 2021.

Signed.....

Presiding Officer



murchisonshire

Ancient land under brilliant skies

Ordinary Council Meeting

31 August 2021

Attachments

Murchison Shire - 3 Year Rolling Road Construction Program				August 2021			
Description	Funding Source	Comments	Est Revenue Cost	2021	2022	2023	2024
CAPITAL INCOME							
Grant - MRWA Specific	Mains Road WA	Min Entitlement	(1,092,000)	(213,333)	(278,667)	(300,000)	(300,000)
Grant - MRWA Blackspot	Mains Road WA	Subject to sucessful application	(101,360)			(101,360)	
Grant - Local Roads & Community Infrastructure	LRCI Phase 1	Completed	(602,446)	(602,446)			
Grant - Local Roads & Community Infrastructure	LRCI Phase 2	Complete by December 2021	(405,889)		(405,889)		
Grant - Local Roads & Community Infrastructure	LRCI Phase 3	Applicable 1 Jan 2022 to 30 June 2023	(1,204,892)		(301,223)	(903,669)	
Grant - Roads to Recovery	Roads to Recovery		(2,262,518)	(739,482)	(565,000)	(565,000)	(393,036)
Transfer from Reserves - Assets Rehabilitation	Council Reserves		(400,000)		(400,000)		
Transfer from Reserves - Beringarra-Cue Rd	Council Reserves		(767,188)		(767,188)		
Capital Income			(6,836,293)	(1,555,261)	(2,717,967)	(1,870,029)	(693,036)

Note

The overall purpose of the three-year program is to ensure a sustainable works program provide on more than on a year-to-year basis but still provide a degree of flexibility. It will still require some tweaking and amendment from time to time particularly with respect to the Carnarvon-Mullewa Road but provides a sound way forward. Amounts are estimates only for the purposes of programming.

Murchison Shire - 3 Year Rolling Road Construction Program						August 2021
Road	Description	Funding Source	SLK Start	SLK End	Length Comments (km)	Est Cost
2021 Road Construction Program						
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council	101.42	102.42	1.00 Curbur Prep for Seal	115,947
Carnarvon-Mullewa	Two Coat Sealing Works	Council	101.42	102.42	1.00 Curbur Seal	
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council	261.91	266.00	4.09	587,368
Carnarvon-Mullewa	Two Coat Sealing Works	Council - LRCI Phase 1	261.91	266.00	4.09	
Carnarvon-Mullewa	Resheet north of Pinegrove grid	Council - Roads to Recovery	266.52	269.70	3.18	456,683
Carnarvon-Mullewa	Two Coat Sealing Works	Council - LRCI Phase 1	266.52	269.70	3.18	
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council	269.70	270.35	0.65	93,347
Carnarvon-Mullewa	Two Coat Sealing Works	Council - LRCI Phase 1	269.70	270.35	0.65	
Carnarvon-Mullewa	Resheet south of Bullardoo	Council - Main Roads WA	271.50	278.83	7.33	1,052,668
Carnarvon-Mullewa	Two Coat Sealing Works	Council - LRCI Phase 1	271.50	278.83	7.33 <<< Shire Boundary	
2022 Road Construction Program						
Carnarvon-Mullewa	Reseal	Council	84.71	84.79	0.08 Floodway	3,480
Carnarvon-Mullewa	Reseal	Council	85.30	85.75	0.45 Floodway	18,000
Carnarvon-Mullewa	Reseal	Council	96.76	96.80	0.04 Grid	1,400
Carnarvon-Mullewa	Reseal	Council	99.18	99.25	0.07 Floodway	3,080
Carnarvon-Mullewa	Reseal	Council	104.37	104.42	0.05 Grid	1,750
Carnarvon-Mullewa	Reseal	Council	114.16	114.21	0.05 Grid	1,812
Carnarvon-Mullewa	Reseal	Council	118.80	118.92	0.12 Floodway	4,800
Carnarvon-Mullewa	Reseal	Council	121.91	121.97	0.06 Grid	1,650
Carnarvon-Mullewa	Reseal	Council	135.10	135.15	0.05 Grid	1,375
Carnarvon-Mullewa	Reseal	Council	154.00	154.60	0.60	16,500
Bullardoo Home Access	Reseal	Council	0.00	0.14	0.14	5,873
Carnarvon-Mullewa	Bilung Creek Crossing Reconstruction	Council - Roads to Recovery	1.80	1.97	0.17	690,000
Carnarvon-Mullewa	Pinegrove Seal Realignment	Council - Main Roads WA	266.00	266.52	0.52 Pinegrove Curve	64,544
Carnarvon-Mullewa	Pinegrove Seal two coat seal	Council - Main Roads WA	266.00	266.52	0.52 Pinegrove Curve	
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council - Main Roads WA	241.74	245.04	3.30	409,608
Carnarvon-Mullewa	Two Coat Sealing Works	Council - Main Roads WA	241.74	245.04	3.30	
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council - LRCIP Phase 2	254.10	257.40	3.30	409,608
Carnarvon-Mullewa	Two Coat Sealing Works	Council	254.10	257.40	3.30	
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council - LRCIP Phase 2	257.40	261.91	4.51	559,797
Carnarvon-Mullewa	Two Coat Sealing Works	Council	257.40	261.91	4.51	
Beringarra-Cue	Convert Seal to Gravel	Council Reserves			25.00	255,729
Beringarra-Cue	Convert Seal to Gravel	Council Reserves			25.00	255,729

Murchison Shire - 3 Year Rolling Road Construction Program						August 2021	
Road	Description	Funding Source	SLK Start	SLK End	Length (km)	Comments	Est Cost
Beringarra-Cue	Convert Seal to Gravel	Council Reserves			25.00		255,729
2023 Road Construction Program							
Beringarra-Pindar	Floodway Cement Stabilisation	Council	295.78	296.10	0.32		13,934
Beringarra-Pindar	Gravel Resheet	Council	302.98	305.44	2.46		107,115
Beringarra-Pindar	Floodway Cement Stabilisation	Council	305.44	306.03	0.59		25,690
Beringarra-Pindar	Gravel Resheet	Council	306.03	308.52	2.49		108,421
Beringarra-Pindar	Floodway Cement Stabilisation	Council	308.52	309.71	1.19		51,816
Beringarra-Pindar	Gravel Resheet	Council	308.71	309.50	0.79		34,399
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council - LRCI Phase 3	245.04	248.34	3.30		409,608
Carnarvon-Mullewa	Two Coat Sealing Works	Council - LRCI Phase 3	245.04	248.34	3.30		
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council - Main Roads WA	248.34	251.22	2.88	Additional cost thru hills	501,167
Carnarvon-Mullewa	Two Coat Sealing Works	Council - Main Roads WA	248.34	251.22	2.88		
Beringarra-Pindar	Wreath Flowers Works	Main Roads WA - Council	311.36	313.42	2.06	Blackspot funding Construction	152,040
Carnarvon-Mullewa	Reseal	Council	161.06	174.27	13.21		310,000
2024 Road Construction Program							
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council - Main Roads WA	251.22	254.10	2.88	Additional cost thru hills	501,167
Carnarvon-Mullewa	Two Coat Sealing Works	Council - Main Roads WA	251.22	254.10	2.88		
Carnarvon-Mullewa	Reseal	Council	183.39	186.90	3.51		10,405
Carnarvon-Mullewa	Reseal	Council	195.68	195.97	0.29		10,354
Carnarvon-Mullewa	Reseal	Council	203.25	204.21	0.96		28,563
Carnarvon-Mullewa	Reseal	Council	225.48	226.00	0.52		10,609
Carnarvon-Mullewa	Reseal	Council	231.30	231.70	0.40		8,161
Carnarvon-Mullewa	Reseal	Council	240.36	240.71	0.35		14,281
Meeberrie-Wooleen	Gravel Resheet	Council			6.50		283,028
Settlement Mulga Cres	Reseal	Council	1.45	1.54	0.09		4,545
Settlement Roadhouse	Reseal	Council	0.02	0.13	0.11		6,666
Settlement Roderick St	Reseal	Council	0.08	0.35	0.27		13,635
Settlement Mulga Cres	Reconstruct Resheet & Prep for Seal	Council	0.00	1.55	1.55		202,312
Settlement Mulga Cres	Two Coat Sealing Works	Council	0.00	1.55	1.55		
Carnarvon-Mullewa	Reseal @ Bulladoo	Council	135.15	271.50	136.35	Bullardoo Seal	34,500
Various	Various	Council					450,000

Murchison Shire - Portion of a 3 Year Rolling Road Construction Program Section on Carnarvon -Mullewa Road

Year	2022	2023	2023	2024	2022	2022	2021	2022	2021	2021	2024	2021
SLK Start	241.74	245.04	248.34	251.22	254.10	257.40	261.91	266.00	266.52	269.70	270.35	271.50
SLK End	245.04	248.34	251.22	254.10	257.40	261.91	266.00	266.52	269.70	270.35	271.70	278.83
Length km	3.30	3.30	2.88	2.88	3.30	4.51	4.09	0.52	3.18	0.65	1.15	7.33
Funding	Council Main Roads WA	Council LRCIP Phase 3	Council Main Roads WA	Council Main Roads WA	Council LRCIP Phase 2	Council LRCIP Phase 2	Council LRCIP Phase 1		Council LRCIP Phase 1			Council Main Roads WA LRCIP Phase 1
Type	Hills Section Gravel to Seal						Seal					

Notes LRCIP Phase 3 Funding to be used to supplement all propjects within Gravel to Seal Section



SHIRE OF MURCHISON
PAYMENT OF ACCOUNTS PRESENTED AT THE ORDINARY MEETING OF COUNCIL HELD ON
Tuesday, 31 August 2021

The following schedule of accounts has been paid under delegation, by the Chief Executive Officer since the previous Council meeting. The list totalling of \$2,104,962.69 was submitted to each member of the Council on 31/08/2021, and has been checked as being are fully supported by vouchers and duly certified invoices with checks being carried out as to prices, computations and costing.

Chq/EFT	Date	Name	Description	Amount
308	01/06/2021	Westpac Bank	Bank & Merchant Fees - June	334.58
EFT5725	01/06/2021	Western Australian Treasury Corporation	Dolly Loan Repayment - Principal & Interest	852.39
EFT5726	02/06/2021	Murchison Oasis Roadhouse and Caravan	Purchase accommodation units. 3 x ensuite units with	55,000.00
EFT5727	03/06/2021	Skymesh	NBN-SA-Two-Student plan 18/5/2021 to 17/6/2021	109.90
EFT5728	10/06/2021	Squires Resources Pty Ltd	Cycle 18 Supply of Equipment and Labour for Flood Damage Repairs from 10/5/2021 to 23/5/2021 - Beringarra-Pindar Rd, Mount Wittenoom Rd, Yuin Homestead Access Road. PO 573	286,983.40
EFT5798	14/06/2021	Department of Transport	Insurance, licence & recording fee - Hilux 01MU	75.90
EFT5729	16/06/2021	Westrac	Pin & Seal	51.91
EFT5730	16/06/2021	LO-GO Appointments	Contract hire - Finance Manager	8,806.42
EFT5731	16/06/2021	Atom	Retractable Air Hose Reel, Lubemate, Welding Klt, Heatshrink Tube Kit	2,616.84
EFT5732	16/06/2021	Toll Ipec	Freight Cost - new maintenance generator	2,136.59
EFT5733	16/06/2021	activ8me	Internet service 1/6/2021 to 30/6/2021	504.80
EFT5734	16/06/2021	Nulife Panel & Paint	Excess on insurance claim.	300.00
EFT5735	16/06/2021	Queens Supermarkets (WA) Pty Ltd (Rigtters Supermarket Group)	Groceries as per online order. Roadhouse	2,580.13
EFT5736	16/06/2021	Great Southern Fuel Supplies	Diesel MU1011	176.30
EFT5737	16/06/2021	McDonalds Wholesalers	Groceries as per online order.	2,191.55
EFT5738	16/06/2021	Perfect Computer Solutions Pty Ltd	Monthly fee for daily monitoring, management and resolution of problems. Emails re Activ8 problem.	297.50
EFT5739	16/06/2021	Winc Australia Pty Ltd	Meter charges - 3140 black & white copies & 3591 colour copies 19/4/2021 to 17/5/2021	1,427.94
EFT5740	16/06/2021	Shire of Perenjori	CESM shared costs Oct - Dec 2020 & Jan - March 2021	6,438.76
EFT5741	16/06/2021	William Herold	1 Dog shot 26/5/2021	200.00
EFT5742	16/06/2021	AGFIX Multitrades	Construction of new wall and door with standard lock , painted in front of store at Roadhouse	9,215.00
EFT5743	16/06/2021	Western Independent Foods	Groceries as per online order	2,148.37
EFT5744	16/06/2021	UDLA	Murchison Settlement Road House Preliminary Concept Development	1,100.00
EFT5745	16/06/2021	The Luscombe Syndicate	Groceries as per online	515.27
EFT5746	16/06/2021	Steven Cosgrove	Telstra charger for Shire mobile phone	50.00
EFT5747	16/06/2021	Ross Ariti	6 Dogs shot 6 March 2021, 2 Donkeys shot March 2021	840.00
EFT5748	16/06/2021	Australia Post	Postal services May 2021	58.03
EFT5749	16/06/2021	Civic Legal Pty Ltd	Legal fees in regard to Murchison Oasis Roadhouse - Sale & purchase of assets.	758.05
EFT5750	16/06/2021	Department of Fire & Emergency Services	2020/21 ESL 4th Qtr Payment	562.80
EFT5751	16/06/2021	Geraldton Ag Services	Air Motor Kit to suit Alemlube Grease Pump	195.65
EFT5752	16/06/2021	Geraldton Toyota	Annual Service for 01MU , Service Kits for 01MU.	1,133.11
EFT5753	16/06/2021	Kleenheat Gas	9 x 45KG household gas	990.00
EFT5754	16/06/2021	Landgate	Valuation Roll, Mining Tenements - 49	559.30
EFT5755	16/06/2021	Reece Pty Ltd	Cavagna Man Dual Stage Reg W/PtIs 250mj , S/Steel Pigtail Pol x 1/4 Inv Flare 900mm , Test Nipple 15mm CU x 10mi W/Bleeder	550.83
EFT5756	16/06/2021	St John Ambulance Western Australia	Miscellaneous charge (no gst) Travel & equipment hire for 21/6 & 22/6/21. PO 949	1,400.00
EFT5757	16/06/2021	Totally Workwear Geraldton	Safety Boots	129.67
EFT5758	16/06/2021	Telstra	Phone charges to 24 May 21 and Services & equipment to 24 June 21	3,773.83
EFT5759	16/06/2021	Foxtel Business	Monthly Subscription 1 June 2021 to 30 June 2021	1,701.45
EFT5799	18/06/2021	Westpac Credit Card	Donation to Lord Mayor's Distress Relief Fund (\$3,000) - TC Seroja et al	4,955.34
EFT5760	28/06/2021	Greenfield Technical Services	AGRN863 Site management/quality assurance of Shire's Flood Damage Contractor - Package 2. PO 1120	29,260.28
DD3822.1	28/06/2021	Department of Transport	Licence & Injury Insurance	17.55
308	30/06/2021	Westpac Bank	Bank Fees	38.52
EFT5761	30/06/2021	BOC Limited	Dissolved Acetylene G Size	110.97
EFT5762	30/06/2021	ITVision	Asset Disposal Reversal for 2019/2020 Annuals.	275.00
EFT5763	30/06/2021	Garrards Pty Ltd	4 Kg Bag - Agserv D-Ter Animal & Bird Repellant	247.26

17.1.1 - August 2021

EFT5764	30/06/2021	Tutt Bryant Equipment WA	05713027 Mounting Foot x 4	2,404.38
EFT5765	30/06/2021	LO-GO Appointments	Hire of Senior Finance Manager 7 June to 11 June 2021	8,806.42
EFT5766	30/06/2021	Tyrepower Geraldton	Michelin Tyres P061, P092	3,231.00
EFT5767	30/06/2021	activ8me	Internet service 21/6/2021 to 20/7/2021	874.35
EFT5768	30/06/2021	Jenkin Manufacturing	Materials for the building of 5 new grids	29,991.50
EFT5769	30/06/2021	Midwest Freight	Weekly Pickup & Delivery Service x 4 - May 2021	13,120.00
EFT5770	30/06/2021	Boya Equipment	Service kit various filters , belt , blades RH , Blades LH , Freight	488.70
EFT5771	30/06/2021	Compac Sales Pty Ltd	Monthly online service fees May 2021. PO 612	124.96
EFT5772	30/06/2021	Hosken Electrical	Supply and Install 8KW air con in the Library	15,842.44
EFT5773	30/06/2021	Queens Supermarkets (WA) Pty Ltd (Rigtters Supermarket Group)	Groceries for Roadhouse	1,688.12
EFT5774	30/06/2021	Greenfield Technical Services	2020/21 Sealing Works - Prepare and manage process	57,474.25
EFT5775	30/06/2021	McDonalds Wholesalers	Roband Bain Marie E23 , Solid Two Door Upright Freezer 1410 Litre ,Solid Single Door Upright Freezer	11,846.90
EFT5776	30/06/2021	Perfect Computer Solutions Pty Ltd	Lenovo V115VL Notebook - DCEO/minutes & Roadhouse	5,887.50
EFT5777	30/06/2021	Staff Reimbursement	Fuel - travel from Geraldton to Murchison & return for training/meeting	144.65
EFT5778	30/06/2021	Murchison Gas & Plumbing	Supply and Install new Isolation valves and Pressure limiting valves to boundry inlets at 8 houses in Karara Way	7,696.70
EFT5779	30/06/2021	Joel Pitman	2 dogs shot - 8/11/2020 & 22/3/2021	200.00
EFT5780	30/06/2021	Fitz Gerald Strategies	Assist Council with CEO Performance Review for period 15 August 2019 to 31 May 2021.	5,307.00
EFT5781	30/06/2021	Corsign WA	Custom Signs 900x 125mm White & Red CLOSED x 8. PO 1141	303.60
EFT5782	30/06/2021	Western Independent Foods	Groceries for Roadhouse	1,551.54
EFT5783	30/06/2021	Royal Wolf Trading Australia Pty Ltd	Monthly Rental of accommodation unit - 29/5/2021 to 28/6/2021	1,265.67
EFT5784	30/06/2021	Blackwoods	Injectors, nozzles, filter	199.30
EFT5785	30/06/2021	C & S Automotive Repairs	Service of DCEO Toyota Prado MU1011.	612.26
EFT5786	30/06/2021	PFD Food Services Pty Ltd	Icecreams ordered while in transition	349.45
EFT5787	30/06/2021	Bunnings Pty Ltd	Chrome cast sink spout, Flexi spray shower head, Towell rail, Oats cobweb broom, Sabco extension duster, Towell ring.	502.66
EFT5788	30/06/2021	E & Mj Rosher P/I	Parts to fix PO32 & PO65 generators	7,476.69
EFT5789	30/06/2021	Great Northern Rural Services	Filter Cartridge Jumbo 20MIC 20IN x 6 , ACQI Misc Water Equipment x 6	922.58
EFT5790	30/06/2021	Hoppys Parts R Us	Gas Struts x 4 for Canopy on Toyota work ute	126.11
EFT5791	30/06/2021	Mitchell & Brown	Router Netgear RAX20 at 4B and 10A	596.00
EFT5792	30/06/2021	Oiltech Wholesale	Diesel & PULP	57,720.81
EFT5793	30/06/2021	Pemco Diesel	Annual Service and Labour	1,211.32
EFT5794	30/06/2021	Purcher International	Brake Pad Kit	643.03
EFT5795	30/06/2021	Truckline Geraldton	Brake Drum , BPW 10Stud 335PCD Newgen	1,031.99
EFT5796	30/06/2021	Moore Australia (WA) Pty Ltd	Compilation of Statements of Financial Activity for March and April 2021. PO 542	4,620.00
EFT5797	30/06/2021	Midwest Branch ICPA	Sponsorship of 2021 ICPA WA State Conference	1,100.00
400297	30/06/2021	MJ TOMKINS	Rating valuation objection upheld. Rate #10 Receipt #3084	1,820.22
309	01/07/2021	Westpac Bank	Various Fees	641.78
EFT5800	12/07/2021	Telstra	Phone services and equipment 25 June to 24 July 2021	1,433.93
EFT5801	12/07/2021	Foxtel Business	Subscription 1 July to 31 July 2021	1,700.00
EFT5802	12/07/2021	LO-GO Appointments	Hire Senior Finance Manager 28 June to 2 July 2021	8,834.01
EFT5803	12/07/2021	Atom	182661 Cleaner Brake Parts 5092 200L	3,325.85
EFT5804	12/07/2021	Toll Ipec	Freight costs for 2 x 200 LT Drums of Oil	274.37
EFT5805	12/07/2021	Foulkes-Taylor Emma	Attendance, travel & communications allowances	3,895.95
EFT5806	12/07/2021	activ8me	Internet service 1/7/2021 to 31/7/2021	504.80
EFT5807	12/07/2021	Midwest Freight	Freight services	1,312.00
EFT5808	12/07/2021	Panaceum Group	Pre employment instant drug and alcohol screen	583.00
EFT5809	12/07/2021	MM Electrical Merchandising	LED UFO Profile High Bay 200w Die Cast Aluminium	1,353.00
EFT5810	12/07/2021	Queens Supermarkets (WA) Pty Ltd (Rigtters Supermarket Group)	Groceries for Roadhouse	471.04
EFT5811	12/07/2021	Greenfield Technical Services	AGRN 951 SMU Flood Damage Funding Submission	34,981.10
EFT5812	12/07/2021	Greydon Mead	Attendance, travel & communications allowances	2,898.93
EFT5813	12/07/2021	Great Southern Fuel Supplies	Diesel	623.18
EFT5814	12/07/2021	McDonalds Wholesalers	Roadhouse Groceries	951.00
EFT5815	12/07/2021	Perfect Computer Solutions Pty Ltd	IT support MC removed access to both mailboxes, Monthly fee for Daily Monitoring, Management and Resolution of Disaster Recovery Options at site	212.50

17.1.1 - August 2021

EFT5816	12/07/2021	Antony Dann	Reimburse overpayment of accommodation at the Murchison Oasis Roadhouse	1,570.00
EFT5817	12/07/2021	Mullewa Farm Supplies	Hydraulic Hoses and assembly parts ,Hydraulic Oil	714.75
EFT5818	12/07/2021	Rowe Contractors	Pushing Gravel	87,989.00
EFT5819	12/07/2021	AGFIX Multitrades	Laundry modifications at Roadhouse	9,575.00
EFT5820	12/07/2021	Geraldton Sign Makers	Magnetic Signs for Road Works	184.80
EFT5821	12/07/2021	Western Independent Foods	Groceries ordered for Roadhouse	404.11
EFT5822	12/07/2021	Batavia Coast Trimmers	Manufacture , Replacement Garden Tunnel Roof in White Shade Cloth	2,970.00
EFT5823	12/07/2021	Battery Mart	Battery for Fast Attack MU1069	180.40
EFT5824	12/07/2021	Canine Control	Ranger Services Tuesday 15 and Wednesday 16 June 2021. Patrols conducted in the townsite and surrounding areas. Patrols conducted in Pia community.	2,145.00
EFT5825	12/07/2021	NAPA Auto Parts	Sealed Headlight Casing - Water Truck	50.85
EFT5826	12/07/2021	Foulkes-Taylor Rossco	Attendance, travel & communications allowances	7,669.11
EFT5827	12/07/2021	Quentin Fowler	Attendance, travel & communications allowances	2,805.86
EFT5828	12/07/2021	Geraldton Auto Wholesalers	Window for back passenger door	158.74
EFT5829	12/07/2021	Kleenheat Gas	45kg Gas Bottles x 9	990.00
EFT5830	12/07/2021	Landgate	Rural UV General Revaluation 2020/21	752.00
EFT5831	12/07/2021	Midwest Lock & Safe	Roadhouse Motel Key , Community Room Key , Medical Room Key	90.00
EFT5832	12/07/2021	Pemco Diesel	Parts for pump engine	129.36
EFT5833	12/07/2021	Squires Resources Pty Ltd	Grading Works - Various Roads	9,913.75
EFT5834	12/07/2021	St John Ambulance Western Australia	Samaritan Heart Sine Defibrillator 360P x 3	7,235.00
EFT5835	12/07/2021	Moore Australia (WA) Pty Ltd	Review and lodge 4 @ monthly BAS	3,850.00
EFT5836	12/07/2021	Whitmarsh, Andrew	Attendance, travel & communications allowances	4,526.94
EFT5837	20/07/2021	McDonalds Wholesalers	Grocery order for Roadhouse	3,476.75
EFT5838	20/07/2021	The Luscombe Syndicate	Groceries ordered for Roadhouse	2,790.77
EFT5888	20/07/2021	Westpac Credit Card	Seek Job Ad - Finance Role	1,564.98
EFT5839	26/07/2021	Oiltech Wholesale	Diesel	78,322.62
EFT5840	26/07/2021	Queens Supermarkets (WA) Pty Ltd (Rigtters Supermarket Group)	Grocery order for Roadhouse	2,742.16
EFT5841	26/07/2021	McDonalds Wholesalers	Grocery Order for Roadhouse	2,198.20
EFT5842	26/07/2021	The Luscombe Syndicate	Grocery Order for Roadhouse	738.63
EFT5843	29/07/2021	BOC Limited	Oxygen Industrial G Size ,Agroshield Universal G Size	177.75
EFT5844	29/07/2021	ITVision	Renew SynergySoft & Universe Annual License Fees	33,347.45
EFT5845	29/07/2021	Tutt Bryant Equipment WA	Rubber Buffer,Tooth Scraper ,Pin Dowel & Ignition Keys	4,895.90
EFT5846	29/07/2021	LO-GO Appointments	Contract Hire Finance Manager	4,430.80
EFT5847	29/07/2021	Marketforce	Advertisement - The West Australian 19/6/2021 - Notice of Intention to Levy Differential Rates 2021/2022	630.08
EFT5848	29/07/2021	Sealite Pty Ltd	Avelite Mounting Assembly and Stakemount for Air Strip Lights and accesories	5,583.60
EFT5849	29/07/2021	Atom	Nuts & Bolts	287.29
EFT5850	29/07/2021	Peter Mahony	1 dog shot 7/6/21	300.00
EFT5851	29/07/2021	Central West Pump	3 Male / Male Camlock Fittings	22.00
EFT5852	29/07/2021	Tyrepower Geraldton	Various tyres for caravans, trailers et al	4,288.70
EFT5853	29/07/2021	activ8me	Internet service 21/7/2021 to 20/08/2021	874.35
EFT5854	29/07/2021	Jenkin Manufacturing	2x Gattle Grids Built by Jenkin Manufacturing	9,680.00
EFT5855	29/07/2021	Panaceum Group	IH - Medical Assessment	225.50
EFT5856	29/07/2021	Compac Sales Pty Ltd	Monthly online service fees June 2021.	122.21
EFT5857	29/07/2021	Hosken Electrical	New Remote Control for Split Air Conditioner	177.00
EFT5858	29/07/2021	Queens Supermarkets (WA) Pty Ltd (Rigtters Supermarket Group)	Grocery Order for Roadhouse	828.16
EFT5859	29/07/2021	Greenfield Technical Services	AGRN863 SMU Flood Damage Construction Management	10,109.00
EFT5860	29/07/2021	McDonalds Wholesalers	Grocery Order for Roadhouse	718.35
EFT5861	29/07/2021	Perfect Computer Solutions Pty Ltd	Various problem diagnosis per contract	1,020.00
EFT5862	29/07/2021	Winc Australia Pty Ltd	New Photocopier/Printer	11,105.69
EFT5863	29/07/2021	Western Australian Treasury Corporation	Government Guarantee Fee - Shire Loan for Dolly	57.82
EFT5864	29/07/2021	McLeods Barristers and Solicitors	Legal expenses on Rating Exemptions	3,735.29
EFT5865	29/07/2021	Thurkles Dozing	Stockpile Material as per WALGA schedule of rates	57,255.00
EFT5866	29/07/2021	Western Independent Foods	Grocery order for Roadhouse	1,652.07
EFT5867	29/07/2021	Royal Wolf Trading Australia Pty Ltd	Hire of Single person Bedroom with Bathroom - Monthly Rental 29/6/21 to 28/7/21	1,265.67
EFT5868	29/07/2021	National Lubrication Systems	Lincoln Control Plate	743.39
EFT5869	29/07/2021	The Luscombe Syndicate	Grocery order for Roadhouse	3,408.11
EFT5870	29/07/2021	Ross Ariti	2 Dogs shot May 2021	200.00
EFT5871	29/07/2021	MinterEllison	Professional fees - Employment contract review.	7,700.00
EFT5872	29/07/2021	JLT Risk Solutions Pty Ltd	Insurance 30/6/2021 to 30/06/2022	9,124.50
EFT5873	29/07/2021	Australia Post	Postal services June 2021	57.00

17.1.1 - August 2021

EFT5874	29/07/2021 Bunnings Pty Ltd	Frameless Glass Shower panel door kit	1,097.05
EFT5875	29/07/2021 CJD Equipment Pty Ltd	Air Compressor	3,453.88
EFT5876	29/07/2021 Department Of Planning, Lands & Heritage	Lease rent - 1/7/2021-31/12/2021 - Roadhouse & Caravan Park	275.00
EFT5877	29/07/2021 Geraldton Mower And Repair Specialists	Diagnose mechanical issues with Fogging Machine	174.80
EFT5878	29/07/2021 Geraldton TV & Radio Services Co	10 metre Ethernet Cable for workshop office	19.95
EFT5879	29/07/2021 Great Northern Rural Services	Glyphix 450 20 Lt Drums , Slimline Scales 5KG, Richdel Solenoid Valves	1,015.19
EFT5880	29/07/2021 Mitchell & Brown	Bosch washing machine & dryer	2,172.00
EFT5881	29/07/2021 Reece Pty Ltd	Taps	128.92
EFT5882	29/07/2021 Squires, Paul	Attendance, travel & communications allowances	2,916.76
EFT5883	29/07/2021 Totally Workwear Geraldton	7 x Work Shirts and 1 pair of safety boots	716.81
EFT5884	29/07/2021 Westrac	Loader Bucket Cutting Edges and Bolts	701.43
EFT5885	29/07/2021 Whitmarsh, Andrew	1 dog destroyed 3/7/2021	100.00
EFT5886	29/07/2021 Boral Resources (WA) Ltd	Spray and Cover Bitumen Sealing Incl. Seal Design & Aggregate Supply	932,473.99
EFT5887	29/07/2021 Telstra	Service connection fee, Services & equipment rental 18 May to 18 June 2021	378.72
DD3822.2	31/07/2021 Department of Transport	Fleet vehicle licence motor injury insurance	6,727.00
			<u>2,104,962.69</u>

SHIRE OF MURCHISON
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 30 June 2021

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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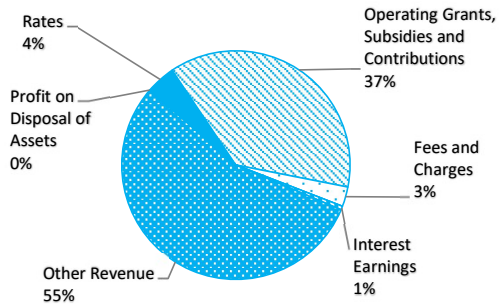
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MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2021

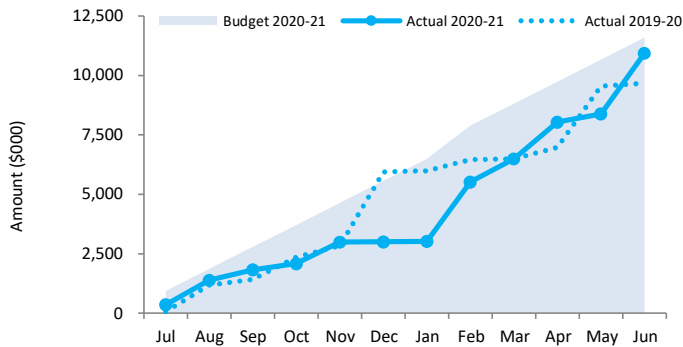
SUMMARY INFORMATION - GRAPHS

OPERATING ACTIVITIES

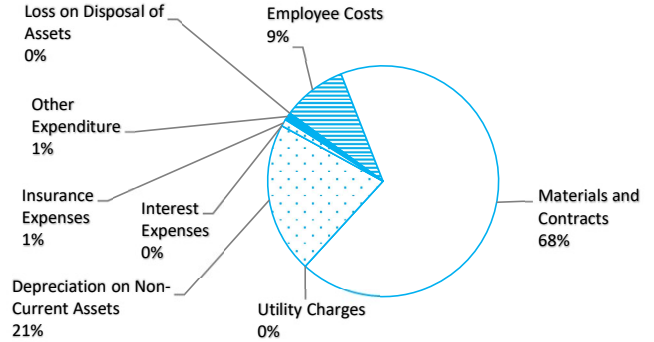
OPERATING REVENUE



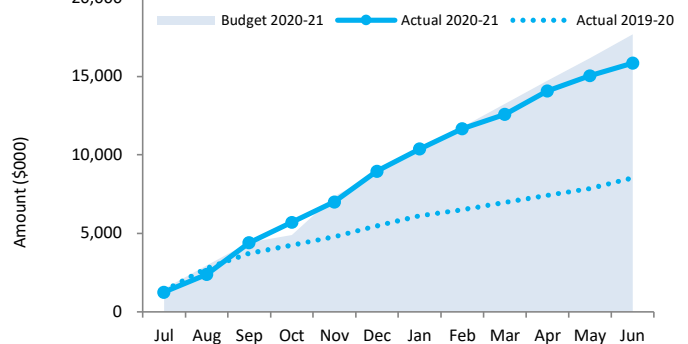
Budget Operating Revenues -v- Actual



OPERATING EXPENSES



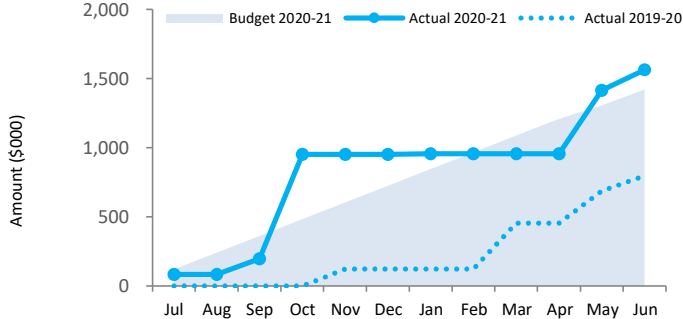
Budget Operating Expenses -v- YTD Actual



INVESTING ACTIVITIES

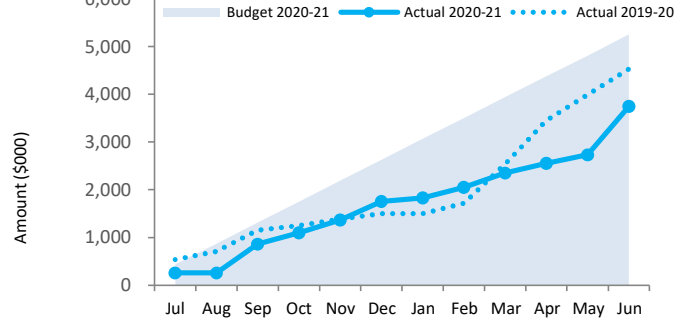
CAPITAL REVENUE

Budget Capital Revenue -v- Actual



CAPITAL EXPENSES

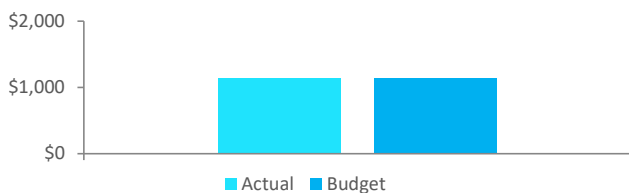
Budget Capital Expenses -v- Actual



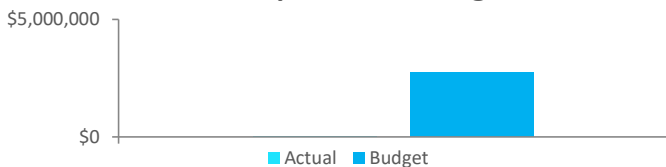
FINANCING ACTIVITIES

BORROWINGS

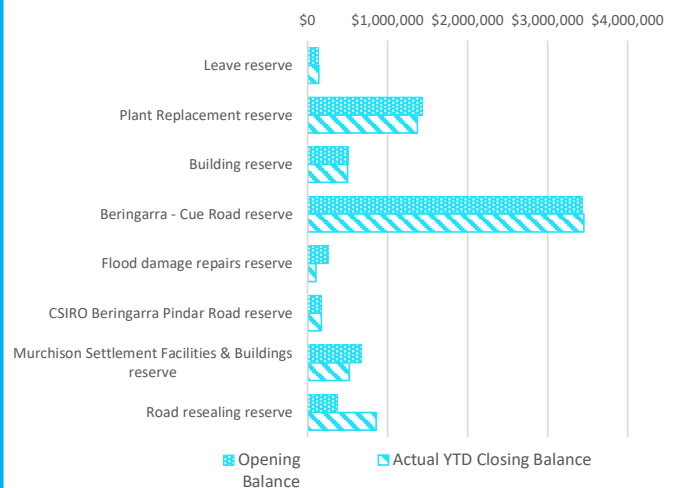
Principal Repayments



Principal Outstanding



RESERVES



MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2021

EXECUTIVE SUMMARY

Funding surplus / (deficit) Components

Funding surplus / (deficit)

	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.96 M	\$3.96 M	\$3.84 M	(\$0.11 M)
Closing	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M

Refer to Statement of Financial Activity

Cash and cash equivalents

	\$7.95 M	% of total
Unrestricted Cash	\$0.82 M	10.3%
Restricted Cash	\$7.13 M	89.7%

Refer to Note 2 - Cash and Financial Assets

Payables

	\$1.41 M	% Outstanding
Trade Payables	\$0.10 M	
30 to 90 Days		42.9%
Over 90 Days		0.0%

Refer to Note 5 - Payables

Receivables

	\$0.20 M	% Collected
Rates Receivable	\$0.56 M	15.4%
Trade Receivable	\$0.20 M	% Outstanding
30 to 90 Days		0.1%
Over 90 Days		4.8%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$2.84 M)	(\$2.84 M)	(\$1.52 M)	\$1.31 M

Refer to Statement of Financial Activity

Rates Revenue

YTD Actual	\$0.46 M	% Variance
YTD Budget	\$0.47 M	(1.5%)

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions

YTD Actual	\$4.10 M	% Variance
YTD Budget	\$2.00 M	105.2%

Refer to Note 12 - Operating Grants and Contributions

Fees and Charges

YTD Actual	\$0.31 M	% Variance
YTD Budget	\$0.25 M	21.9%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$3.80 M)	(\$3.80 M)	(\$2.18 M)	\$1.63 M

Refer to Statement of Financial Activity

Proceeds on sale

YTD Actual	\$0.00 M	%
Adopted Budget	\$0.03 M	0.0%

Refer to Note 7 - Disposal of Assets

Asset Acquisition

YTD Actual	\$3.74 M	% Spent
Adopted Budget	\$5.25 M	71.2%

Refer to Note 8 - Capital Acquisition

Capital Grants

YTD Actual	\$1.56 M	% Received
Adopted Budget	\$1.42 M	110.1%

Refer to Note 8 - Capital Acquisition

Key Financing Activities

Amount attributable to financing activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$2.68 M	\$2.68 M	(\$0.14 M)	(\$2.82 M)

Refer to Statement of Financial Activity

Borrowings

Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.02 M

Refer to Note 9 - Borrowings

Reserves

Reserves balance	\$7.13 M
Interest earned	\$0.04 M

Refer to Note 10 - Cash Reserves

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 30 JUNE 2021

STATUTORY REPORTING PROGRAMS

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

PROGRAM NAME AND OBJECTIVES
GOVERNANCE

To provide the decision-making framework to facilitate allocation of scarce resources.

ACTIVITIES

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

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally conscious community.

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

HEALTH

To provide an operational framework for environmental and community 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

To provide services to disadvantaged persons. The elderly, children and youth.

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

HOUSING

To provide and maintain staff housing.

Provision and maintenance of staff housing.

COMMUNITY AMENITIES

To provide services required by the community.

Maintain a refuse site for the settlement.

RECREATION AND CULTURE

To establish and effectively manage infrastructure and resources which will help the social well being of the community.

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

TRANSPORT

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of roads, drainage works and traffic signs.
Maintenance of the settlement air-strip.

ECONOMIC SERVICES

To help promote the shire and its economic well being.

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

To monitor and control Shire's overheads operating accounts.

Private works operation, plant repair and operation costs.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021**

STATUTORY REPORTING PROGRAMS

	Ref Note	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	3,958,749	3,958,749	3,843,908	(114,841)	(2.90%)	
Revenue from operating activities							
Governance		12,500	12,500	13,375	875	7.00%	
General purpose funding - general rates	6	465,397	465,397	458,466	(6,931)	(1.49%)	
General purpose funding - other		1,874,884	1,874,884	3,813,590	1,938,706	103.40%	▲
Law, order and public safety		19,844	19,844	19,368	(476)	(2.40%)	
Community amenities		0	0	270	270	0.00%	
Recreation and culture		7,150	7,150	7,561	411	5.75%	
Transport		8,882,485	8,882,485	6,173,299	(2,709,186)	(30.50%)	▼
Economic services		242,000	242,000	341,889	99,889	41.28%	▲
Other property and services		94,544	94,544	103,165	8,621	9.12%	
		11,598,804	11,598,804	10,930,983	(667,821)		
Expenditure from operating activities							
Governance		(640,322)	(640,322)	(564,440)	75,882	11.85%	▲
General purpose funding		(40,322)	(40,322)	(41,362)	(1,040)	(2.58%)	
Law, order and public safety		(118,350)	(118,350)	(108,119)	10,231	8.64%	
Health		(53,840)	(53,840)	(43,314)	10,526	19.55%	▲
Education and welfare		0	0	(1,000)	(1,000)	0.00%	
Housing		(24,000)	(24,000)	(54,243)	(30,243)	(126.01%)	▼
Community amenities		(119,152)	(119,152)	(150,654)	(31,502)	(26.44%)	▼
Recreation and culture		(343,676)	(343,676)	(270,893)	72,783	21.18%	▲
Transport		(15,382,909)	(15,382,909)	(13,654,443)	1,728,466	11.24%	▲
Economic services		(974,521)	(974,521)	(967,554)	6,967	0.71%	
		(17,697,092)	(17,697,092)	(15,856,022)	1,841,070		
Non-cash amounts excluded from operating activities	1(a)	3,261,358	3,261,358	3,401,471	140,113	4.30%	
Amount attributable to operating activities		(2,836,930)	(2,836,930)	(1,523,568)	1,313,362		
Investing Activities							
Proceeds from non-operating grants, subsidies and contributions	13	1,420,779	1,420,779	1,563,591	142,812	10.05%	▲
Proceeds from disposal of assets	7	30,000	30,000	0	(30,000)	(100.00%)	▼
Payments for property, plant and equipment and infrastructure	8	(5,254,558)	(5,254,558)	(3,738,910)	1,515,648	28.84%	▲
Amount attributable to investing activities		(3,803,779)	(3,803,779)	(2,175,319)	1,628,460		
Financing Activities							
Proceeds from new debentures	9	2,750,000	2,750,000	0	(2,750,000)	(100.00%)	▼
Transfer from reserves	10	1,113,884	1,113,884	428,000	(685,884)	(61.58%)	▼
Repayment of debentures	9	(1,138)	(1,138)	(1,138)	0	0.00%	
Transfer to reserves	10	(1,180,786)	(1,180,786)	(567,063)	613,723	51.98%	▲
Amount attributable to financing activities		2,681,960	2,681,960	(140,201)	(2,822,161)		
Closing funding surplus / (deficit)	1(c)	0	0	4,820			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold. Refer to threshold. Refer to Note 14 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2020-21 year is \$10,000 or 10.00% whichever is the greater.

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

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 JUNE 2021

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial 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.

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. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

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. Exclude 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.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

NATURE OR TYPE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of 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.

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, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. 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

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021**

BY NATURE OR TYPE

	Ref Note	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	3,958,749	3,958,749	3,843,908	(114,841)	(2.90%)	
Revenue from operating activities							
Rates	6	465,397	465,397	458,466	(6,931)	(1.49%)	
Operating grants, subsidies and contributions	12	1,997,228	1,997,228	4,098,472	2,101,244	105.21%	▲
Fees and charges		251,750	251,750	306,816	55,066	21.87%	▲
Interest earnings		121,500	121,500	55,981	(65,519)	(53.93%)	▼
Other revenue		8,762,929	8,762,929	6,011,248	(2,751,681)	(31.40%)	▼
		11,598,804	11,598,804	10,930,983	(667,821)		
Expenditure from operating activities							
Employee costs		(1,310,475)	(1,310,475)	(1,433,390)	(122,915)	(9.38%)	
Materials and contracts		(12,841,441)	(12,841,441)	(10,739,812)	2,101,629	16.37%	▲
Depreciation on non-current assets		(3,227,546)	(3,227,546)	(3,360,979)	(133,433)	(4.13%)	
Interest expenses		(567)	(567)	(690)	(123)	(21.69%)	
Insurance expenses		(159,668)	(159,668)	(150,817)	8,851	5.54%	
Other expenditure		(123,583)	(123,583)	(170,334)	(46,751)	(37.83%)	▼
Loss on disposal of assets	7	(33,812)	(33,812)	0	33,812	100.00%	▲
		(17,697,092)	(17,697,092)	(15,856,022)	1,841,070		
Non-cash amounts excluded from operating activities	1(a)	3,261,358	3,261,358	3,401,471	140,113	4.30%	
Amount attributable to operating activities		(2,836,930)	(2,836,930)	(1,523,568)	1,313,362		
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	13	1,420,779	1,420,779	1,563,591	142,812	10.05%	▲
Proceeds from disposal of assets	7	30,000	30,000	0	(30,000)	(100.00%)	▼
Payments for property, plant and equipment and infrastructure	8	(5,254,558)	(5,254,558)	(3,738,910)	1,515,648	28.84%	▲
Amount attributable to investing activities		(3,803,779)	(3,803,779)	(2,175,319)	1,628,460		
Financing Activities							
Proceeds from new debentures	9	2,750,000	2,750,000	0	(2,750,000)	(100.00%)	▼
Transfer from reserves	10	1,113,884	1,113,884	428,000	(685,884)	(61.58%)	▼
Repayment of debentures	9	(1,138)	(1,138)	(1,138)	0	0.00%	
Transfer to reserves	10	(1,180,786)	(1,180,786)	(567,063)	613,723	51.98%	▲
Amount attributable to financing activities		2,681,960	2,681,960	(140,201)	(2,822,161)		
Closing funding surplus / (deficit)	1(c)	0	0	4,820	4,820		

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 14 for an explanation of the reasons for the variance.

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

MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2021

BASIS OF PREPARATION

BASIS OF PREPARATION

REPORT PURPOSE

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

BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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 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.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 20 July 2021

SIGNIFICANT ACCOUNTING POLICIES

CRITICAL ACCOUNTING 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 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.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies

GOODS AND SERVICES TAX

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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Movement in liabilities associated with restricted cash		0	0	49,217
Movement in employee benefit provisions (non-current)		0	0	(8,725)
Add: Loss on asset disposals	7	33,812	33,812	0
Add: Depreciation on assets		3,227,546	3,227,546	3,360,979
Total non-cash items excluded from operating activities		3,261,358	3,261,358	3,401,471

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation* 32 to agree to the surplus/(deficit) after imposition of general rates.

		Last Year Closing 30 June 2020	This Time Last Year 30 June 2020	Year to Date 30 June 2021
Adjustments to net current assets				
Less: Reserves - restricted cash	10	(6,989,920)	(6,989,920)	(7,128,983)
Add: Borrowings	9	1,138	1,138	1,176
Add: Provisions - employee		85,266	85,266	134,483
Total adjustments to net current assets		(6,903,516)	(6,903,516)	(6,993,324)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	9,003,924	9,003,924	7,949,651
Financial assets at amortised cost	2	2,500,000	2,500,000	0
Rates receivables	3	206,328	206,328	562,530
Receivables	3	104,962	104,962	199,766
Other current assets	4	72,987	72,987	143,889
Less: Current liabilities				
Payables	5	(1,054,373)	(1,054,373)	(1,413,711)
Borrowings	9	(1,138)	(1,138)	(1,176)
Contract liabilities	11	0	0	(308,322)
Provisions	11	(85,266)	(85,266)	(134,483)
Less: Total adjustments to net current assets	1(b)	(6,903,516)	(6,903,516)	(6,993,324)
Closing funding surplus / (deficit)		3,843,908	3,843,908	4,820

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

OPERATING ACTIVITIES
NOTE 2
CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Institution	Interest Rate	Maturity Date
Cash on hand							
Municipal Cash at Bank	Cash and cash equivalents	338,561		338,561	Westpac	NA	NA
Muni Short Term Investment	Cash and cash equivalents	1,659		1,659	Westpac	NA	NA
Murchison Oasis Roadhouse (Fuel ATM)	Cash and cash equivalents	57,499		57,499	Westpac	NA	NA
CSIRO Road Account Bank	Cash and cash equivalents	7,371		7,371	Westpac	NA	NA
Cash on Hand	Cash and cash equivalents	500		500	Westpac	NA	NA
Murchison Community Trust Fund	Cash and cash equivalents	415,077		415,077	Westpac	NA	NA
Reserve Funds (Cash C/A)	Cash and cash equivalents	0	3,709,686	3,709,686	Westpac	NA	NA
Reserve Term Deposit	Cash and cash equivalents	0	3,419,298	3,419,298	Westpac	0.05%	Jul-21
Total		820,667	7,128,984	7,949,651			
Comprising							
Cash and cash equivalents		820,667	7,128,984	7,949,651			
		820,667	7,128,984	7,949,651			

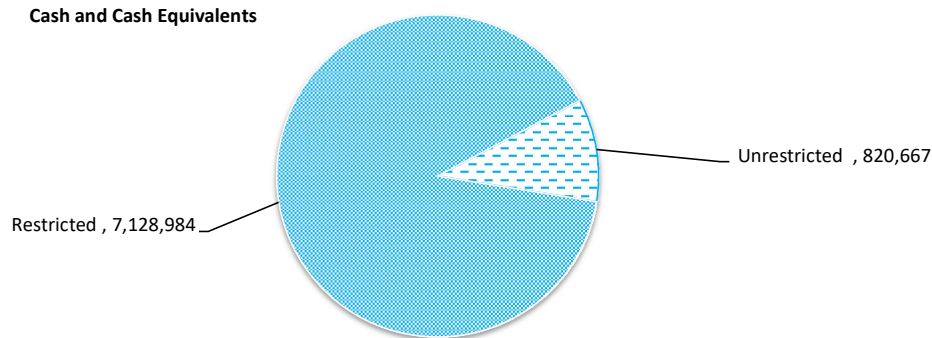
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

The local government 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.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



OPERATING ACTIVITIES

NOTE 3

RECEIVABLES

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

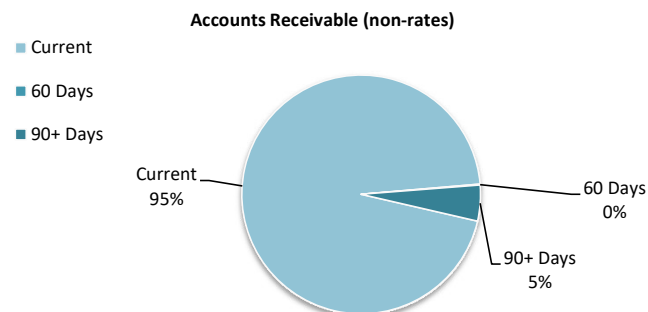
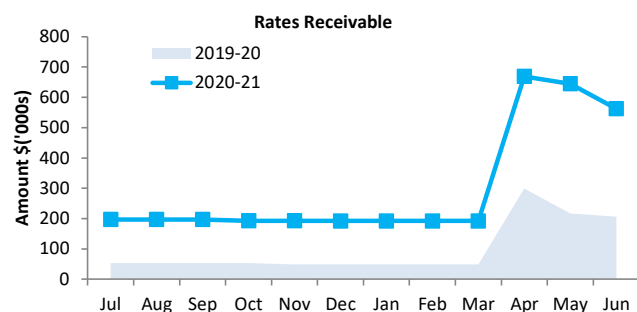
FOR THE PERIOD ENDED 30 JUNE 2021

Rates receivable	30 June 2020	30 Jun 2021
	\$	\$
Opening arrears previous years	53,215	206,328
Rates, instalment charges and interest levied	465,397	458,466
Less - collections to date	(312,284)	(102,264)
Equals current outstanding	206,328	562,530
Net rates collectable	206,328	562,530
% Collected	60.2%	15.4%

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	64,138	0	100	3,274	67,512
Percentage		95.0%	0.0%	0.1%	4.8%	
Balance per trial balance						
Sundry receivable						67,512
GST receivable						132,089
Accrued Income/Payments in Advance						165
Total receivables general outstanding						199,766
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for impairment of receivables is raised when there is objective evidence that they will not be collectible.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

OPERATING ACTIVITIES
NOTE 4
OTHER CURRENT ASSETS

	Opening Balance 1 July 2020	Asset Increase	Asset Reduction	Closing Balance 30 June 2021
Other current assets	\$	\$	\$	\$
Inventory				
Fuel, oil and materials on hand	72,987	218,201	(147,299)	143,889
Total other current assets	72,987	218,201	(147,299)	143,889

KEY INFORMATION

Inventory

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.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

OPERATING ACTIVITIES

NOTE 5

Payables

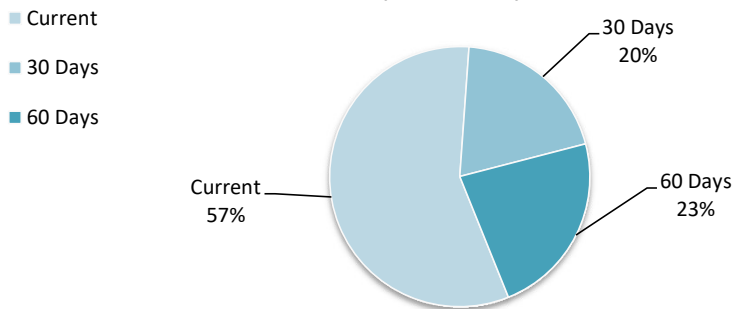
Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	(446)	59,245	20,509	23,738	0	103,046
Percentage		57.5%	19.9%	23.0%	0.0%	
Balance per trial balance						
Sundry creditors						103,046
Accrued salaries and wages						36,092
ATO liabilities						58,518
Bonds & deposits						423,182
Accrued expenses						792,102
Emergency services levy						771
Total payables general outstanding						1,413,711

Amounts shown above include GST (where applicable)

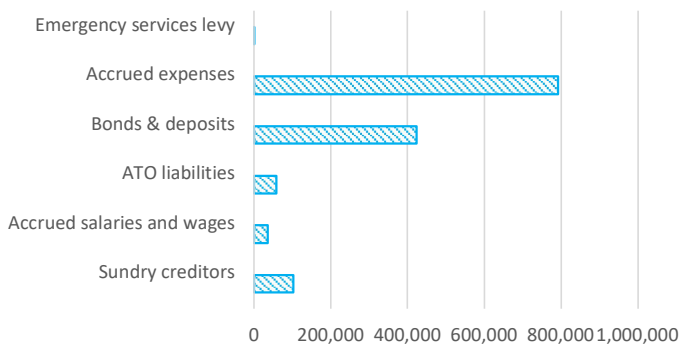
KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire 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.

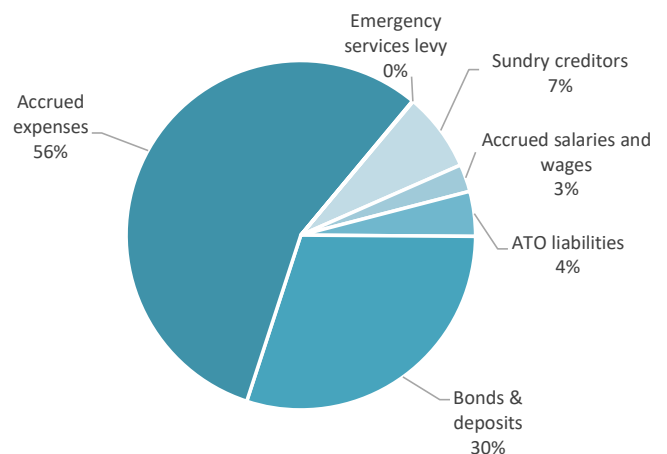
Composition of Payables



Payables



Composition of Payables



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

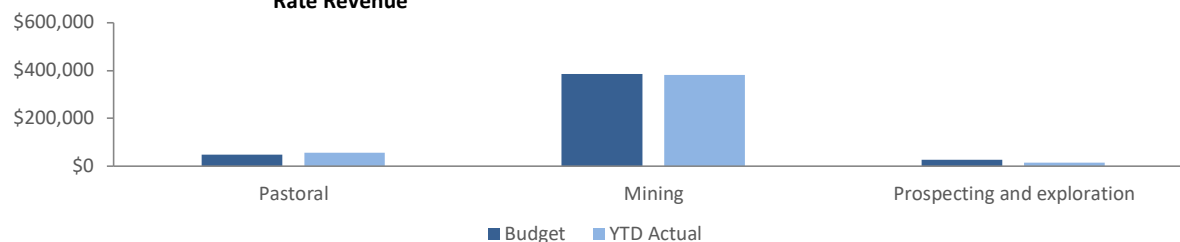
General rate revenue

RATE TYPE	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
Unimproved value											
Pastoral	0.032950	23	1,459,657	48,096	0	0	48,096	56,229	0	0	56,229
Mining	0.279400	11	1,375,054	384,190	1,380	0	385,570	384,190	(2,180)	0	382,010
Prospecting and exploration	0.080150	25	321,413	25,761	0	0	25,761	26,241	(11,984)	0	14,257
Sub-Total		59	3,156,124	458,047	1,380	0	459,427	466,660	(14,164)	0	452,496
Minimum payment	Minimum \$										
Unimproved value											
Pastoral	320	6	13,263	1,920	0	0	1,920	1,920	0	0	1,920
Prospecting and exploration	450	9	37,212	4,050	0	0	4,050	4,950	(900)	0	4,050
Sub-total		15	50,475	5,970	0	0	5,970	6,870	(900)	0	5,970
Total general rates							465,397				458,466

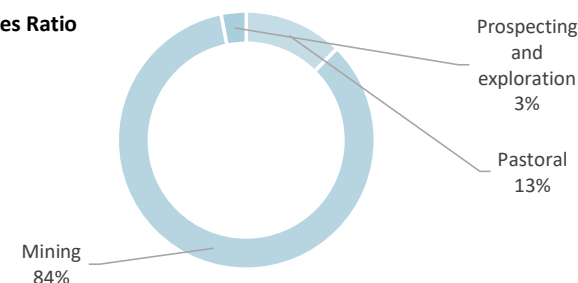
KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2020 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.

Rate Revenue



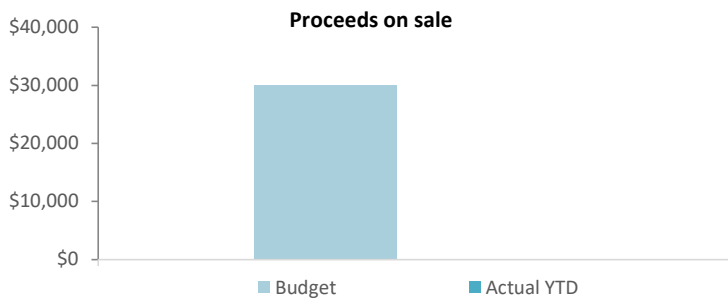
Rates Ratio



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

OPERATING ACTIVITIES
NOTE 7
DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Transport								
	P033 - Genset Maintenance 13KVA	1,186	0	0	(1,186)	0	0	0	0
	P064 - Isuzu FRR500 5-Tonne Truck MU14(43,504	22,000	0	(21,504)	0	0	0	0
	P16075 Kubota Tractor B2301	19,122	8,000	0	(11,122)	0	0	0	0
		63,812	30,000	0	(33,812)	0	0	0	0



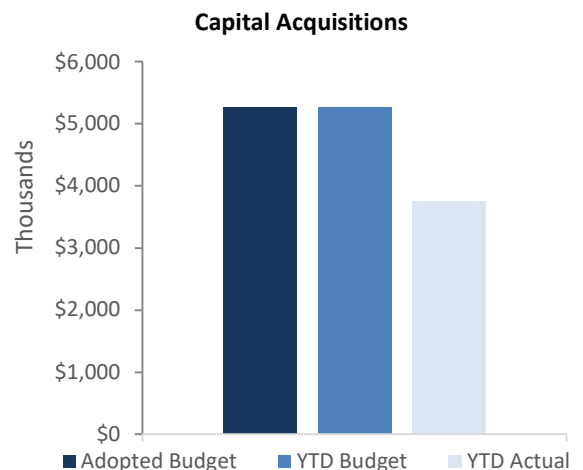
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021**

**INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS**

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings & Improvements	2,480,392	2,480,392	757,651	(1,722,741)
Other Buildings & Improvements	39,000	39,000	19,491	(19,509)
Furniture & Equipment	69,986	69,986	14,626	(55,360)
Plant & Equipment - Major	312,650	312,650	325,769	13,119
Plant & Equipment - Minor	20,000	20,000	0	(20,000)
Roads	2,332,530	2,332,530	2,621,373	288,843
Payments for Capital Acquisitions	5,254,558	5,254,558	3,738,910	(1,515,648)
Total Capital Acquisitions	5,254,558	5,254,558	3,738,910	(1,515,648)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,420,779	1,420,779	1,563,591	142,812
Borrowings	2,750,000	2,750,000	0	(2,750,000)
Other (disposals & C/Fwd)	30,000	30,000	0	(30,000)
Cash backed reserves				
Plant Replacement reserve	207,000		112,000	112,000
Building reserve	31,000		16,000	16,000
Beringarra - Cue Road reserve	325,884		0	0
Flood damage repairs reserve	150,000		150,000	150,000
Murchison Settlement Facilities & Buildings reserve	400,000		150,000	150,000
Contribution - operations	(60,105)	1,053,779	1,747,319	693,540
Capital funding total	5,254,558	5,254,558	3,738,910	(1,515,648)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

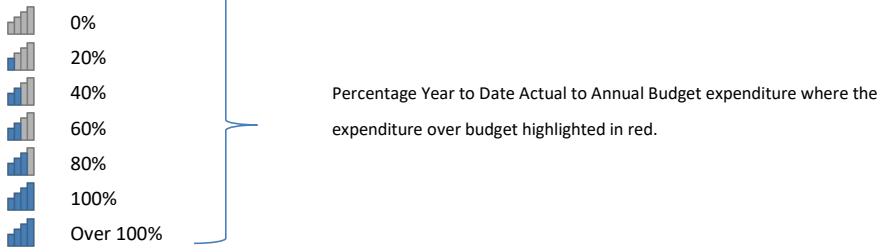


NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS (CONTINUED)

Capital expenditure total

Level of completion indicators



Level of completion indicator, please see table at the end of this note for further detail.

			Adopted				
			Current	Year to	Year to	Variance	
			Budget	Date	Date	(Under)/O	
				Budget	Actual	ver	
Account Description							
Capital Expenditure							
Buildings & Improvements							
	09134	Buildings Improvements - Staff Hsg	790,392	790,392	648,862	(141,530)	
	13617	Bldgs & Impr.- O.C.S.	1,675,000	1,675,000	58,739	(1,616,261)	
	14515	Buildings & Improvements - Admin	15,000	15,000	17,290	2,290	
	11607	Museum Cottage	0	0	18,985	18,985	
	12109	Buildings & Imp. - Depot	0	0	13,774	13,774	
		Buildings & Improvements Total	2,480,392	2,480,392	757,651	(1,722,741)	
Other Buildings & Improvements							
	10770	Buildings & Imp - O.C.A.	30,000	30,000	0	(30,000)	
	12670	Improvements - Airport	9,000	9,000	19,491	10,491	
		Other Buildings & Improvements Total	39,000	39,000	19,491	(19,509)	
Roads							
	12101	Roads Const - Own Source	532,782	532,782	908,091	375,309	
	12103	Roads Const. - MRWA	517,515	517,515	668,569	151,054	
	12104	Roads Const - R2R	286,029	286,029	369,093	83,064	
	12180	Roads Const - Contributions	325,884	325,884	0	(325,884)	
	12113	Roads Const - LRCIP Program	670,320	670,320	675,620	5,300	
		Roads Total	2,332,530	2,332,530	2,621,373	288,843	
Plant & Equipment - Major							
	12302	Road Plant Purchases	136,150	136,150	32,317	(103,833)	
	13616	Plant - Other Economic Services	169,000	169,000	193,099	24,099	
	05104	Purchase Fire Prevention Plant	7,500	7,500	0	(7,500)	
	12313	New Works Caravan	0	0	100,353	100,353	
		Plant & Equipment - Major Total	312,650	312,650	325,769	13,119	
Furniture & Equipment							
	14561	Furn & Equipment - Admin	20,000	20,000	14,626	(5,374)	
	04116	Furniture & Equipment	15,000	15,000	0	(15,000)	
	13610	Roadhouse Coolroom	34,986	34,986	0	(34,986)	
		Furniture & Equipment Total	69,986	69,986	14,626	(55,360)	
Plant & Equipment - Minor							
	12303	Minor Plant Purchases	20,000	20,000	0	(20,000)	
		Plant & Equipment - Minor Total	20,000	20,000	0	(20,000)	
		Grand Total	5,254,558	5,254,558	3,738,910	(1,515,648)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021**

FINANCING ACTIVITIES

NOTE 9

BORROWINGS

Repayments - borrowings

Information on borrowings		Principal	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Loan No.	1 July 2020	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Transport										
Purchase of road plant	285	17,315	0	0	1,138	1,138	16,177	16,177	567	567
Economic services										
COVID-19 General	0	0	0	2,000,000	0	0	0	2,000,000	0	0
COVID-19 Solar Power	0	0	0	750,000	0	0	0	750,000	0	0
Total		17,315	0	2,750,000	1,138	1,138	16,177	2,766,177	567	567
Current borrowings		1,138					1,176			
Non-current borrowings		16,177					15,001			
		17,315					16,177			

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021**

OPERATING ACTIVITIES

NOTE 10

CASH RESERVES

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave reserve	138,380	1,980	708	2,170	0	0	0	142,530	139,088
Plant Replacement reserve	1,433,553	20,509	6,450	600,000	44,754	(207,000)	(112,000)	1,847,062	1,372,757
Building reserve	512,797	7,336	2,625	0	0	(31,000)	(16,000)	489,133	499,422
Beringarra - Cue Road reserve	3,430,426	49,077	23,880	0	0	(325,884)	0	3,153,619	3,454,306
Flood damage repairs reserve	255,503	3,655	466	0	0	(150,000)	(150,000)	109,158	105,969
CSIRO Beringarra Pindar Road reserve	175,053	2,504	896	0	0	0	0	177,557	175,949
Murchison Settlement Facilities & Buildings	669,208	9,574	3,426	0	0	(400,000)	(150,000)	278,782	522,634
Road resealing reserve	375,000	5,365	612	478,616	483,246	0	0	858,981	858,858
	6,989,920	100,000	39,063	1,080,786	528,000	(1,113,884)	(428,000)	7,056,822	7,128,983

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

OPERATING ACTIVITIES

NOTE 11

OTHER CURRENT LIABILITIES

Other current liabilities	Note	Opening Balance 1 July 2020	Liability Increase	Liability Reduction	Closing Balance 30 June 2021
		\$	\$	\$	\$
Contract liabilities					
Unspent grants, contributions and reimbursements - non-operating	13	0	308,322	0	308,322
Total unspent grants, contributions and reimbursements		0	308,322	0	308,322
Provisions					
Annual leave		85,266	0	31,085	116,351
Long service leave		0	0	18,132	18,132
Total Provisions		85,266	0	49,217	134,483
Total other current assets		85,266	308,322	49,217	442,805
Amounts shown above include GST (where applicable)					

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 13

KEY INFORMATION

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 measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee benefits

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 calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits 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.

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 12

OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability 1 July 2020	Increase in Liability	Liability Reduction (As revenue)	Liability 30 Jun 2021	Current Liability 30 Jun 2021	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
General purpose funding								
F.A.G Grant - General	0	0	0	0	0	1,357,977	1,357,977	2,847,488
F.A.G. Grant - Roads	0	0	0	0	0	394,907	394,907	910,121
Law, order, public safety								
Income Relating to Fire Prevention	0	0	0	0	0	19,344	19,344	19,318
Transport								
Grant - MRWA Direct	0	0	0	0	0	225,000	225,000	218,380
	0	0	0	0	0	1,997,228	1,997,228	3,995,307
Operating contributions								
Other property and services								
Diesel Fuel Rebate				0		0	0	103,165
	0	0	0	0	0	0	0	103,165
TOTALS	0	0	0	0	0	1,997,228	1,997,228	4,098,472

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 13

NON-OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent non operating grants, subsidies and contributions liability				
	Liability 1 July 2020	Increase in Liability	Liability Reduction (As revenue)	Liability 30 Jun 2021	Current Liability 30 Jun 2021
	\$	\$	\$	\$	\$
Non-operating grants and subsidies					
Law, order, public safety					
Grant Revenue - Fire Prevention	0	0	0	0	0
Recreation and culture					
Other Recreation & Sport Capital Grants	0	0	0	0	0
Transport					
Grant - MRWA Specific	0	0	0	0	0
Grant - Roads to Recovery	0	0	0	0	0
Grant - Local Roads & Community Infrastructure	0	284,123	0	284,123	284,123
Grant - Airport Lighting		24,199		24,199	24,199
	0	308,322	0	308,322	308,322

Non operating grants, subsidies and contributions revenue		
Adopted Budget Revenue	YTD Budget	YTD Revenue Actual (b)
\$	\$	\$
0	0	8,320
40,000	40,000	0
213,333	213,333	213,333
565,000	565,000	739,482
602,446	602,446	602,456
0	0	0
1,420,779	1,420,779	1,563,591

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2021**

**NOTE 14
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2020-21 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
General purpose funding - other	1,938,706	103.40%	▲ Permanent	Grants Commission Pre Payment
Transport	(2,709,186)	(30.50%)	▼ Permanent	WAANDRA Flood Damage Grants
Economic services	99,889	41.28%	▲ Permanent	Increased Fuel Sales over Budget
Expenditure from operating activities				
Governance	75,882	11.85%	▲ Permanent	General Savings
Health	10,526	19.55%	▲ Permanent	General Savings
Housing	(30,243)	(126.01%)	▼ Permanent	Under Allocation of Hsg Costs
Community amenities	(31,502)	(26.44%)	▼ Permanent	UDLA
Recreation and culture	72,783	21.18%	▲ Permanent	Museum Cottage & Polocross Fields
Transport	1,728,466	11.24%	▲ Permanent	WAANDRA Flood Damage
Investing activities				
Proceeds from non-operating grants, subsidies and contributions	142,812	10.05%	▲ Permanent	Additional R2R
Proceeds from disposal of assets	(30,000)	(100.00%)	▼ Permanent	Down on Expectation
Payments for property, plant and equipment and infrastructure	1,515,648	28.84%	▲ Permanent	Micro Grid et al
Financing activities				
Proceeds from new debentures	(2,750,000)	(100.00%)	▼ Permanent	Loans Not Raised
Transfer from reserves	(685,884)	(61.58%)	▼ Permanent	Mainly Plant & Sett. Reserves
Transfer to reserves	613,723	51.98%	▲ Permanent	Mainly Plant Reserve

SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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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

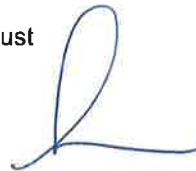
**SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Murchison for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Murchison at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 10th day of August 2021



Chief Executive Officer

William James Boehm



SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	21(a)	465,397	464,044	458,510
Operating grants, subsidies and contributions	2(a)	8,387,972	11,448,840	16,829,134
Fees and charges	2(a)	255,705	261,750	275,973
Interest earnings	2(a)	137,468	135,500	189,604
Other revenue	2(a)	140,299	204,742	156,197
		9,386,841	12,514,876	17,909,418
Expenses				
Employee costs		(1,240,615)	(1,232,268)	(1,212,333)
Materials and contracts		(3,877,598)	(11,229,957)	(13,883,349)
Utility charges		0	0	(36,276)
Depreciation on non-current assets	10(b)	(3,216,991)	(3,071,485)	(3,049,712)
Interest expenses	2(b)	(21,004)	(12,500)	(34,016)
Insurance expenses		(155,832)	(157,376)	(141,862)
Other expenditure		(136,469)	(155,583)	(114,119)
		(8,648,509)	(15,859,169)	(18,471,667)
		738,332	(3,344,293)	(562,249)
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Profit on asset disposals	10(a)	13,313	9,439	6,171
(Loss) on asset disposals	10(a)	(156,534)	(112,597)	(59,617)
		653,871	635,792	424,064
Net result for the period		1,392,203	(2,708,501)	(138,185)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		1,392,203	(2,708,501)	(138,185)

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



SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Governance	2(a)	13,639	12,500	25,208
General purpose funding		4,486,135	2,437,544	4,371,188
Law, order, public safety		13,408	12,700	15,590
Health		236	0	0
Housing		3,990	4,290	3,765
Recreation and culture		585	1,750	586
Transport		4,500,352	9,706,092	13,091,162
Economic services		250,003	252,000	265,247
Other property and services		118,493	88,000	136,672
		9,386,841	12,514,876	17,909,418
Expenses				
Governance	2(b)	(308,101)	(376,935)	(290,229)
General purpose funding		(25,284)	(24,000)	(23,995)
Law, order, public safety		(100,832)	(123,635)	(96,817)
Health		(21,163)	(25,680)	(19,643)
Housing		(2,182)	(12,882)	0
Community amenities		(47,346)	(84,385)	(51,104)
Recreation and culture		(333,455)	(342,983)	(243,395)
Transport		(6,929,124)	(13,872,667)	(16,806,243)
Economic services		(793,974)	(858,525)	(781,024)
Other property and services		(66,044)	(124,977)	(125,201)
		(8,627,505)	(15,846,669)	(18,437,651)
Finance Costs				
Transport	2(b)	(21,004)	(12,500)	(34,016)
		(21,004)	(12,500)	(34,016)
		738,332	(3,344,293)	(562,249)
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Profit on disposal of assets	10(a)	13,313	9,439	6,171
(Loss) on disposal of assets	10(a)	(156,534)	(112,597)	(59,617)
		653,871	635,792	424,064
Net result for the period		1,392,203	(2,708,501)	(138,185)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		1,392,203	(2,708,501)	(138,185)

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



SHIRE OF MURCHISON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	3	4,858,506	7,688,103
Trade and other receivables	6	311,290	873,587
Other financial assets	5(a)	6,645,418	2,250,000
Inventories	7	72,987	98,542
Contract assets	2(a)	0	2,353,389
TOTAL CURRENT ASSETS		11,888,201	13,263,621
NON-CURRENT ASSETS			
Other financial assets	5(b)	17,805	17,805
Property, plant and equipment	8	10,336,893	9,417,040
Infrastructure	9	72,178,320	72,171,029
TOTAL NON-CURRENT ASSETS		82,533,018	81,605,874
TOTAL ASSETS		94,421,219	94,869,495
CURRENT LIABILITIES			
Trade and other payables	12	1,054,373	1,398,325
Borrowings	13(a)	1,137	1,550,526
Employee related provisions	14	85,266	64,471
TOTAL CURRENT LIABILITIES		1,140,776	3,013,322
NON-CURRENT LIABILITIES			
Borrowings	13(a)	16,178	17,315
Employee related provisions	14	66,086	32,882
TOTAL NON-CURRENT LIABILITIES		82,264	50,197
TOTAL LIABILITIES		1,223,040	3,063,519
NET ASSETS		93,198,179	91,805,976
EQUITY			
Retained surplus		28,973,378	25,761,683
Reserves - cash/financial asset backed	4	6,989,920	7,303,108
Revaluation surplus	11	57,234,881	58,741,185
TOTAL EQUITY		93,198,179	91,805,976

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 2020

NOTE	RETAINED SURPLUS	RESERVES CASH/FINANCIAL		REVALUATION SURPLUS	TOTAL EQUITY
		ASSET BACKED			
	\$	\$		\$	\$
Balance as at 1 July 2018	27,643,814	5,559,162		58,741,185	91,944,161
Comprehensive income					
Net result for the period	(138,185)	0		0	(138,185)
Total comprehensive income	(138,185)	0		0	(138,185)
Transfers from reserves	4 280,233	(280,233)		0	0
Transfers to reserves	4 (2,024,179)	2,024,179		0	0
Balance as at 30 June 2019	25,761,683	7,303,108		58,741,185	91,805,976
Change in accounting policy	26(b) 1,506,304	0		(1,506,304)	0
Restated total equity at 1 July 2019	27,267,987	7,303,108		57,234,881	91,805,976
Comprehensive income					
Net result for the period	1,392,203	0		0	1,392,203
Total comprehensive income	1,392,203	0		0	1,392,203
Transfers from reserves	4 940,046	(940,046)		0	0
Transfers to reserves	4 (626,858)	626,858		0	0
Balance as at 30 June 2020	28,973,378	6,989,920		57,234,881	93,198,179

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

SHIRE OF MURCHISON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		312,284	464,044	419,169
Operating grants, subsidies and contributions		8,915,482	4,662,133	14,047,509
Fees and charges		255,705	261,750	275,973
Interest received		137,468	135,500	189,604
Goods and services tax received		923,670	109,868	1,369,490
Other revenue		140,299	9,480,677	138,392
		10,684,908	15,113,972	16,440,137
Payments				
Employee costs		(1,142,007)	(1,232,268)	(1,296,119)
Materials and contracts		(1,878,146)	(11,229,957)	(12,680,434)
Utility charges		0	0	(36,276)
Interest expenses		(21,004)	(12,500)	(34,016)
Insurance paid		(155,832)	(157,376)	(141,862)
Goods and services tax paid		(744,839)	(109,868)	(1,326,920)
Other expenditure		(136,469)	(155,583)	(114,119)
		(4,078,297)	(12,897,552)	(15,629,746)
Net cash provided by operating activities	15	6,606,611	2,216,420	810,391
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at fair values through profit and loss		0	0	500,000
Payments for purchase of property, plant & equipment	8(a)	(1,982,395)	(2,693,250)	(299,012)
Payments for construction of infrastructure	9(a)	(2,498,041)	(2,742,975)	(1,577,983)
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Proceeds from financial assets at amortised cost - term deposits		(4,395,418)	0	0
Proceeds from sale of property, plant & equipment	10(a)	193,080	243,900	19,933
Net cash used in investment activities		(7,885,682)	(4,453,375)	(879,552)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	13(b)	(4,282,056)	(4,050,525)	(10,281,350)
Proceeds from new borrowings	13(b)	2,731,530	2,500,000	11,829,710
Net cash provided by / (used in) financing activities		(1,550,526)	(1,550,525)	1,548,360
Net increase (decrease) in cash held		(2,829,597)	(3,787,480)	1,479,199
Cash at beginning of year		7,688,103	9,520,812	6,208,904
Cash and cash equivalents at the end of the year	15	4,858,506	5,733,332	7,688,103

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

SHIRE OF MURCHISON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	22 (b)	4,562,188	4,681,340	3,756,909
		4,562,188	4,681,340	3,756,909
Revenue from operating activities (excluding rates)				
Governance		13,639	12,500	25,208
General purpose funding		4,020,738	1,973,500	3,912,678
Law, order, public safety		13,408	12,700	15,590
Health		236	0	0
Housing		3,990	4,290	3,765
Recreation and culture		585	1,750	586
Transport		4,513,665	9,715,531	13,097,333
Economic services		250,003	252,000	265,247
Other property and services		118,493	88,000	136,672
		8,934,757	12,060,271	17,457,079
Expenditure from operating activities				
Governance		(308,101)	(380,521)	(290,229)
General purpose funding		(25,284)	(24,000)	(23,995)
Law, order, public safety		(100,832)	(123,635)	(96,817)
Health		(21,163)	(25,680)	(19,643)
Housing		(2,182)	(12,882)	0
Community amenities		(47,346)	(84,385)	(51,104)
Recreation and culture		(333,455)	(342,983)	(285,104)
Transport		(7,106,662)	(13,994,178)	(16,858,167)
Economic services		(793,974)	(858,525)	(781,024)
Other property and services		(66,044)	(124,977)	(125,201)
		(8,805,043)	(15,971,766)	(18,531,284)
Non-cash amounts excluded from operating activities	22(a)	3,414,211	3,174,643	2,996,112
Amount attributable to operating activities		8,106,113	3,944,488	5,678,816
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Proceeds from disposal of assets	10(a)	193,080	243,900	19,933
Purchase of property, plant and equipment	8(a)	(1,982,395)	(2,693,250)	(299,012)
Purchase and construction of infrastructure	9(a)	(2,498,041)	(2,742,975)	(1,577,983)
Amount attributable to investing activities		(3,490,264)	(4,453,375)	(1,379,552)
FINANCING ACTIVITIES				
Repayment of borrowings	13(b)	(4,282,056)	(4,050,525)	(10,281,350)
Proceeds from borrowings	13(c)	2,731,530	2,500,000	11,829,710
Transfers to reserves (restricted assets)	4	(626,858)	(1,028,634)	(2,024,179)
Transfers from reserves (restricted assets)	4	940,046	2,624,002	280,233
Amount attributable to financing activities		(1,237,338)	44,843	(195,586)
Surplus/(deficit) before imposition of general rates		3,378,511	(464,044)	4,103,678
Total amount raised from general rates	21(a)	465,397	464,044	458,510
Surplus/(deficit) after imposition of general rates	22(b)	3,843,908	0	4,562,188

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

SHIRE OF MURCHISON
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FOR THE YEAR ENDED 30 JUNE 2020

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SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, *Financial Management Regulation 16* arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 *Leases* which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to specify that vested land is a right of use asset to be measured at cost. All right of use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is 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.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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 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.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*

AASB 1059 *Service Concession Arrangements: Grantors* is not expected to impact the financial report.

Specific impacts of AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*, have not been identified.

CRITICAL ACCOUNTING 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 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.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

Any monies required to be held in the Trust Fund are excluded from the financial statements.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

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
Specified area rates	Rates charge for specific defined purpose	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
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
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 assets are controlled

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions			
General purpose funding	3,883,105	1,837,500	3,722,382
Law, order, public safety	13,049	12,200	15,589
Transport	4,491,818	323,205	13,091,163
	8,387,972	2,172,905	16,829,134
Non-operating grants, subsidies and contributions			
Law, order, public safety	49,795	53,950	0
Transport	747,297	685,000	477,510
	797,092	738,950	477,510
Total grants, subsidies and contributions	9,185,064	2,911,855	17,306,644
Fees and charges			
Governance	2,892	7,500	8,090
Law, order, public safety	360	500	0
Health	236	0	0
Recreation and culture	585	1,750	586
Transport	8,533	0	0
Economic services	241,429	252,000	265,247
Other property and services	1,670	0	2,050
	255,705	261,750	275,973

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (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.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

**Contracts with customers and transfers
for recognisable non-financial assets**

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

Non-operating grants, subsidies and contributions

2020 Actual \$	2020 Budget \$	2019 Actual \$
797,092	738,950	477,510
797,092	738,950	477,510

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Other revenue from performance obligations satisfied during the year

797,092	738,950	477,510
797,092	738,950	477,510

Information about receivables, contract assets and contract liabilities 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:

Trade and other receivables from contracts with customers (refer to Note 6)
Contract assets

80,054	0	595,911
0	0	2,353,389

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2020. Assets associated with contracts with customers were not subject to an impairment charge.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates
Statutory permits and licences

Other revenue

Reimbursements and recoveries
Other

Interest earnings

Interest on reserve funds
Rates instalment and penalty interest (refer Note 21(b))
Other interest earnings

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	465,397	464,044	458,510
Statutory permits and licences	596	500	0
	465,993	464,544	458,510
Reimbursements and recoveries	136,648	9,383,387	124,460
Other	3,651	97,290	31,737
	140,299	9,480,677	156,197
Interest on reserve funds	109,935	90,000	134,007
Rates instalment and penalty interest (refer Note 21(b))	341	3,000	3,503
Other interest earnings	27,192	42,500	52,094
	137,468	135,500	189,604

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset 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).

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

Borrowings

Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
	37,350	50,000	31,605
	0	0	3,318
	37,350	50,000	34,923
13(b)	21,004	12,500	34,016
	21,004	12,500	34,016

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		1,631,212	1,309,291
Term deposits		3,227,294	6,378,812
Total cash and cash equivalents		4,858,506	7,688,103

Restrictions

The following classes of 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		349,502	5,058,108
- Financial assets at amortised cost		6,645,418	2,250,000
		6,994,920	7,308,108

The restricted assets are a result of the following specific purposes to which the assets may be used:

Reserves - cash/financial asset backed	4	6,989,920	7,303,108
Unspent loans	13(d)	5,000	5,000
Total restricted assets		6,994,920	7,308,108

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, 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.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH/FINANCIAL ASSET BACKED

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
(a) Leave reserve	\$ 135,709	\$ 2,671	\$ -	\$ 138,380	\$ 135,705	\$ 2,170	\$ -	\$ 137,875	\$ 181,983	\$ 3,726	\$ (50,000)	\$ 135,709
(b) Plant replacement reserve	1,410,356	523,197	(500,000)	1,433,553	1,410,317	516,820	(650,000)	1,277,137	975,370	434,986	0	1,410,356
(c) Building reserve	502,893	9,904	0	512,797	502,879	0	(252,479)	250,400	135,114	367,779	0	502,893
(d) Beringarra-Cue road reserve	3,411,313	67,087	(47,974)	3,430,426	3,536,485	34,750	(895,000)	2,676,235	3,499,963	88,102	(176,752)	3,411,313
(e) Cue road reserve	125,171	0	(125,171)	0	0	0	0	0	125,171	0	0	125,171
(f) Transaction centre reserve	0	0	0	0	0	0	0	0	6,329	94	(6,423)	0
(g) Ballinyoo bridge reserve	0	0	0	0	0	0	0	0	46,115	943	(47,058)	0
(h) CSIRO Beringarra-Pindar road reserve	171,673	3,380	0	175,053	171,668	2,740	(126,523)	174,408	168,227	3,446	0	171,673
(i) Flood damage repairs reserve	250,568	4,935	0	255,503	250,561	4,000	(126,523)	128,038	69,145	181,423	0	250,568
(j) Settlement buildings and facilities reserve	920,425	15,684	(266,901)	669,208	920,399	366,279	(500,000)	786,678	351,745	568,680	0	920,425
(k) Road sealing reserve	375,000	0	0	375,000	375,000	101,875	(200,000)	276,875	0	375,000	0	375,000
	7,303,108	626,858	(940,046)	6,989,920	7,303,014	1,028,634	(2,624,002)	5,707,646	5,559,162	2,024,179	(280,233)	7,303,108

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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	Anticipated date of use	Purpose of the reserve
(a) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements.
(b) Plant replacement reserve	Ongoing	To be used for the purchase of plant.
(c) Building reserve	Ongoing	To be used for the construction / renovation of administration centre.
(d) Beringarra-Cue road reserve	Ongoing	To be used to convert the road from bitumen to gravel as required.
(e) Cue road reserve	Ongoing	To be used to convert the road from bitumen to gravel as required.
(f) Transaction centre reserve	30/06/2019	Set up for development of CBD - transferred to settlements buildings and facilities reserve
(g) Ballinyoo bridge reserve	30/06/2019	To be used for the maintenance or replacement of bridge 837.
(h) CSIRO Beringarra-Pindar road reserve	Ongoing	To be used to fund additional maintenance work required due to CSIRO traffic.
(i) Flood damage repairs reserve	Ongoing	To be used towards the 'trigger point' for WANDRRA funded flood damage works.
(j) Settlement buildings and facilities reserve	Ongoing	To be used to fund improvements to and maintenance of settlement buildings and facilities.
(k) Road sealing reserve	Ongoing	To be used to fund road sealing program.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

2020	2019
\$	\$
6,645,418	2,250,000
6,645,418	2,250,000

Other financial assets at amortised cost

Term deposits

2020	2019
\$	\$
6,645,418	2,250,000
6,645,418	2,250,000

(b) Non-current assets

Financial assets at fair value through profit and loss

2020	2019
\$	\$
17,805	17,805
17,805	17,805

Financial assets at fair value through profit and loss

Units in Local Government House Trust

2020	2019
\$	\$
17,805	17,805
17,805	17,805

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.

Financial assets at fair value through profit and loss

The Shire classifies the following financial assets at fair value through profit and 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 not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 23.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Accrued income/payments in advance	

2020	2019
\$	\$
206,328	53,215
80,054	595,911
0	187,900
24,908	36,561
311,290	873,587

SIGNIFICANT ACCOUNTING POLICIES

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 goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 23.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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 2020

7. INVENTORIES

Current

Fuel and materials
History books

	2020	2019
	\$	\$
Fuel and materials	72,506	98,061
History books	481	481
	<u>72,987</u>	<u>98,542</u>
Carrying amount at beginning of period	98,542	179,191
Inventories expensed during the year	(154,362)	(524,222)
Additions to inventory	128,807	443,573
Carrying amount at end of period	<u>72,987</u>	<u>98,542</u>

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

Carrying amount at end of period

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.

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Buildings - non- specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Work in progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	6,759,223	6,759,223	6,759,223	16,500	3,066,930	6,535	9,849,188
Additions	222,077	222,077	222,077	10,338	66,597	0	299,012
(Disposals)	(14,566)	(14,566)	(14,566)	(10,123)	(48,690)	0	(73,379)
Depreciation (expense)	(296,581)	(296,581)	(296,581)	(3,051)	(358,149)	0	(657,781)
Carrying amount at 30 June 2019	6,670,153	6,670,153	6,670,153	13,664	2,726,688	6,535	9,417,040
Comprises:							
Gross carrying amount at 30 June 2019	7,291,466	7,291,466	7,291,466	14,500	3,079,194	6,535	10,391,695
Accumulated depreciation at 30 June 2019	(621,313)	(621,313)	(621,313)	(836)	(352,506)	0	(974,655)
Carrying amount at 30 June 2019	6,670,153	6,670,153	6,670,153	13,664	2,726,688	6,535	9,417,040
Change in accounting policy	0	0	0	0	0	0	0
Carrying amount at 1 July 2019	6,670,153	6,670,153	6,670,153	13,664	2,726,688	6,535	9,417,040
Additions	733,108	733,108	733,108	14,994	1,234,293		1,982,395
(Disposals)	0	0	0	0	(336,301)	0	(336,301)
Depreciation (expense)	(306,355)	(306,355)	(306,355)	(2,063)	(417,823)		(726,241)
Carrying amount at 30 June 2020	7,096,906	7,096,906	7,096,906	26,595	3,206,857	6,535	10,336,893
Comprises:							
Gross carrying amount at 30 June 2020	8,024,573	8,024,573	8,024,573	29,494	3,873,486	6,535	11,934,088
Accumulated depreciation at 30 June 2020	(927,667)	(927,667)	(927,667)	(2,899)	(666,629)	0	(1,597,195)
Carrying amount at 30 June 2020	7,096,906	7,096,906	7,096,906	26,595	3,206,857	6,535	10,336,893

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Independent valuer	June 2017	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.

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE

(a) Movements in Carrying Amounts

Movement in the carrying amounts 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 2018	68,991,043	3,993,934	72,984,977
Additions	1,577,983	0	1,577,983
Depreciation (expense)	(2,340,727)	(51,204)	(2,391,931)
Carrying amount at 30 June 2019	68,228,299	3,942,730	72,171,029
Comprises:			
Gross carrying amount at 30 June 2019	88,679,971	4,096,342	92,776,313
Accumulated depreciation at 30 June 2019	(20,451,672)	(153,612)	(20,605,284)
Carrying amount at 30 June 2019	68,228,299	3,942,730	72,171,029
Additions	2,498,041	0	2,498,041
Depreciation (expense)	(2,439,546)	(51,204)	(2,490,750)
Carrying amount at 30 June 2020	68,286,794	3,891,526	72,178,320
Comprises:			
Gross carrying amount at 30 June 2020	91,178,012	4,096,342	95,274,354
Accumulated depreciation at 30 June 2020	(22,891,218)	(204,816)	(23,096,034)
Carrying amount at 30 June 2020	68,286,794	3,891,526	72,178,320

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition residual values and remaining useful life assessments.
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	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 2020

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration 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 initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, 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 anniversary date in accordance with the mandatory measurement framework.

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 valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets 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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right of use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

The Shire has vested land values associated with vested land previously recognised (of Nil) by removing the land values and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right of use assets at zero cost.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - non-specialised	0	0	0	0	0	0	0	0	14,566	0	0	(14,566)
Furniture and equipment	0	0	0	0	0	0	0	0	10,123	0	0	(10,123)
Plant and equipment	336,301	193,080	13,313	(156,534)	347,058	243,900	9,439	(112,597)	48,690	19,933	6,171	(34,928)
	336,301	193,080	13,313	(156,534)	347,058	243,900	9,439	(112,597)	73,379	19,933	6,171	(59,617)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Plant and Equipment				
Transport				
UD Prime Mover	38,000	12,572	0	(25,428)
IVECO Powerstar 6700	24,500	4,637	0	(19,863)
Volvo L110E Wheel Loader	51,200	62,849	11,649	0
John Deere 770G Motor Grader	168,001	79,158	0	(88,843)
Toyota Prado 3.0i	16,200	17,864	1,664	0
Isuzu D Max	38,400	16,000	0	(22,400)
	336,301	193,080	13,313	(156,534)
	336,301	193,080	13,313	(156,534)

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. FIXED ASSETS

(b) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - non-specialised	306,355	305,300	296,581
Furniture and equipment	2,063	1,980	3,051
Plant and equipment	417,823	424,600	358,149
Infrastructure - roads	2,439,546	2,293,355	2,340,727
Infrastructure - bridges	51,204	46,250	51,204
	3,216,991	3,071,485	3,049,712

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested 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.

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.

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	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

Depreciation on revaluation

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

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. REVALUATION SURPLUS

	2020 Opening Balance	2020 Change in Accounting Policy	2020 Re-stated Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	2020 Total Revaluation Movement on	2020 Closing Balance	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	2019 Total Revaluation Movement on	2019 Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings - non-specialised	5,397,026	0	5,397,026	0	0	0	5,397,026	5,397,026	0	0	0	5,397,026
Revaluation surplus - Plant and equipment	1,506,304	(1,506,304)	0	0	0	0	0	1,506,304	0	0	0	1,506,304
Revaluation surplus - Infrastructure - roads	51,778,640	0	51,778,640	0	0	0	51,778,640	51,778,640	0	0	0	51,778,640
Revaluation surplus - Infrastructure - bridges	59,215	0	59,215	0	0	0	59,215	59,215	0	0	0	59,215
	58,741,185	(1,506,304)	57,234,881	0	0	0	57,234,881	58,741,185	0	0	0	58,741,185

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued salaries and wages
ATO liabilities
Bonds and deposits held
Accrued expenses

2020	2019
\$	\$
537,254	925,391
18,036	8,324
63,266	37,438
420,746	413,902
15,071	13,270
1,054,373	1,398,325

SIGNIFICANT ACCOUNTING POLICIES

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.

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(b) Repayments - Borrowings

[illegible]

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

13. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2019/20

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2020 Actual	2020 Budget	2020 Actual	2020 Budget		
Finance flood damage works		Credit Line		Variable	\$ 2,731,530	\$ 2,500,000	\$ (2,731,530)	\$ (2,500,000)	\$ 20,400	\$ 0
* WA Treasury Corporation					2,731,530	2,500,000	(2,731,530)	(2,500,000)	20,400	0

(d) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2019	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2020
Plant	Dec-17	\$ 5,000	\$ 0	\$ 0	\$ 5,000
* WA Treasury Corporation		5,000	0	0	5,000

(e) Undrawn Borrowing Facilities

	2020	2019
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	(415)	0
Total amount of credit unused	104,585	105,000
Loan facilities		
Loan facilities - current	1,137	1,550,526
Loan facilities - non-current	16,178	17,315
Total facilities in use at balance date	17,315	1,567,841
Unused loan facilities at balance date	5,000	5,000

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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 the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 23.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

14. EMPLOYEE RELATED PROVISIONS

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2019			
Current provisions	37,459	27,012	64,471
Non-current provisions	0	32,882	32,882
	37,459	59,894	97,353
Additional provision	113,565	7,300	120,865
Amounts used	(65,758)	(1,108)	(66,866)
Balance at 30 June 2020	85,266	66,086	151,352
Comprises			
Current	85,266	0	85,266
Non-current	0	66,086	66,086
	85,266	66,086	151,352
Amounts are expected to be settled on the following basis:	2020 \$	2019 \$	
Less than 12 months after the reporting date	25,266	56,566	
More than 12 months from reporting date	126,086	40,787	
	151,352	97,353	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits 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

Other long-term employee benefits (Continued)

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.

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 measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

15. NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash and cash equivalents	4,858,506	5,733,332	7,688,103
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	1,392,203	(2,708,501)	(138,185)
Non-cash flows in Net result:			
Depreciation on non-current assets	3,216,991	3,071,485	3,049,712
Net loss on sale of asset	143,221	103,158	53,446
Recognition of units in Local Government House	0	0	(17,805)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	562,297	2,489,228	(2,778,396)
(Increase)/decrease in inventories	25,555	0	80,649
(Increase)/decrease in contract assets	2,353,389	0	0
Increase/(decrease) in payables	(343,952)	0	1,127,721
Increase/(decrease) in provisions	53,999	0	(89,241)
Non-operating grants, subsidies and contributions	(797,092)	(738,950)	(477,510)
Net cash from operating activities	6,606,611	2,216,420	810,391

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	1,739,819	2,326,675
General purpose funding	4,727,647	2,274,308
Law, order, public safety	131,762	136,622
Health	10,800	26,566
Housing	1,441,958	823,339
Community amenities	76,745	42,151
Recreation and culture	1,053,469	1,125,776
Transport	80,284,591	85,429,740
Economic services	1,867,644	1,944,139
Other property and services	3,086,784	740,179
	94,421,219	94,869,495

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. CONTINGENT LIABILITIES

There are no contingent liabilities which require reporting.

SHIRE OF MURCHISON
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

18. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

2020	2019
\$	\$
2,424,477	0
38,485	0
2,462,962	0

Payable:

- not later than one year

2,462,962	0
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SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	53,490	60,543	58,090
President's allowance	5,243	10,032	6,990
Deputy President's allowance	3,498	2,508	1,750
Travelling expenses	14,548	22,000	20,653
Telecommunications allowance	6,408	8,000	6,937
	83,187	103,083	94,420

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	345,852	344,340
Post-employment benefits	50,937	50,573
Other long-term benefits	8,915	3,452
Termination benefits	0	56,404
	405,704	454,769

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. RELATED PARTY TRANSACTIONS (Continued)

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.

- Councillor Paul Squires controls an earthmoving and transport company called Squires Resources Pty Ltd, which has been paid for earthmoving and transport services during the financial year, with amounts payable at year end.
- Councillor Ross Foulkes-Taylor controls a civil work entity called Yuin Pastoral, which has been paid for civil works during the financial year.
- Councillor Ross Foulkes-Taylor and Emma Foulkes-Taylor has a close family member who controls 'Murchison Gas & Plumbing, which has been paid for gas and plumbing services during the financial year ' with amounts payable at year end.

The following transactions occurred with related parties:

	2020 Actual	2019 Actual
	\$	\$
- Purchase of goods and services	1,714,274	4,289,595
Amounts payable to related parties:		
Trade and other payables	223,546	203,984
Fees and allowances		
- Elected members	20,629	24,520

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 elected member, are considered key management personnel.

ii. Other Related Parties

The associate person of KMP was employed by the Shire under normal employment terms and conditions.

iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

20. INVESTMENT IN JOINT ARRANGEMENTS

(a) Share of joint arrangements

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.

Land and buildings
 Less: Accumulated depreciation
 Total assets

	2020	2019
	\$	\$
	59,787	59,787
	(11,505)	(9,113)
	48,282	50,674

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RATE TYPE		Differential general rate / general rate									
Rate in \$	Number of Properties	2019/20		2019/20		2019/20		2019/20		2018/19	
		Actual Value	Rateable Revenue	Actual Interim Rates	Actual Back Rates	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue		
Unimproved valuations											
	0.03295	23	1,459,657	48,096	0	0	48,096	0	48,096		45,541
	0.2794	11	1,375,054	384,190	0	0	384,190	0	384,190		382,181
	0.08015	23	327,399	26,241	0	0	26,241	27	25,788		22,882
	Minimum \$	57	3,162,110	458,527	0	0	458,527	27	458,074		450,604
Unimproved valuations											
	320	6	13,263	1,920	0	0	1,920	0	1,920		1,746
	450	11	31,226	4,950	0	0	4,950	0	4,050		6,160
		17	44,489	6,870	0	0	6,870	0	5,970		7,906
		74	3,206,599	465,397	0	0	465,397	27	464,044		458,510
									464,044		458,510
Total amount raised from general rate											

Rates
Control over assets acquired from rates is obtained at the commencement of the rating period.

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.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

21. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One - Payment in full	11/05/2020	0	0.00%	0.00%
Option Two				
First instalment	11/05/2020	0.00	0.00%	8.00%
Second instalment	13/07/2020	11.00	0.00%	8.00%
Third instalment	14/09/2020	11.00	0.00%	8.00%
Fourth instalment	16/11/2020	11.00	0.00%	8.00%

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Interest on unpaid rates	341	3,000	3,503
Charges on instalment plan	0	500	693
	341	3,500	4,196

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

22. RATE SETTING STATEMENT INFORMATION

		2019/20 Budget	2019/20	2018/19
	(30 June 2020)	(30 June 2020)	(1 July 2019)	(30 June 2019)
Note	Carried Forward)	Carried Forward)	Brought Forward)	Carried Forward
	\$	\$	\$	\$
(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 Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	10(a)	(13,313)	(9,439)	(6,171)
Less: Recognition of unit in LG House		0	0	(17,805)
Movement in liabilities associated with restricted cash		20,795	0	0
Movement in employee benefit provisions (non-current)		33,204	0	(89,241)
Add: Loss on disposal of assets	10(a)	156,534	112,597	59,617
Add: Depreciation on non-current assets	10(b)	3,216,991	3,071,485	3,049,712
Non cash amounts excluded from operating activities		3,414,211	2,996,112	2,996,112
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement 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: Reserves - cash/financial asset backed	4	(6,989,920)	(5,707,646)	(7,303,108)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13(a)	1,137	164	1,550,526
- Employee benefit provisions	14	85,266	75,493	64,471
Total adjustments to net current assets		(6,903,517)	(5,631,989)	(5,688,111)
Net current assets used in the Rate Setting Statement				
Total current assets		11,888,201	6,611,428	13,263,621
Less: Total current liabilities		(1,140,776)	(979,439)	(3,013,322)
Less: Total adjustments to net current assets		(6,903,517)	(5,631,989)	(5,688,111)
Net current assets used in the Rate Setting Statement		3,843,908	0	4,562,188

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

(a) Interest rate risk

Cash and cash equivalents

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2020					
Cash and cash equivalents	1.13%	4,858,506	2,382,792	2,475,714	0
Financial assets at amortised cost - term deposits	1.06%	6,645,418	6,645,418	0	0
2019					
Cash and cash equivalents	1.79%	7,688,103	6,378,812	1,309,291	0
Financial assets at amortised cost - term deposits	2.06%	2,250,000	2,250,000	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2020	2019
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	48,585	95,243

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 13(b).

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020	\$	\$	\$	\$	\$
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0%
Gross carrying amount	155,072	48,016	3,240	0	206,328
30 June 2019					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	657	49,318	3,240	0	53,215

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020	\$	\$	\$	\$	\$
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	77,505	95	0	2,454	80,054
30 June 2019					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	593,272	385	0	2,254	595,911

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2020					
Payables	1,054,373	0	0	1,054,373	1,054,373
Borrowings	1,705	8,524	11,081	21,310	17,315
	1,056,078	8,524	11,081	1,075,683	1,071,688
2019					
Payables	1,398,325	0	0	1,398,325	1,398,325
Borrowings	1,552,848	8,524	12,796	1,574,168	1,567,841
	2,951,173	8,524	12,796	2,972,493	2,966,166

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There are no events occurring after the end of the reporting period which require reporting.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

25. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. The change in accounting policy had no impact on existing balances at the date of initial adoption (1 July 2019).

(b) AASB 1058: Income of Not-For-Profit Entities

The Shire adopted AASB 1058 Income of Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. The change in accounting policy had no impact on existing balances at the date of initial application (1 July 2019).

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance gave rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 no prepaid rates existed.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. The Shire held no leases on 1 July 2019 or 30 June 2020.

26. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, *Local Government (Financial Management) Regulation 16* was deleted and *Local Government (Financial Management) Regulation 17A* was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. The Shire had no recognised value attributable to crown land assets as 1 July 2019.

Also, following changes to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of the change. The associated revaluation surplus at 1 July 2019 has been reclassified to retained surplus.

(b) Changes in equity due to change in accounting policies

The impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Revaluation surplus - 30 June 2019			58,741,185
Adjustment to revaluation surplus from deletion of FM Reg 16	11	0	
Adjustment to revaluation surplus from deletion of FM Reg 17A	11	(1,506,304)	(1,506,304)
Revaluation surplus - 1 July 2019			57,234,881

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. 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 statements 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) 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.

i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised 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.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide the decision-making framework to facilitate allocation of limited resources.	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 To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.	Supervision of various by-laws, fire prevention and animal control.
HEALTH To provide an operational framework for environmental and community 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 To provide services to disadvantaged persons, the elderly, children and youth.	Support of education facilities within the Shire and of any external resources necessary to assist with education programmes for all residents.
HOUSING To provide and maintain staff housing.	Provision and maintenance of staff housing.
COMMUNITY AMENITIES To provide services required by the community.	Maintain a refuse site for the settlement.
RECREATION AND CULTURE To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Provide a library and museum and operation thereof. Maintain recreation centre, sports field, parks, gardens and other recreational facilities.
TRANSPORT To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, drainage works and traffic signs. Maintenance of the settlement airstrip.
ECONOMIC SERVICES To help promote the Shire and its economic wellbeing.	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 To monitor and control Shires overheads operating account.	Private works operations, plant repairs and operation costs.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

29. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	4.64	1.79	13.42
Asset consumption ratio	0.77	0.96	1.00
Asset renewal funding ratio	0.30	0.32	0.35
Asset sustainability ratio	1.08	0.54	1.47
Debt service cover ratio	0.89	0.24	0.65
Operating surplus ratio	0.59	(0.58)	(1.23)
Own source revenue coverage ratio	0.12	0.06	0.07

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Murchison

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Murchison (Shire) which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer (CEO).

In my opinion the annual financial report of the Shire of Murchison:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position 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, 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 of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Notes 1 and 10 to the annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's annual financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The CEO of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of the annual financial report that is free from material misstatement, whether due to fraud or error. In preparing the annual 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 and 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 Responsibility for the Audit of the Financial Report

The objectives of my audit are to obtain reasonable assurance about whether the annual 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 annual 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 annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates significant adverse trends in the financial position of the Shire:
 - a) The Asset Renewal Funding, Debt Service Cover and Own Source Revenue Coverage Ratios have been below the Department of Local Government, Sport and Cultural Industries' standard for the last three years.
The financial ratios are reported in Note 29 of the annual financial report.
- (ii) The following material matters indicating non-compliance with Part 6 of the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law were identified during the course of my audit:
 - a) Changes made to the supplier and employee masterfiles were not independently reviewed and authorised. This increased the risk of unauthorised changes to key information, although our audit sampling did not identify any such changes.
 - b) Reconciliations for property, plant and equipment and infrastructure were not prepared and reviewed in a timely manner.
 - c) Reasonable steps were not taken to prevent the theft or loss of portable and attractive assets, as required by Regulation 17B of the Local Government (Financial Management) Regulations 1996, as a register for these assets under \$5,000 was not maintained.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.

- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The annual financial report of the Shire for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that annual financial report. The financial ratios for 2018 in Note 29 of the audited annual financial report were included in the supplementary information and/or audited annual financial report for that year.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Shire of Murchison for the year ended 30 June 2020 included 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited annual financial report to confirm the information contained in this website version of the annual financial report.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 August 2021



murchisonshire

Ancient land under brilliant skies

Annual Budget 2021-22

**Adopted by Council on
31 August 2021**

2021/22 Budget Summary

Introduction

Prior to finalising the 2021/22 Council Budget a significant amount of work was undertaken considered by Council during the preceding year and at a Councillor Workshop in July 2021. The 2021/22 Budget also addresses key in principle views with a strong COVID-19 Coronavirus influence that commenced in 2020/21. This document provides budget highlights as well as articulating the overall strategic rationale.

Unlike the formal budget documents which anticipate a balanced budget with a slight surplus remaining at the end of the year. Given the extent of capital works that will likely flow over several years indicative end of year Net Current Assets and Reserves positions are also shown

Essentially to stimulate the local economy and deliver projects to the community, capital works are proposed to be moderately but prudently and responsibly accelerated over the next 12-18 months funded by a combination of revenue, additional grants, and loans.

COVID-19 Considerations

Under the current COVID-19 Response arrangements there has been significant amount of emphasis by the State and Commonwealth Governments to advance maintenance and capital spending on projects that benefit the community. As indicated below in March 2020 Council has already resolved this in principle but obviously this will be carried out in a financially responsible manner.

- 1 *In responding to the COVID-19 Coronavirus that Council act in accordance with the following principles and rationale associated with health and economic activity*
 - (a) *Our overriding responsibility is to act to protect our citizens and community to prevent, control or abate the serious public health risk presented by COVID-19 by limiting the spread of COVID-19.*
 - (b) *Council will act to ensure that we can function and deliver the required works and services to support and stimulate the local economy.*
- 3 *That Council look to expanding its works program by bringing forward projects that can stimulate the local economy and provide lasting benefits for the community.*

The COVID-19 situation has seen how importance Economic Stimulus. The massive government spend highlights and reinforces how serious the situation is and how important local governments response is at a local level.

Amongst other things additional Government inputs included allocations from the Local Roads and Community Infrastructure Program (LRCIP). Phase 1 - \$602,446 completed by 30 June 2021, Phase 2 - \$405,889 to be completed by 31 December 2021 and, Phase 3 - \$1,204,892 to be completed by 30 June 2023. Council also added to these amounts.

Putting things into context generally a local governments funding base is overall solid, stable and predictable. Rate Revenue is rarely forgone. Some Councils who are more exposed with market driven revenue streams will be more affected than others, but this situation does not apply to Murchison, nor most rural based local governments. Expenditure decisions are also within our own control; meaning that projects can be programmed and or reduced later if financial circumstances change

In these circumstances it is understandable that Governments are looking to local government to strongly play its part and are providing significant incentives now unlike ever before. This is clearly a once in a lifetime event with Local Government expected to positively respond.

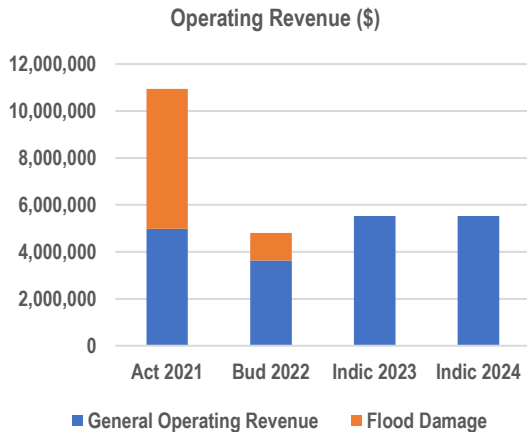
The 2021/22 Budget and the previous year's one addresses these circumstances.

Overview

A summary overview is shown as follows.

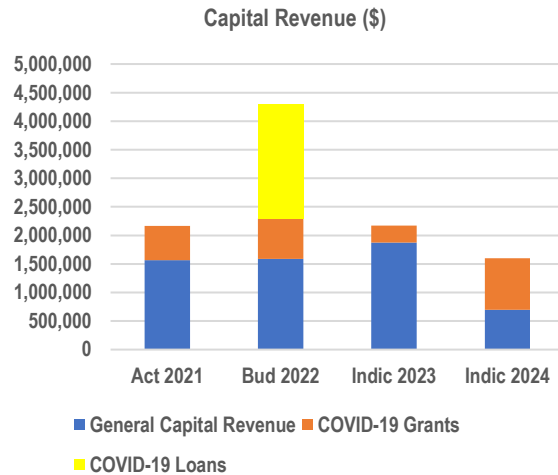
Operating Revenue

A summary of operating revenue is shown below. Revenue associated with Flood Damage Repairs tend to significantly impact on Council's normal level of operations. At this stage the 2021/22 Budget has not included any revenue for rainfall events in the early part of 2021 which have been declared but actual amounts not yet known.



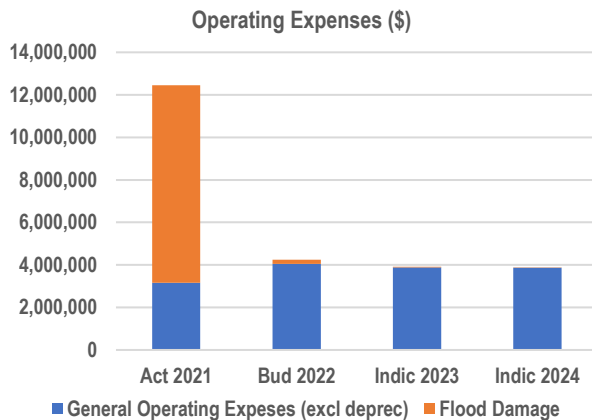
Capital Revenue

Elevated levels in 2021 to 2024 are as a result of additional government grants and Council loan related to COVID-19 related stimulus measures.



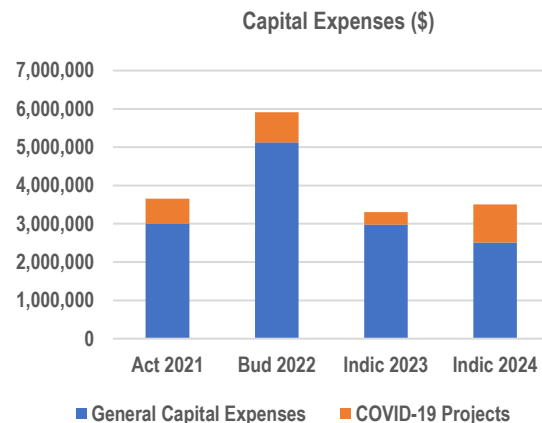
Operating Expenses

As shown although substantially funded, expenses associated with Flood Damage Repairs tend to significantly impact on Council's normal level of operations.



Capital Expenses

As shown elevated levels in 2021 to 2024 are mainly due to COVID-19 related stimulus measures.



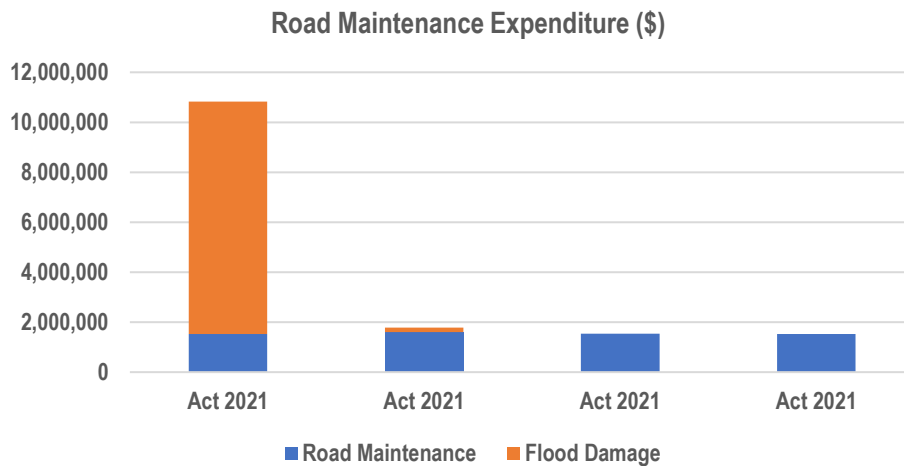
Rates

Budgeted rate revenue of \$532,000 is to be derived via the following differentials as approved by the Minister for Local Government.

Differential Rate Type	Rate in dollar cents	Min Payment (\$)
UV Pastoral	3.874	600
UV Mining	26.543	600
UV Exploration	9.618	600

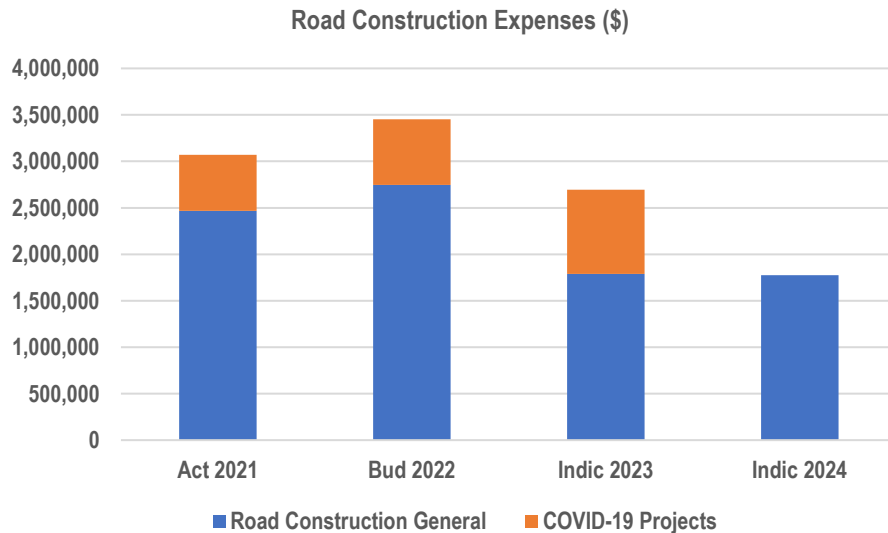
Road Maintenance

Expenditure levels are significantly affected by flood damage works which by and large are substantially funded. A summary of operating revenue is show below. Revenue associated with Flood Damage Repairs tend to significantly impact on Councils normal level of operations. At this stage the 2021/22 Budget has not included any Flood Damage expenditure, other than its own source contribution nor revenue for rainfall events in the early part of 2021 which have been declared but actual amounts are not yet known.



Roads Construction

A summary of Road construction expenses is show below. Slightly elevated levels in 2021 to 2023 are mainly due to COVID-19 related stimulus measures.

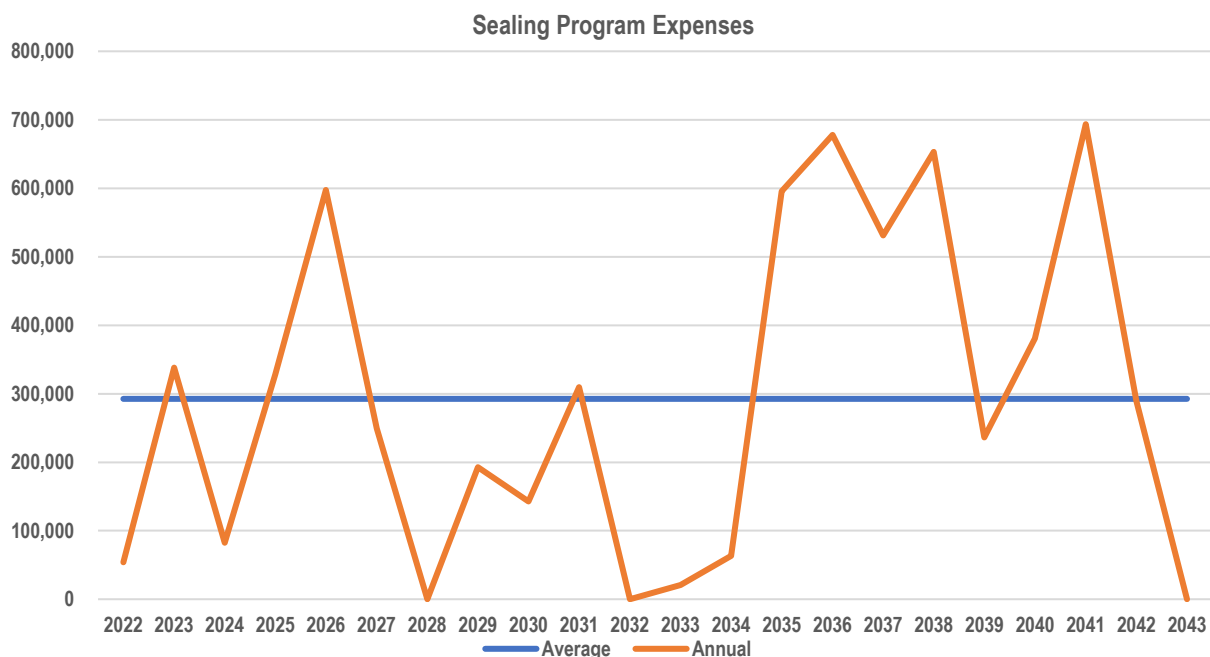


A complete list of Capital Works Projects for 2021/22 detailed under the Capital Works Section. Road Construction Projects which form part of an approved 3 year rolling program include the following:

Road	Details	Funding Source	SLK from	SLK to	Length km
Carnarvon-Mullewa	Reseal - Floodway	Council	84.71	84.79	0.08
Carnarvon-Mullewa	Reseal - Grid	Council	85.30	85.75	0.45
Carnarvon-Mullewa	Reseal - Grid	Council	96.76	96.80	0.04
Carnarvon-Mullewa	Reseal - Floodway	Council	99.18	99.25	0.07
Carnarvon-Mullewa	Reseal - Grid	Council	104.37	104.42	0.05
Carnarvon-Mullewa	Reseal - Grid	Council	114.16	114.21	0.05
Carnarvon-Mullewa	Reseal - Floodway	Council	118.80	118.92	0.12
Carnarvon-Mullewa	Reseal - Grid	Council	121.91	121.97	0.06
Carnarvon-Mullewa	Reseal - Grid	Council	135.10	135.15	0.05
Carnarvon-Mullewa	Reseal	Council	154.00	154.60	0.60
Bullardoo Home Access	Reseal	Council	0.00	0.14	0.14
Carnarvon-Mullewa	Bilung Creek Crossing Reconstruction	Council	1.80	1.97	0.17
Carnarvon-Mullewa	Pinegrove Seal Realignment	Roads to Recovery	266.00	266.52	0.52
Carnarvon-Mullewa	Pinegrove Seal two coat seal	Main Roads WA	266.00	266.52	0.52
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council	241.74	245.04	3.30
Carnarvon-Mullewa	Two Coat Sealing Works	Main Roads WA	241.74	245.04	3.30
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council	254.10	257.40	3.30
Carnarvon-Mullewa	Two Coat Sealing Works	LRCIP Phase 2	254.10	257.40	3.30
Carnarvon-Mullewa	Reconstruct Resheet & Prep for Seal	Council	257.40	261.91	4.51
Carnarvon-Mullewa	Two Coat Sealing Works	LRCIP Phase 2	257.40	261.91	4.51
Beringarra-Cue	Convert Seal to Gravel	Council Reserves			75.00

Roads Sealing

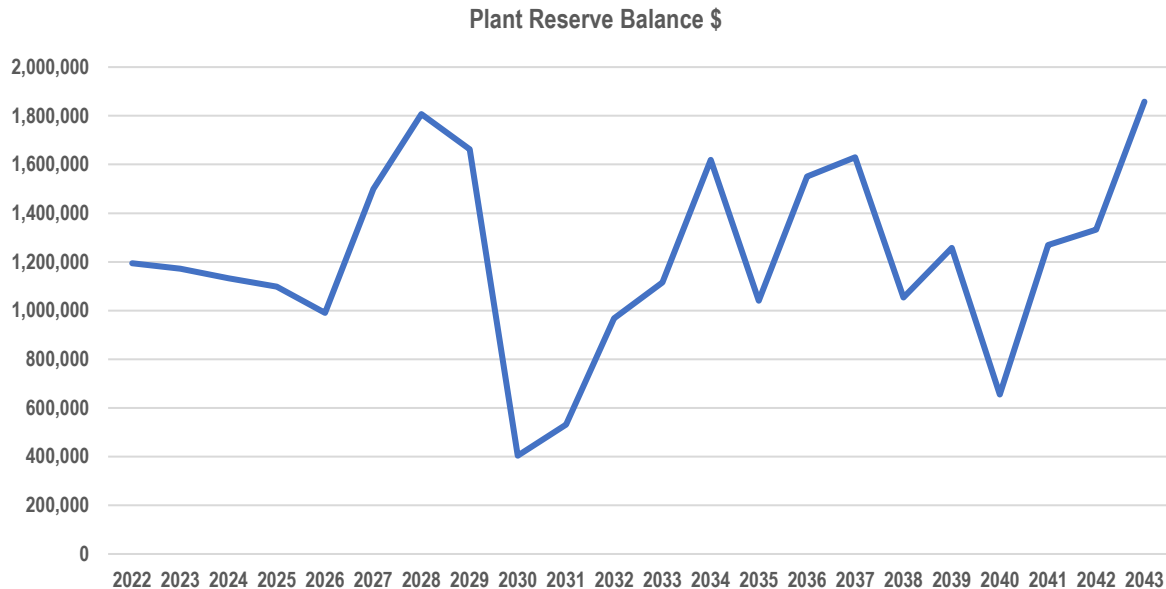
Councils long-term sealing program is regulatory updated. As indicated in the indicative summary below this shows that this program, including extension works can be adequately managed and funded over the long term.



Plant Replacement

Plant to be replaced includes scheduled replacement of an Isuzu 5 Tonne Truck plus a 2nd hand grid roller, tractor, flat deck and dolly. Total Gross Cost **\$455,000**.

As shown in summary below assuming a nominal allocation of \$600k per annum into the Reserve Plant Replacements can be funded over the long term through the Reserve.



Settlement Works

Council has finalised the 2021 Settlement Masterplan Report which includes a separate list of capital works projects as listed below in around the Murchison Settlement.

These projects identified below are listed in no priority order. Once detailed scoping and design has been completed and then works prioritised it is expected Council will work through the final priority list until the funding runs out.

A budget allocation amount of **\$1.30m** has been transferred into Reserves. Proj F is to proceed in 2021/22. Proj K is to be developed and scoped with additional funding to be sought.

PROJ A	Transportable Classroom
PROJ D	Community / Sports Centre Upgrade
PROJ E	Community Swimming Pool / Splash Pad
PROJ F	New -Caravan Park Ablution Block
PROJ H	New -Caravan Park 2 Ensuite Units
PROJ I	General Settlement Amenity Improvements
PROJ J	Playground Upgrade
PROJ K	Interpretive Centre

Loans

Budget provides for a roadworks loan of \$2.0m, and Solar Power loan of \$0.75m. Both were a carryover items from 2020/21. Loan repayments for the Solar Power Loan are anticipated to be substantially recovered through reduced diesel operating costs at the Murchison Powerhouse.

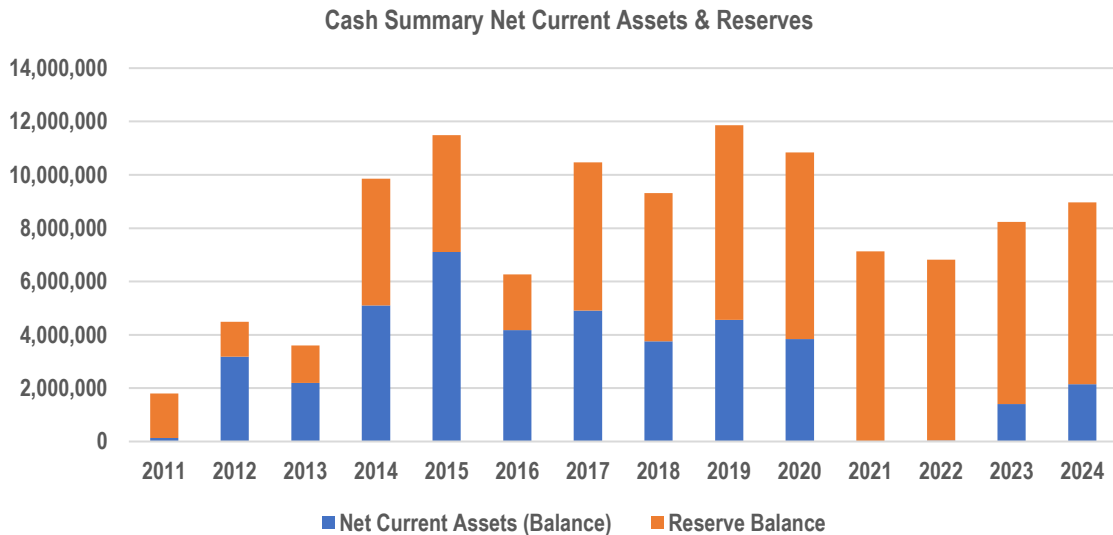
Budget Reserves Net Current Assets Summary

As previously outlined given the extent of capital works that will likely flow over several years detailed analysis was also undertaken of works anticipated over a 3-year period. This included estimating end of year financial positions as per what appears in the Annual Financial Statements so as to highlight the strong strategic approach that is being taken.

The Rate Setting Statement which is reported in the Annual Financials combines all operating and capital income and expenditure and then nets out any non-cash items to reveal the closing (cash) Net Current Assets. This effectively provides the Net Current Assets Position at the start and end of each year.

Also critical is the amount of restricted cash that is contained within Councils Reserves and which can be used to fund various projects.

The combined Budget Reserves Net Current Assets Indicative Cash Summary is a graphical representation of the summary of our Reserves (Restricted Cash) and Net Current Assets (Unrestricted Cash) is shown below.



As indicated the overall financial position during this COVID-19 period will remain sound with cashflow management important.

Summary

Overall, the 2021/22 Budget shows that this stage in the budget process that Council can responsibly support COVID-19 stimulus in the 2020/2021 Budget and still retain the Murchison Shire and Settlement in a sustainable position.

Other Supplementary Documents

Indicative 3-Year Rate Setting Statement

Indicative 3-Year Reserve Transfers

2021/22 Budget Schedules

2021/22 Capital Works Program

2021/22 Statutory Budget

Copy Attached

17.4.1 - August 2021

Indicative 3-Year Rate Setting Statement	Actual 2021	Budget 2022	Indicative 2023	Indicative 2024
OPERATING ACTIVITIES BY REPORTING PROGRAM				
Net current assets at start of financial year - surplus/(deficit)	3,843,908	4,820	40,959	1,376,115
Revenue from operating activities				
Governance	13,375	12,000	12,000	12,000
General purpose funding	3,813,590	2,031,000	5,000,175	5,000,175
Law, order, public safety	19,368	20,000	20,000	20,000
Health	0	0	0	0
Education and welfare	0	0	0	0
Housing	0	0	0	0
Community amenities	270	300	300	300
Recreation and culture	7,561	7,610	7,610	7,610
Transport	6,173,300	1,413,934	232,699	232,699
Economic services	341,889	692,180	692,180	692,180
Other property and services	103,165	100,000	100,000	100,000
	10,472,517	4,277,024	6,064,964	6,064,964
Expenditure from operating activities				
Governance	(564,440)	(715,413)	(677,745)	(678,595)
General purpose funding	(41,362)	(89,319)	(42,535)	(42,535)
Law, order, public safety	(108,119)	(95,057)	(93,910)	(93,910)
Health	(43,314)	(56,962)	(55,371)	(55,521)
Education and welfare	(1,000)	(1,200)	(1,200)	(1,200)
Housing	(54,243)	(84,330)	(84,330)	(84,330)
Community amenities	(150,654)	(149,805)	(147,189)	(147,189)
Recreation and culture	(270,893)	(312,067)	(303,053)	(302,786)
Transport	(13,654,443)	(5,033,343)	(4,804,304)	(4,776,418)
Economic services	(967,554)	(1,377,082)	(1,414,239)	(1,413,042)
Other property and services	(0)	(17,363)	(1,600)	(1,600)
	(15,856,023)	(7,931,940)	(7,625,475)	(7,597,126)
Operating Activities excluded from budget				
(Profit) / Loss on disposal of assets	0	0	0	0
Loss on Disposal of assets	(8,725)	11,828	0	0
Other	0	0	0	0
Movement in employee benefit provisions (non-current)	49,217	0	0	0
Depreciation & amortisation of assets	3,360,979	3,680,437	3,679,987	3,679,987
Non-cash amounts excluded from operating activities	3,401,471	3,692,265	3,679,987	3,679,987
Amount attributable to operating activities	1,861,873	42,169	2,160,435	3,523,941
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	1,563,591	1,587,350	1,872,029	695,036
Proceeds from disposal of assets	0	47,000	100,000	140,000
Purchase land held for resale	0	0	0	0
Purchase investment property	0	0	0	0
Purchase property, plant and equipment	(1,117,537)	(1,142,639)	(1,113,000)	(820,000)
Purchase and construction of infrastructure	(2,621,373)	(3,987,926)	(1,864,189)	(1,688,725)
Amount attributable to investing activities	(2,175,319)	(3,496,215)	(1,005,160)	(1,673,689)
FINANCING ACTIVITIES				
Repayment of borrowings	(1,136)	(139,382)	(280,360)	(284,825)
Proceeds from new borrowings	0	2,750,000	0	0
Proceeds from self supporting loans	0	0	0	0
Transfers to cash backed reserves (restricted assets)	(567,064)	(1,653,800)	(653,800)	(653,800)
Transfers from cash backed reserves (restricted assets)	428,000	2,006,188	623,000	640,000
Amount attributable to financing activities	(140,200)	2,963,006	(311,160)	(298,625)
Surplus/ (deficit) before imposition of general rates	(453,646)	(491,041)	844,115	1,551,627
Amount raised from general rates	458,466	532,000	532,000	532,000
Surplus / (deficit) after imposition of rates	4,820	40,959	1,376,115	2,083,627

17.4.1 - August 2021

Indicative 3-year Reserves Transfers

Reserves	Actual 2021				Budget 2022				Indicative 2023				Indicative 2024			
	Opening Balance	Transfer To	Transfer From	Closing Balance	Opening Balance	Transfer To	Transfer From	Closing Balance	Opening Balance	Transfer To	Transfer From	Closing Balance	Opening Balance	Transfer To	Transfer From	Closing Balance
Leave Reserve	138,380	708	0	139,088	139,088	25,700	0	164,788	164,788	25,700	0	190,488	190,488	25,700	0	216,188
Plant Replacement	1,433,553	51,204	(112,000)	1,372,757	1,372,757	300,000	(478,000)	1,194,757	1,194,757	600,000	(623,000)	1,171,757	1,171,757	600,000	(640,000)	1,131,757
Buildings	512,797	2,626	(16,000)	499,422	499,422	2,700	(11,000)	491,122	491,122	2,700	0	493,822	493,822	2,700	0	496,522
Berrigarra-Cue Road	3,430,426	23,880	0	3,454,306	3,454,306	24,000	(767,188)	2,711,118	2,711,118	24,000	0	2,735,118	2,735,118	24,000	0	2,759,118
Cue Road Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transacation Centre	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ballinyoo Bridge	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CSIRO Beringarra - Pindar Road	175,053	896	0	175,949	175,949	900	0	176,849	176,849	900	0	177,749	177,749	900	0	178,649
Flood Damage Repairs	255,504	465	(150,000)	105,969	105,969	500	0	106,469	106,469	500	0	106,969	106,969	500	0	107,469
Settlement Buildings and Facilities	669,208	3,427	(150,000)	522,634	522,634	1,300,000	(350,000)	1,472,634	1,472,634	0	0	1,472,634	1,472,634	0	0	1,472,634
Assets-Rehabilitation Reserve	375,000	483,858	0	858,858	858,858	0	(400,000)	458,858	458,858	0	0	458,858	458,858	0	0	458,858
Totals	6,989,919	567,064	(428,000)	7,128,983	7,128,983	1,653,800	(2,006,188)	6,776,595	6,776,595	653,800	(623,000)	6,807,395	6,807,395	653,800	(640,000)	6,821,195

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
GENERAL PURPOSE FUNDING				
Schedule 03				
Sub Program 031, 032				
General Rates				
03103	General Rates Levied	(532,000)	(458,466)	Op Rev
03105	Penalty Interest Raised on Rates	(8,000)	(13,200)	Op Rev
03109	Rates Administration Fee Received	(500)		Op Rev
03106	Rates Written-off	50,000	9,075	Op Exp
03104	Ex-Gratia Rates Received			Op Rev
03111	Legal Fees Reimbursed			Op Rev
Operating Rates Section				
03100	ABC Expenses - Rate Revenue	37,769	30,744	Op Exp
03102	Valuation Expenses and Title Searches Expense	1,550	1,543	Op Exp
03107	Back Rates Levied			Op Rev
03108	Installment Interest Received			Op Rev
03110	Pens Deferred Rates Interest Grant			Op Rev
03101	Rate Notice Stationery expense			Op Exp
Other General Purpose Income				
03201	Grants Commission Grant Received - General	(1,470,000)	(2,847,488)	Op Rev
03202	Grants Commission Grant Received- Roads	(500,000)	(910,121)	Op Rev
03203	Grants Commission Grants Received - Special			Op Rev
03204	Interest Received - Municipal	(13,000)	(12,774)	Op Rev
03206	Interest Received - Reserve - Op Inc	(39,500)	(30,006)	Op Rev
03207	Interest Received - Other (Not Reserves) - Op Inc			Op Rev
03205	Other General Purpose funding received			Op Rev
03200	Expenses relating to Other General Purpose Funding			
Capital				
Furniture and Equipment				
General Purpose Funding		(2,473,681)	(4,230,694)	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
GOVERNANCE MEMBERS OF COUNCIL				
Schedule 04				
Sub Program 041, 042				
Operating				
04100	Members Travelling Expenses paid	15,000	12,473	Op Exp
04101	Members Conference Expenses	15,000		Op Exp
04103	President's Allowance paid	13,000	12,032	Op Exp
04107	Deputy President's Allowance paid	5,500	5,015	Op Exp
04109	Members Sitting Fees Paid	60,000	59,218	Op Exp
04105	Members - Insurance	1,425	925	Op Exp
04108	Members Communications	6,500	6,408	Op Exp
04106	Members - Subscriptions, Donations	18,910	3,725	Op Exp
04104	Members Refreshments & Receptions Expense	5,000	2,310	Op Exp
04111	Training Expenses of Members	5,000		Op Exp
04115	President's Mobile Phone			Op Exp
04117	Members IT Expenses			Op Exp
04102	Council Election Expenses	4,000		Op Exp
04118	Other Members Expenses	4,750	4,674	Op Exp
04110	Civic Receptions Expense	4,000	1,968	Op Exp
04112	Maintenance - Council Chambers	1,000	897	Op Exp
04113	ABC Expenses - Members	155,614	126,667	Op Exp
04119	Housing Costs Members - GEN	13,013		Op Exp
04203	Other General Governance Expenses	5,626		Op Exp
04200	ABC Expenses - Other Governance	336,970	274,289	Op Exp
04204	Housing Costs Members - GEN	28,455		Op Exp
04150	Income for Members Reimbursements			Op Rev
Capital				
04116	Cap-Ex- Purchase Furniture & Equipment	15,000		Cap Exp
	Purchase of Plant and Equipment			
	Sal of Plant and Equipmenmt			
Governance Members of Council		713,763	510,600	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
ADMINISTRATION				
Schedule 04				
Sub Program 145				
Operating				
14500	General Office and Administration Expenses	61,900	19,892	Op Exp
14501	Administration Office	41,626	52,966	Op Exp
14518	Salaries - Administration	477,610	419,021	Op Exp
14520	Superannuation	65,600	63,736	Op Exp
14511	Staff Uniform - Admin	2,000		Op Exp
14519	Staff Appointment Expenses	16,000	6,552	Op Exp
14502	Workers Compensation Premiums- Administration	6,370	9,057	Op Exp
14509	Fringe Benefits Tax - Admin	40,000	7,743	Op Exp
14507	Training/Conference Expenses - Admin	7,000	1,782	Op Exp
14505	Travel & Accommodation - Admin	3,000	1,519	Op Exp
14504	Telecommunications - Admin	23,000	36,390	Op Exp
14503	IT Expense	60,000	48,990	Op Exp
14517	Insurance - Administration	47,365	26,061	Op Exp
14521	Audit Fees	73,200		Op Exp
14522	Consultancy Fees	9,000	4,825	Op Exp
14523	Remote Accounting Charges	49,000	46,680	Op Exp
14524	Subscriptions	4,750	29,551	Op Exp
14508	Printing & Stationery - Admin	9,000	6,796	Op Exp
14527	Vehicle Expenses Administration	25,350	19,318	Op Exp
14506	Legal Expenses Administration	15,000	12,728	Op Exp
14510	Depreciation - Admin	30,236	26,313	Dep
14552	Housing Costs Allocated to Adminsitration			
14550	ABC Cost Allocated to Works & Services	(1,055,008)	(824,240)	Op Exp
14512	Income relating to Administration	(12,000)	(13,375)	Op Rev
Capital				
14551	Transfer to Reserves - Staff Leave Entitlements	25,700	708	Trans to Res
14515	Cap Ex - Purchase Buildings & Improvements - Administration	11,000	17,290	Cap Exp
14561	Cap-Ex - Purchase Furn & Equipment - Admin	10,000		Cap Exp
14565	Adminstration Vehicles Capital	70,000		Cap Exp
14525	Loss on Sale of Assets - Admin Plant Purchaes	4,650		Op Exp
14526	Proceeds Sale of Assets - Administration	(25,000)		Cap Rev
14572	Transfer from Plant Reserve	(45,000)		
09161	Cap Inc - Transfer from Reserves - Buildings	(11,000)	(16,000)	Trans from Res
Administration		40,350	4,302	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
FIRE PREVENTION				
Schedule 05				
Sub Program 051				
Operating				
05101	Insurance - Fire Prevention	2,645	2,808	Op Exp
05105	Vehicle Expenses - Fire Prevention	7,000	6,913	Op Exp
05106	Equipment & Consumables - Fire Prevention	2,000	12,508	Op Exp
05107	Other Fire Prevention Expenses			Op Exp
05100	ABC Expenses - Fire Prevention	12,238	9,962	Op Exp
05108	Depreciation - Fire Prevention	34,146	44,546	Op Exp
05121	Grant Revenue - Fire Prevention	(2,000)	(8,320)	Cap Rev
05102	Income Relating to Fire Prevention	(19,500)	(19,318)	Op Rev
Capital				
05103	Cap-Ex - Purchase Buildings & Improvements - Fire Prevention			Cap Exp
05104	Cap-Ex - Purchase Plant - Fire Prevention			Op Exp
Fire Prevention		36,529	49,099	
ANIMAL CONTROL				
Schedule 05				
Sub Program 052				
Operating				
05200	Expenses Relating to Animal Control	12,000	9,750	Op Exp
05202	Dog Registration Fee Income	(500)	(50)	Op Rev
Animal Control		11,500	9,700	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
LAW ORDER & PUBLIC SAFETY				
Schedule 05				
Sub Program 053				
Operating				
05307	CESM Program Expenses	13,000	12,648	Op Exp
05309	Covid-19 Pandemic Expenses		(806)	Op Exp
05308	AWARE Program Expenses			Op Exp
05310	ABC Expenses - Other Law, Order & Public Safety	12,027	9,790	
Capital				
Law Order & Public Safety		25,027	21,632	
HEALTH				
Schedule 07				
Sub Program 074, 075, 076, 077				
Operating				
Preventative Services - Administration & Inspection				
07400	Expenses Relating to Preventative Services - Administration &	8,500	7,948	Op Exp
07404	Analytical Expenses	500	180	Op Exp
07406	ABC Expenses - Preventative Services - Administration & Inspection	10,972	8,931	Op Exp
Preventative Services - Pest Control Income				
07500	Expenses Relating to Preventative Services - Pest Control	1,000		Op Exp
07503	ABC Expenses - Pest Control	10,972	8,931	Op Exp
07401	Income Relating to Preventative Services - Administration &			Op Rev
Other Health				
07700	Medical Centre Expenses	5,500		Op Exp
07701	Donation RFDS	3,000	3,000	Op Exp
07702	Maintain Patient Transfer Vehicle	2,200	2,185	Op Exp
07705	ABC Expenses - Other Health	11,711	9,532	Op Exp
07706	Depreciation Ambulance Centre	2,607	2,607	Op Exp
07703	Income Relating to Other Health			OpRev
Capital				
07704	Cap-Ex - Purchase Furniture & Equipment - Other Health			Cap Rev
	Sale of Plant & Equipment			Cap Rev
Health		56,962	43,314	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
EDUCATION & WELFARE				
Schedule 08				
Sub Program 080				
Operating				
Education & Welfare				
08002	ABC Expenses - Education & Welfare			Op Exp
08003	School of the Air Expenses	200		Op Exp
Care of Families & Children				
08000	Expenses Education & Welfare	1,000		Op Exp
Capital				
Education & Welfare				
		1,200	0	
HOUSING				
Schedule 09				
Sub Program 091				
Operating				
091M0	Maintenance Staff Housing	193,932	241,144	Op Exp
09113	Staff Housing Costs Reallocated	(193,932)	(200,433)	Op Exp
09148	Depreciation - Staff Housing	84,330	54,243	Op Exp
Other				
Capital				
09134	Cap-Ex - Buildings & Improvements - Staff Housing	95,000	623,240	Cap Exp
09151	Transfer to Reserves - Buildings	2,700	2,626	Trans to Res
Housing				
		182,030	720,820	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
REFUSE REMOVAL TIPSITES & SEWERAGE				
Schedule 10				
Sun Program 101, 102, 103				
Operating				
Sanitation Household Refuse Removal				
10100	Expenses Relating To Sanitation - Household Refuse	17,060	19,627	Op Exp
10103	Tip Maintenance Costs	465	317	Op Exp
10105	ABC Expenses - Sanitation - Household Refuse	12,344	10,048	Op Exp
10101	Income Relating to Sanitation - Household Refuse			
Sewerage				
10300	Expenses Relating To Sewerage	691	2,834	Op Exp
10303	ABC Expenses - Sewerage	7,491	6,097	Op Exp
Capital				
10104	Cap-Ex-Other Buildings & Equipment - Sanitation - Household Refuse	50,000		Cap Exp
Refuse Removal Tipsites & Sewerage		88,050	38,922	
PROTECTION OF ENVIRONMENT				
Schedule 10				
Sub Program 105				
Operating				
10500	Protection Of Environment - General expenses	21,561	15,895	Op Exp
10510	Donation to CRBA	10,000	15,000	Op Exp
10503	ABC Expenses - Protection of Environment	10,972	8,931	Op Exp
10501	Income Relating to Protection Of Environment			
Protection of Environment		42,533	39,826	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
TOWN PLANNING & OTHER COMMUNITY AMENITIES				
Schedule 10				
Sub Program 106, 107				
Operating				
Town Planning				
10600	Expenses Relating to Town Planning & Regional Development	1,000		Op Exp
10604	ABC Expenses - Town Planning & Regional Development Town Planning & Regional Development Expenses	10,972	8,931	Op Exp
Other Community Amenities				
10704	Maintenance - Public Conveniences	12,727	9,348	Op Exp
10705	Maintenance - Cemetery	3,441	550	Op Exp
10700	Expenses Relating to Other Community Amenities	24,623	23,358	Op Exp
10701	Income Relating to Other Community Amenities	(300)	(270)	
Capital				
10702	Cap-Ex - Purchase Buildings & Imp - Other Recreation & Sport			Cap Exp
10703	Cap-Ex - Purchase Plant & Equipment - Other Community			Cap Exp
10770	Cap-Ex - Other Buildings & Imp - Other Community Amenities	30,000		Cap Exp
10771	Cap-Ex - Other Buildings & Imp - Other Community Amenities			Cap Exp
Town Planning & Other Communiuty Amenities		98,921	55,313	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
OTHER RECREATION & SPORT				
Schedule 11				
Sub program 113				
Operating				
11304	Maintenance - Parks and Reserves	63,995	68,150	Op Exp
11305	Maintenance - Murchison Sports Club	45,206	38,358	Op Exp
11306	Maintenance - Polocrosse fields	18,284	8,046	Op Exp
11307	Maintenance - Sports Toilet Block - Op Exp	4,812	1,523	Op Exp
11308	Insurance - Other Recreation & Sport	430	1,607	Op Exp
11309	Arborist expenses - Parks and Reserves	15,000	14,193	Op Exp
11310	Other Expenses Other Recreation & Sport	2,500		Op Exp
11318	Depreciation - Other Recreation and Sport	46,622	46,621	
11300	ABC Expenses - Other Recreation & Sport	16,142	13,139	Op Exp
11301	Income Relating to Other Recreation & Sport	(750)	(1,089)	Op Rev
11312	Grant - Regional Grant Scheme			Op Rev
Capital				
11302	Cap-Ex - Purchase Buildings & Imp - Other Recreation & Sport			Cap Exp
11303	Cap-Ex - Purchase Furniture & Equipment - Other Recreation			Cap Exp
11370	Cap-Ex - Equestrian Stabling Centre - Buildings &			Cap Exp
11311	Other Recreation & Sport Capital Grants			
11347	Loss on Sale of Assets - Other Rec & Sport - Op Exp			Op Rev
11367	Profit on Sale of Assets - Other Rec & Sport - Op Exp			Op Rev
Other Recreation & Sport		212,240	190,548	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
OTHER CULTURE				
Schedule 11				
Sub Program 114, 115, 116				
Operating				
11400	Expenses Relating to Television and Rebroadcasting	16,750	17,235	Cap Exp
11404	ABC Expenses - Television and Rebroadcasting	10,234	8,330	Cap Exp
11500	Expenses Relating to Libraries	1,500	1,282	Op Exp
11600	Expenses Relating to Other Culture	14,500	485	Op Exp
11602	Maintenance - Museum	4,347	4,004	Op Exp
11604	Maintenance - Museum Cottage	11,807	11,025	Op Exp
11606	ABC Expenses - Other Culture	17,724	14,427	Op Exp
11611	Housing Costs Other Cult - GEN	2,970		Op Exp
11610	Depreciation - Other Culture	19,205	18,066	Op Exp
11401	Income Relating to Television and Rebroadcasting	(5,460)		Op Exp
11601	Income Relating to Other Culture	(1,400)	(2,272)	Op Rev
Capital				
11402	Cap-Ex - Purchase Buildings & Improvements - Television and			Cap Exp
11403	Cap-Ex - Purchase Furniture & Equipment - Television and			Cap Exp
11607	CapEx - Purchase Buildings & Improvements - Other Culture		18,985	Op Exp
Other Culture		92,177	91,567	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
CONSTRUCTION ROADS FOOTPATHS DRAINS BRIDGES				
Schedule 12				
Sub Program 121, 123				
Capital Roads				
12101	Cap-Ex - Roads Construction	216,838	908,091	
12103	Cap-Ex - MRWA Project Construction	278,667	668,569	Cap Exp
12104	Cap-Ex - Roads to Recovery Construction	690,000	369,649	Cap Exp
12105	Cap-Ex - Blackspot funding Construction			Cap Exp
12113	Cap-Ex - Local Roads Community Infrastructure Program	707,113		Cap Exp
12180	Cap-Ex - Roads Construction - Road Contributions	767,188		Cap Exp
12106	Cap-Ex - Bridges Construction			Cap Exp
12108	Cap-Ex - Grids	140,000		Cap Exp
12107	Cap-Ex - Road Drainage Construction			Cap Exp
12109	Cap-Ex - Purchase Buildings & Imp - Roads, Bridges, Depot	15,000	13,774	Cap Exp
12151	Transfer to Reserves - Berrigarra - Cue Road reinstatement	24,000	23,880	Trans to Res
12153	Transfer to Reserves - Road Assets Rehabilitation Reserve		483,858	Trans to Res
12213	Grant - MRWA Specific	(278,667)	(213,333)	Cap Rev
12216	Grant - Roads to Recovery	(565,000)	(739,482)	Cap Rev
12217	Grant - MRWA Blackspot			Cap Rev
12238	Grant - Local Roads & Community Infrastructure Program	(707,113)	(602,456)	Cap Rev
12167	Loan Proceeds from Treasury - Roadworks	(2,000,000)		Loan
12131	Cap Inc - Transfer from Reserves - Berrigarra-Cue Rd	(767,188)		Trans from Res
12133	Cap Inc - Transfer from Reserves - Assets Rehabilitation	(400,000)		Trans from Res
12117	Repay Treasury Loan COVID-19	93,061		Loan Rep
Road Plant Purchases				
12302	Cap-Ex - Purchase Major Plant & Equipment - Road Plant	455,000	32,317	Cap Exp
12313	New Works Caravan		100,353	
12303	Cap-Ex - Purchase Minor Plant & Equipment - Plant Purchases			Cap Exp
12347	Loss on Sale of Assets - Rd Plant Purch - Op Exp	7,178		Cap Exp
12367	Profit on Sale of Assets - Rd Plant Purch - Op Inc			Cap Exp
12369	Proceeds Sale of Assets Road Plant Purch -Cap Inc			Cap Exp
12361	Cap-Ex - Principal repayment - Loan - Plant	1,176	1,138	Loan Rep
12398	Sale of Assets - Road Plant Purchases	(22,000)		
12321	Cap Inc - Transfer from Reserves - Plant Replacement	(478,000)	(112,000)	Trans from Res
12305	Transfer to Reserves - Plant Replacement	300,000	51,204	Trans to Res
Construction Roads Footpaths Drains Bridges Depot		(1,522,746)	985,561	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
MAINTENANCE ROADS FOOTPATHS DRAINS BRIDGES DEPOT				
Schedule 12				
Sub Program 122				
Operating				
12202	Street Lighting Maintenance - Op Exp	750		Op Exp
12206	Traffic Signs Maintenance	26,499	16,039	Op Exp
12207	Bridges Maintenance	14,000	14,082	Op Exp
12223	Maintenance/Improvements - Grids	74,513	62,318	Op Exp
12208	Rehab Gravel Pits	80,000		Op Exp
12210	Bunding of old Roads	80,332	80,375	Op Exp
12203	Maintenance - General	930,595	906,191	Op Exp
12205	Maintenance - Heavy Road	450,000	399,173	Op Exp
12209	Maintenance - CSIRO Beringarra-Pindar Road			Op Exp
12235	Flood Damage Works	180,925	385,454	Op Exp
12229	Flood Damage April 2019		8,909,660	Op Exp
12242	Administration Expenses - Streets, Roads, Bridges & Depot	26,000		Op Exp
12204	Maintenance - Depot	44,204	49,533	Op Exp
12200	Depreciation Expense - Streets, Roads, Bridges & Depot	2,868,354	2,592,381	Dep
12241	ABC Expenses - Streets, Roads, Bridges & Depot Maintenance	108,244	88,109	Op Exp
12243	Housing Costs Road Maint - GEN	10,587		Op Exp
12227	Loan Interest Payable	8,030	690	Op Exp
12212	Grant - MRWA Direct	(231,299)	(218,380)	Op Rev
12219	Grant - Wandrra Flood Damage	(1,181,235)	(5,953,583)	Op Rev
12218	Contribution - CSIRO			Cap Rev
12220	Income Relating to Transport	(1,400)	(1,338)	Op Rev
12239	CSIRO Contribution Beringarra / Pindar Roads			Op Rev
12251	Transfer to Reserves - Flood Damage Repairs	500	465	Trans to Res
12252	Transfer to Reserves - Beringarra - Pindar Rd - CSIRO	900	896	Trans to Res
12231	Cap Inc - Transfer from Reserves - Flood Damage Repairs		(150,000)	Trans from Res
Maintenance Roads Footpaths Drains Bridges Depot		3,490,498	7,182,067	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
	AIRPORT			
	Schedule 12			
	Sub Program 126			
	Operating			
12604	Airport Maintenance	7,729	8,461	Op Exp
12605	ABC Expenses - Aerodromes	5,064	4,122	Op Exp
12608	Depreciation Airstrip	110,340	108,568	Op Exp
	Capital			
12602	Cap-Ex - Purchase Furniture & Equipment - Aerodromes			
12603	Cap-Ex - Purchase Plant & Equipment - Aerodromes			
12670	Cap-Ex - Other Buildings & Improvements - Airport	53,120	19,491	
12601	Grant Income - Aerodromes	(34,570)		Op Rev
	Airport	141,684	140,641	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
OTHER ECONOMIC SERVICES				
Schedule 13				
Sub Program 136				
Operating				
Rural Services				
13100	Expenses Relating to Rural Services			
13101	Vermin Control	13,000	10,696	Op Exp
13102	Ammunition Expenditure	1,000	763	Op Exp
13103	ABC Expenses - Rural Services	10,972	8,931	Op Exp
13105	Rural Services Income	(1,200)	(757)	Op Rev
Other Economic Services				
13601	Settlement Water Supply	29,346	3,585	Op Exp
13602	Settlement Power Generation	242,311	238,895	Op Exp
13603	Settlement Freight Service	94,781	90,856	Op Exp
13641	Expenses Relating to Other Economic Services	47,850		Op Exp
13650	Interest Loan 3 Power Grid	3,710		Op Exp
13648	Depreciation - Other Economic Services	19,740	45,805	Dep
13607	Income Relating to Other Economic Services	(300)	(395)	Op Rev
Capital				
13612	Transfer to Reserves - Settlement Buildings and Facilities	1,300,000	3,427	Trans to Res
13616	Cap-Ex - Purchase Major Plant - Other Economic Services		193,099	Cap Exp
13617	Cap-Ex - Other Buildings & Improvements - Other Economic Services		65,277	Cap Exp
13657	Utility Infrastructure	1,100,000		Cap Exp
13643	Repay Treasury Loan Micro Grid Power	45,145		Op Exp
13653	Loan Proceeds from Treasury - Micro Grid Power	(750,000)		
Other Economic Services		2,156,354	660,183	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
RURAL SERVICES TOURISM ECONOMIC SERVICES				
Schedule 13				
Sub Program 132, 136				
Tourism & Area Promotion				
13655	Tourism General Expenses	80,200	21,773	Op Exp
13207	ABC Expenses - Tourism & Area Promotion	21,417	17,433	Op Exp
13201	Income Relating to Tourism & Area Promotion			Op Rev
Roadhouse Ongoing Operations				
13619	Roadhouse Business Expenses	375,826	63,550	Op Exp
13640	Roadhouse Buildings & Surrounds Mtce	34,645	21,118	Op Exp
13620	Cabins/Caravan Park	38,813	17,855	Op Exp
13605	Roadhouse Fuel Purchases	260,000	242,508	Op Exp
13606	Roadhouse Fuel Expenses	6,500	13,309	Op Exp
13649	Depreciation - Roadhouse	35,201	5,832	Dep
13200	Deprec - Caravan Park Assets GEN	16,274	11,273	Op Exp
13600	ABC Expenses - Other Economic Services	36,925	30,057	Op Exp
13656	Housing Costs R'House - GEN	8,571		Op Exp
13654	Roadhouse Accommodation & Camping Fees	(178,700)	(25,676)	Op Rev
13618	Roadhouse Operational Income	(215,980)	(30,920)	Op Rev
13608	Roadhouse Fuel Sales	(296,000)	(284,140)	Op Rev
Roadhouse Old Accounts				
13604	Roadhouse General Expenses		121,823	Op Exp
Capital				
13610	Cap-Ex - Purchase Furniture & Equipment - Other Economic Se	34,987		Cap Exp
13202	Cap-Ex - Purchase Furniture & Equipment - Tourism & Area	29,500		Cap Exp
13203	Cap-Ex - Purchase Buildings & Imp - Tourism & Area Promotion	407,152	65,277	Cap Exp
13622	Cap Inc - Transfer from Reserves - Settlement Facilities	(350,000)	(150,000)	Trans from Res
Rural Services Tourism Economic Services Private Works		345,331	141,071	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
	PUBLIC WORKS OVERHEADS			
	Schedule 14			
	Sub Program 142			
	Operating			
14205	Depot Office - Works Salaries & Wages	156,090	141,060	Op Exp
14217	Superannuation - Public Works Overheads	149,600	130,751	Op Exp
14202	Sick Leave Expense	36,282	32,861	Op Exp
14203	Annual & Long Service Leave Works Expense	80,235	61,449	Op Exp
14214	Public Holidays - Works	43,539	32,053	Op Exp
14213	TOIL - Works		4,847	Op Exp
14212	Staff Training/Meetings/OSH	21,916	17,762	Op Exp
14204	Protective Clothing - Outside Staff	6,000	2,037	Op Exp
14216	Housing Costs Allocated to Works	107,071	194,993	Op Exp
14211	Camp Expenses	22,500	1,100	Op Exp
14200	Plant Expenses PWOH	30,529	10,973	Op Exp
14220	Insurance - Works	19,100	19,013	Op Exp
14206	Consultant Expenses - Works Program	4,600		Op Exp
14208	Expendable Stores Expense			Op Exp
14209	Workers Compensation Payments			Op Exp
14210	Workers Compensation Reimbursements			Op Exp
14201	Income Relating to Public Works Overheads		(8,534)	Op Exp
14207	ABCs Allocated to Works	(663,536)	(648,899)	Op Exp
	Public Works Overheads	13,926	(8,534)	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
PLANT OPERATION COSTS				
Schedule 14				
Sub Program 143				
Operating				
14303	Fuel & Oils	396,240	399,010	Op Exp
14304	Tyres and Tubes	22,931	22,931	Op Exp
14305	Parts & Repairs	239,700	252,146	Op Exp
14302	Insurance - Plant	34,720	42,326	Op Exp
14307	Licences - Plant	19,955	6,295	Op Exp
14306	Internal Repair Wages	87,616	90,717	Op Exp
14308	Depreciation - Plant	395,346	386,689	Dep
14312	Plant Expenses - Tools & Minor Equipment	12,000	10,778	Op Exp
14313	ABC Expenses - Plant Operation Costs	181,178	147,965	Op Exp
14311	Plant Costs Housing	23,525		Op Exp
14402	Purchase of Stock Materials			
14403	Stock Allocated to Works and Plant			
14310	Plant Depreciation Costs Allocated to Works			Op Exp
14221	Rebates and reimbursements - Plant			Op Exp
Sub Total		1,413,209	1,358,855	
Less				
14309	Plant Operation Costs Allocated to Works	(1,409,773)	(1,358,855)	Op Exp
14404	Diesel Fuel Rebate	(100,000)	(103,165)	Op Rev
14405	Sale of Stock			
Sub Total		(1,509,773)	(1,462,020)	
Plant Operation Costs		(96,564)	(103,165)	

Murchison Shire 2021/22 Budget Schedules

COA	Description	Budget 2022 \$	Actual 2021 \$	Class
	SALARIES & WAGES			
	Schedule 14			
	Sub Program 146			
	Operating			
14602	Gross Salaries & Wages	1,795,038	1,482,543	Op Exp
14603	Less Sal & Wages Allocated	(1,795,038)	(1,482,543)	Op Rev
	Salaries & Wages	0	0	
	UNCLASSIFIED			
	Schedule 14			
	Sub Program 147			
	Operating			
	Capital			
	Unclassified	0	0	

Murchison Shire 2021/22 Budget Capital Works

COA	Job	Description	Budget 2022 \$
Adminstration			
04116	CHFURN	Council Meeting Tables	15,000
14515	C14502	Capex Library Floor Upgrade	11,000
14561	C14231	Cap-Ex - Purchase Furn & Equipment - Admin	10,000
14565	14565	Adminstration Vehicles Capital	70,000
Housing			
09134	RN6KU	CapEx - Renovation 6 Kurara Way	95,000
Refuse Removal Tipsites & Sewerage			
10104	C14703	Cap-Ex-Other Buildings & Equipment - Sanitation - Household Refuse	50,000
Town Planning & Other Community Amenities			
10770	C14713	Cap Ex - Niche Wall For Settlement Cemetery	30,000
Construction Roads Footpaths Drains Bridges Depot			
12101	C12011	Road Sealing Program	171,839
12103	C12018	Capex Carnarvon Mullewa Road SLK 254.10 to SLK 257.40 Reconstruct Resheet Prep & Seal	278,667
12104	C14200	Capex -Carnarvon-Mullewa Rd SLK 0.0 Bilung Creek Crossing	690,000
12113	C12010	LRCIP Phase 2 Works	405,889
12113	C12013	LRCIP Phase 3 Works	301,223
12180	C12001	Capex - Beringarra-Cue Rd - Convert To Gravel	767,188
12108	CGR000	Capex Grids General	140,000
12109	12109	Cap-Ex - Purchase Buildings & Imp - Roads, Bridges, Depot	15,000
Road Plant Purchases			
12302	12302	Cap-Ex - Purchase Major Plant & Equipment - Road Plant Purchases	455,000
Airport			
12670	C12012	Capex General Airport Improvements	38,120
12670	C14705	Cap-Ex-Airport Lighting Upgrade - Own Source Funds	15,000
Other Economic Services			
13657	C14304	Capex - Provision Of Solar Power	900,000
13657	C14720	Improvements To drinking Water reticulation	200,000
13610	C14237	Roadhouse Coolroom/Freezer Room Combination	34,987
13202	C13013	Cap Ex Point of Sale System Roadhouse	22,000
13202	C13021	Capex - Washing Machines	7,500
13203	C13005	F Capex - New Caravan Park Ablution Block	350,000
13203	C13009	Capex - Three Accomodation Units New Veradah	27,500
13203	C13011	Capex - Roadhouse Business	29,652
Total Capital Works			5,130,565

murchisonshire

2021-22

Statutory Budget

SHIRE OF MURCHISON
BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

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

SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

17.4.1 - August 2021

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	532,000	458,466	465,397
Operating grants, subsidies and contributions	9(a)	3,514,494	4,098,472	1,997,228
Fees and charges	8	701,530	306,816	251,750
Interest earnings	12(a)	60,500	55,981	121,500
Other revenue	12(b)	500	6,011,248	8,762,929
		4,809,024	10,930,983	11,598,804
Expenses				
Employee costs		(1,458,351)	(1,433,390)	(1,310,475)
Materials and contracts		(2,399,276)	(10,739,812)	(12,841,441)
Depreciation on non-current assets	5	(3,680,437)	(3,360,979)	(3,227,546)
Interest expenses	12(d)	(11,740)	(690)	(567)
Insurance expenses		(161,408)	(150,817)	(159,668)
Other expenditure		(208,900)	(170,334)	(123,583)
		(7,920,112)	(15,856,022)	(17,663,280)
Subtotal		(3,111,088)	(4,925,039)	(6,064,476)
Non-operating grants, subsidies and contributions	9(b)	1,587,350	1,563,591	1,420,779
Loss on asset disposals	4(b)	(11,828)	0	(33,812)
		1,575,522	1,563,591	1,386,967
Net result		(1,535,566)	(3,361,448)	(4,677,509)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(1,535,566)	(3,361,448)	(4,677,509)

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

BASIS OF PREPARATION

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is 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 budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the budget 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 of Murchison controls resources to carry on its functions have been included in the financial statements forming part of this budget.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

2020/21 ACTUAL BALANCES

Balances shown in this budget as 2020/21 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

CHANGE IN ACCOUNTING POLICIES

On the 1 July 2021 no new accounting policies are to be adopted and no new policies are expected to impact the annual budget.

KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

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

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.

Excludes 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.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

REVENUES (CONTINUED)

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING 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.

FEES AND CHARGES

Revenue (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. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

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, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of 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.

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, advertising expenses, removal expenses, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. 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 includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

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
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

17.4.1 - August 2021

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,8,9(a),12(a),12(b)	\$	\$	\$
Governance		12,000	13,375	12,500
General purpose funding		2,563,000	4,272,056	2,340,281
Law, order, public safety		20,000	19,368	19,844
Housing		0	0	5,400
Community amenities		300	270	0
Recreation and culture		7,610	7,561	1,750
Transport		1,413,934	6,173,299	8,882,485
Economic services		692,180	341,889	242,000
Other property and services		100,000	103,165	94,544
		4,809,024	10,930,983	11,598,804
Expenses excluding finance costs	4(a),5,12(c)(e)			
Governance		(710,763)	(564,440)	(640,322)
General purpose funding		(89,319)	(41,362)	(40,322)
Law, order, public safety		(95,057)	(108,119)	(118,350)
Health		(56,962)	(43,314)	(53,840)
Education and welfare		(1,200)	(1,000)	0
Housing		(84,329)	(54,243)	(24,000)
Community amenities		(149,805)	(150,654)	(119,152)
Recreation and culture		(312,067)	(270,893)	(343,676)
Transport		(5,018,135)	(13,653,753)	(15,348,530)
Economic services		(1,373,372)	(967,554)	(974,521)
Other property and services		(17,363)	0	0
		(7,908,372)	(15,855,332)	(17,662,713)
Finance costs	6(a),12(d)			
Transport		(8,030)	(690)	(567)
Economic services		(3,710)	0	0
		(11,740)	(690)	(567)
Subtotal		(3,111,088)	(4,925,039)	(6,064,476)
Non-operating grants, subsidies and contributions	9(b)	1,587,350	1,563,591	1,420,779
(Loss) on disposal of assets	4(b)	(11,828)	0	(33,812)
		1,575,522	1,563,591	1,386,967
Net result		(1,535,566)	(3,361,448)	(4,677,509)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(1,535,566)	(3,361,448)	(4,677,509)

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

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

OBJECTIVE

GOVERNANCE

To provide the decision-making framework to facilitate allocation of scarce resources.

ACTIVITIES

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

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally conscious community.

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

HEALTH

To provide an operational framework for environmental and community 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

To provide services to disadvantaged persons. The elderly, children and youth.

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

HOUSING

To provide and maintain staff housing.

Provision and maintenance of staff housing.

COMMUNITY AMENITIES

To provide services required by the community.

Maintain a refuse site for the settlement.

RECREATION AND CULTURE

To establish and effectively manage infrastructure and resources which will help the social well being of the community.

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

TRANSPORT

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of roads, drainage works and traffic signs. Maintenance of the settlement air-strip.

ECONOMIC SERVICES

To help promote the shire and its economic well being.

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

To monitor and control Shire's overheads operating accounts.

Private works operation, plant repair and operation costs.

SHIRE OF MURCHISON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

17.4.1 - August 2021

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		532,000	102,264	465,397
Operating grants, subsidies and contributions		3,206,172	4,444,079	2,228,169
Fees and charges		701,530	306,816	251,750
Interest received		60,500	55,981	121,500
Goods and services tax received		239,928	915,814	1,182,140
Other revenue		500	6,011,248	8,762,929
		4,740,630	11,836,202	13,011,885
Payments				
Employee costs		(1,458,351)	(1,365,244)	(1,310,475)
Materials and contracts		(2,399,276)	(10,479,030)	(12,937,672)
Interest expenses		(11,740)	(690)	(567)
Insurance paid		(161,408)	(150,817)	(159,668)
Goods and services tax paid		(239,928)	(1,047,903)	(1,182,140)
Other expenditure		(208,900)	(170,334)	(123,583)
		(4,479,603)	(13,214,018)	(15,714,105)
Net cash provided by (used in) operating activities	3	261,027	(1,377,816)	(2,702,220)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(1,142,639)	(1,117,537)	(2,922,028)
Payments for construction of infrastructure	4(a)	(3,987,926)	(2,621,373)	(2,332,530)
Non-operating grants, subsidies and contributions	9(b)	1,587,350	1,563,591	1,420,779
Proceeds from sale of plant and equipment	4(b)	47,000	0	30,000
Net cash provided by (used in) investing activities		(3,496,215)	(2,175,319)	(3,803,779)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(139,382)	(1,138)	(1,138)
Proceeds on disposal of financial assets at amortised cost - term deposits		0	2,500,000	2,500,000
Proceeds from new borrowings	6(a)	2,750,000	0	2,750,000
Net cash provided by (used in) financing activities		2,610,618	2,498,862	5,248,862
Net increase (decrease) in cash held		(624,570)	(1,054,273)	(1,257,137)
Cash at beginning of year		7,949,651	9,003,924	8,372,610
Cash and cash equivalents at the end of the year	3	7,325,081	7,949,651	7,115,473

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

SHIRE OF MURCHISON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

17.4.1 - August 2021

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2(a)	4,820	3,843,908	3,958,749
		4,820	3,843,908	3,958,749
Revenue from operating activities (excluding rates)				
Governance		12,000	13,375	12,500
General purpose funding		2,031,000	3,813,590	1,874,884
Law, order, public safety		20,000	19,368	19,844
Housing		0	0	5,400
Community amenities		300	270	0
Recreation and culture		7,610	7,561	1,750
Transport		1,413,934	6,173,299	8,882,485
Economic services		692,180	341,889	242,000
Other property and services		100,000	103,165	94,544
		4,277,024	10,472,517	11,133,407
Expenditure from operating activities				
Governance		(715,413)	(564,440)	(640,322)
General purpose funding		(89,319)	(41,362)	(40,322)
Law, order, public safety		(95,057)	(108,119)	(118,350)
Health		(56,962)	(43,314)	(53,840)
Education and welfare		(1,200)	(1,000)	0
Housing		(84,329)	(54,243)	(24,000)
Community amenities		(149,805)	(150,654)	(119,152)
Recreation and culture		(312,067)	(270,893)	(343,676)
Transport		(5,033,343)	(13,654,443)	(15,382,909)
Economic services		(1,377,082)	(967,554)	(974,521)
Other property and services		(17,363)	0	0
		(7,931,940)	(15,856,022)	(17,697,092)
Non-cash amounts excluded from operating activities	2(b)	3,692,265	3,401,471	3,261,358
Amount attributable to operating activities		42,169	1,861,874	656,422
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,587,350	1,563,591	1,420,779
Payments for property, plant and equipment	4(a)	(1,142,639)	(1,117,537)	(2,922,028)
Payments for construction of infrastructure	4(a)	(3,987,926)	(2,621,373)	(2,332,530)
Proceeds from disposal of assets	4(b)	47,000	0	30,000
		(3,496,215)	(2,175,319)	(3,803,779)
Amount attributable to investing activities		(3,496,215)	(2,175,319)	(3,803,779)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(139,382)	(1,138)	(1,138)
Proceeds from new borrowings	6(a)	2,750,000	0	2,750,000
Transfers to cash backed reserves (restricted assets)	7(a)	(1,653,800)	(567,063)	(1,180,786)
Transfers from cash backed reserves (restricted assets)	7(a)	2,006,188	428,000	1,113,884
Amount attributable to financing activities		2,963,006	(140,201)	2,681,960
Budgeted deficiency before imposition of general rates		(491,040)	(453,646)	(465,397)
Estimated amount to be raised from general rates	1	532,000	458,466	465,397
Net current assets at end of financial year - surplus/(deficit)	2(a)	40,960	4,820	0

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

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1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2021/22 Budgeted rate revenue	2021/22 Budgeted interim rates	2021/22 Budgeted back rates	2021/22 Budgeted total revenue	2020/21 Actual total revenue	2020/21 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Unimproved valuations									
UV Pastoral	0.03874	23	1,404,195	54,399	0	0	54,399	56,229	48,096
UV Mining	0.26543	12	1,480,809	393,051	0	0	393,051	382,010	385,570
UV Prospecting and exploration	0.09618	32	845,053	81,277	(9,927)	0	71,350	14,257	25,761
Sub-Totals		67	3,730,057	528,727	(9,927)	0	518,800	452,496	459,427
Minimum									
Minimum payment									
	\$								
Unimproved valuations									
UV Pastoral	600	6	17,320	3,600	0	0	3,600	1,920	1,920
UV Mining	600	0	0	0	0	0	0	0	0
UV Prospecting and exploration	600	16	45,778	9,600	0	0	9,600	4,050	4,050
Sub-Totals		22	63,098	13,200	0	0	13,200	5,970	5,970
		89	3,793,155	541,927	(9,927)	0	532,000	458,466	465,397
Total amount raised from general rates							532,000	458,466	465,397

All land (other than exempt land) in the Shire of Murchison is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Murchison.

The general rates detailed for the 2021/22 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

1. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	15/10/2021	0	0.0%	7.0%
Option two				
First instalment	15/10/2021	0	0.0%	7.0%
Second instalment	17/12/2021	11	0.0%	7.0%
Third instalment	18/02/2022	11	0.0%	7.0%
Fourth instalment	18/04/2022	11	0.0%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	500	0	500
Unpaid rates and service charge interest earned	8,000	13,201	1,000
	8,500	13,201	1,500

1. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential general rate

Description	Characteristics	Objects	Reasons
UV Pastoral	Consists of properties used for pastoral purposes.	This is considered to be the base rate against which all other UV rated properties are measured.	Council recognises the reduced viability of the sector caused by many years of droughts and floods, the devastation caused by the wild dog problem and noting that many in this category are required to supplement their income through non pastoral activities. It also recognises the perpetual nature of the land use, the long-term commitment of pastoralists to the region, their stewardship of Crown Land, and that a non-Shire biosecurity rate is additionally linked to the valuations provided by the Valuer General. Several pastoral stations have in recent years also been taken over by the Crown and become non-rateable, thereby further impacting on this rating sector.
UV Mining	Mining tenements other than exploration or prospecting tenements.	The differential rate in the dollar is based on the commercial aspects of mining leases.	The mining sector tends to be transitory in nature and benefits from established Shire services and infrastructure which is maintained in the long term with funding assistance by those rate payers who are established long term in the region. A consideration in setting the UV Mining rate at a higher level than the benchmark UV Pastoral rate is to ensure that the mining sector's contribution is proportionate to the advantage it gains in using established facilities. Unlike the pastoral sector the mining sector does not pay a biosecurity rate linked to the valuations provided by the Valuer General, even though the mining/exploration sectors may pose a biosecurity risk.

1. RATES AND SERVICE CHARGES (CONTINUED)

Description	Characteristics	Objects	Reasons
UV Prospecting and exploration	Exploration/prospecting tenements.	The differential rate in the dollar is based on the commercial aspects of mining tenements.	As with the UV Mining sector, the UV Prospecting and exploration sector tends to be transitory. Mining licences also have a limited intrinsic value unless minerals are found and mined. As a result they have a high turnover of ownership. If a licence is terminated or the lessee does not pay rates for the period of the licence, the rates are generally not able to be recovered by the local government. Administration of licences for rating purposes is technically complex and disproportionate to that of base level rating. Unlike the pastoral sector the mining sector does not pay a biosecurity rate linked to the valuations provided by the Valuer General, even though the mining/exploration sectors may pose a biosecurity risk.

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
UV Pastoral	Consists of properties used for pastoral purposes.	The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to Shire costs.	To ensure that all properties contribute an equitable rate amount.
UV Mining	Mining tenements other than exploration or prospecting tenements.	The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to Shire costs.	To ensure that all properties contribute an equitable rate amount.
UV Prospecting and exploration	Exploration/prospecting tenements	The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to Shire costs.	To ensure that all properties contribute an equitable rate amount.

(e) Variation in Adopted Differential Rates to Local Public Notice

The following rates and minimum payments were previously set out in the local public notice giving notice of the intention to charge differential rates.

Differential general rate or general rate	Proposed Rate in \$	Adopted Rate in \$	Reasons for the difference
UV Pastoral	0.03377	0.03874	Because of a high number of successful objections to valuations in the UV Pastoral area, post the initial Council review.

1. RATES AND SERVICE CHARGES (CONTINUED)

(f) Specified Area Rate

The Shire did not raise specified area rates for the year ended 30th June 2022.

(g) Service Charges

The Shire did not raise service charges for the year ended 30th June 2022.

(h) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2022.

2. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents - unrestricted

Cash and cash equivalents - restricted

Receivables

Inventories

Less: current liabilities

Trade and other payables

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Long term borrowings

Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
3	548,486	512,346	58,650
3	6,776,595	7,437,305	7,056,823
	762,296	762,296	554,371
	143,889	143,889	28,940
	8,231,266	8,855,836	7,698,784
	(1,413,711)	(1,413,711)	(641,961)
	0	(308,322)	0
6	(2,613,009)	(1,176)	(1,997,896)
	(134,483)	(134,483)	(78,668)
	(4,161,203)	(1,857,692)	(2,718,525)
	4,070,063	6,998,144	4,980,259
2.(c)	(4,029,103)	(6,993,324)	(4,980,259)
	40,960	4,820	0

2. NET CURRENT ASSETS (CONTINUED)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

Add: Loss on disposal of assets

Add: Depreciation on assets

Movement in non-current employee provisions

Movement in current employee provisions associated with restricted cash

Non cash amounts excluded from operating activities

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Less: Cash - restricted reserves

Add: Current liabilities not expected to be cleared at end of year

- Current portion of borrowings
- Current portion of employee benefit provisions held in reserve

Total adjustments to net current assets

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
4(b)	11,828	0	33,812
5	3,680,437	3,360,979	3,227,546
	0	(8,725)	0
	0	49,217	0
	3,692,265	3,401,471	3,261,358
7	(6,776,595)	(7,128,983)	(7,056,823)
	2,613,009	1,176	1,997,896
	134,483	134,483	78,668
	(4,029,103)	(6,993,324)	(4,980,259)

2 (d) NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

An 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.

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 of Murchison 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.

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 City recognises revenue for the prepaid rates that have not been refunded.

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 of completion and the estimated costs necessary to make the sale.

Superannuation

The Shire of Murchison contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Murchison contributes are defined contribution plans.

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.

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

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 goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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 loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

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 measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

EMPLOYEE BENEFITS

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. The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

3. RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	Note	2021/22 Budget	2020/21 Actual	2020/21 Budget
Cash at bank and on hand		\$ 3,905,783	\$ 4,530,353	\$ 7,115,473
Term deposits		3,419,298	3,419,298	0
Total cash and cash equivalents		7,325,081	7,949,651	7,115,473
Held as				
- Unrestricted cash and cash equivalents		548,486	512,346	58,650
- Restricted cash and cash equivalents		6,776,595	7,437,305	7,056,823
		7,325,081	7,949,651	7,115,473
Restrictions				
The following classes of 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		6,776,595	7,437,305	7,056,823
		6,776,595	7,437,305	7,056,823
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Reserves - cash/financial asset backed	7	6,776,595	7,128,983	7,056,823
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity		0	308,322	0
		6,776,595	7,437,305	7,056,823
Reconciliation of net cash provided by operating activities to net result				
Net result		(1,535,566)	(3,361,448)	(4,677,509)
Depreciation	5	3,680,437	3,360,979	3,227,546
(Profit)/loss on sale of asset	4(b)	11,828	0	33,812
(Increase)/decrease in receivables		0	(451,006)	(150,596)
(Increase)/decrease in contract assets		0	0	381,537
(Increase)/decrease in inventories		0	(70,902)	0
Increase/(decrease) in payables		0	359,338	(96,231)
Increase/(decrease) in Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity		(308,322)	308,322	0
Increase/(decrease) in other provision		0	0	0
Increase/(decrease) in employee provisions		0	40,492	0
Non-operating grants, subsidies and contributions		(1,587,350)	(1,563,591)	(1,420,779)
Net cash from operating activities		261,027	(1,377,816)	(2,702,220)

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available 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 2 - Net Current Assets.

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.

4. FIXED ASSETS

(a) Acquisition of Assets

The following assets are budgeted to be acquired during the year.

	Reporting program							
	Governance	Housing	Community amenities	Transport	Economic services	2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
Asset class	\$	\$	\$	\$	\$	\$	\$	\$
<u>Property, Plant and Equipment</u>								
Buildings	11,000	95,000	0	15,000	407,152	528,152	757,651	356,019
Buildings - specialised	0	0	0	0	0	0	19,491	1,366,509
Furniture and equipment	25,000	0	0	0	64,487	89,487	14,626	71,000
Plant and equipment	70,000	0	0	455,000	0	525,000	325,769	403,500
Works in progress	0	0	0	0	0	0	0	725,000
	106,000	95,000	0	470,000	471,639	1,142,639	1,117,537	2,922,028
<u>Infrastructure</u>								
Infrastructure - roads	0	0	0	2,754,806	0	2,754,806	2,621,373	2,332,530
Infrastructure - other	0	0	80,000	53,120	1,100,000	1,233,120	0	0
	0	0	80,000	2,807,926	1,100,000	3,987,926	2,621,373	2,332,530
Total acquisitions	106,000	95,000	80,000	3,277,926	1,571,639	5,130,565	3,738,910	5,254,558

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this budget document as follows:

SIGNIFICANT ACCOUNTING POLICIES

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.

4. FIXED ASSETS

(b) Disposals of Assets

The following assets are budgeted to be disposed of during the year.

	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss	2020/21 Actual Net Book Value	2020/21 Actual Sale Proceeds	2020/21 Actual Profit	2020/21 Actual Loss	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Governance	29,650	25,000	0	(4,650)	0	0	0	0	0	0	0	0
Transport	29,178	22,000	0	(7,178)	0	0	0	0	63,812	30,000	0	(33,812)
	58,828	47,000	0	(11,828)	0	0	0	0	63,812	30,000	0	(33,812)
By Class												
<u>Property, Plant and Equipment</u>												
Plant and equipment	58,828	47,000	0	(11,828)	0	0	0	0	63,812	30,000	0	(33,812)
	58,828	47,000	0	(11,828)	0	0	0	0	63,812	30,000	0	(33,812)

A detailed breakdown of disposals on an individual asset basis can be found in the supplementary information attached to this budget document as follows:

- Staff housing programme
- Plant replacement programme

SIGNIFICANT ACCOUNTING POLICIES

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.

5. ASSET DEPRECIATION

By Program

Governance
Law, order, public safety
Health
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

By Class

Buildings
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - bridges

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
30,236	26,313	28,433
34,146	44,546	26,280
2,607	2,607	2,655
84,330	54,243	24,000
10,016	10,016	6,264
66,927	65,787	67,307
2,978,693	2,700,948	2,632,637
78,136	69,830	72,450
395,346	386,689	367,520
3,680,437	3,360,979	3,227,546
278,824	241,707	316,539
3,644	1,450	3,600
559,438	554,850	415,861
2,787,327	2,511,768	2,439,546
51,204	51,204	52,000
3,680,437	3,360,979	3,227,546

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including 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:

Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

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

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget Principal	2021/22 Budget New Loans	2021/22 Budget Principal Repayments	Budget Principal outstanding	2021/22 Budget Interest Repayments	Actual Principal	2020/21 Actual New Loans	2020/21 Actual Principal Repayments	Actual Principal outstanding	2020/21 Actual Interest Repayments	Budget Principal	2020/21 Budget New Loans	2020/21 Budget Principal Repayments	Budget Principal outstanding	2020/21 Budget Interest Repayments
				1 July 2021			30 June 2022		1 July 2020			30 June 2021		1 July 2020			30 June 2021	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Transport																		
Purchase of road plant	1	WATC	3.3%	16,177	0	(1,176)	15,001	(529)	17,315	0	(1,138)	16,177	(567)	17,315	0	(1,138)	16,177	(567)
Roadworks in 2020-21	2	WATC	1.0%	0	2,000,000	(93,061)	1,906,939	(7,501)	0	0	0	0	0	0	2,000,000	0	2,000,000	0
Economic services																		
MicroGrid Power	3	WATC	1.0%	0	750,000	(45,145)	704,855	(3,710)	0	0	0	0	0	0	750,000	0	750,000	0
				16,177	2,750,000	(139,382)	2,626,795	(11,740)	17,315	0	(1,138)	16,177	(567)	17,315	2,750,000	(1,138)	2,766,177	(567)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Roadworks Finding	WATC	TBA	10	1.0%	2,000,000	2,106,668	2,000,000	0
MicroGrid Power	WATC	TBA	8	1.0%	750,000	782,231	750,000	0
					2,750,000	2,888,899	2,750,000	0

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2021 nor is it expected to have unspent borrowing funds as at 30th June 2022.

(d) Credit Facilities

Undrawn borrowing facilities credit standby arrangements

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Bank overdraft limit	1,000,000	100,000	100,000
Bank overdraft at balance date	0	0	0
Credit card limit	5,000	5,000	5,000
Credit card balance at balance date	0	303	0
Total amount of credit unused	1,005,000	105,303	105,000

Loan facilities

Loan facilities in use at balance date	2,626,795	16,177	2,766,177
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SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave reserve	139,088	25,700	0	164,788	138,380	708	0	139,088	138,380	4,150	0	142,530
(b) Plant reserve	1,372,757	300,000	(478,000)	1,194,757	1,433,553	51,204	(112,000)	1,372,757	1,433,553	620,509	(207,000)	1,847,062
(c) Buildings reserve	499,422	2,700	(11,000)	491,122	512,797	2,625	(16,000)	499,422	512,797	7,336	(31,000)	489,133
(d) Berrigarra - Cue road reserve	3,454,306	24,000	(767,188)	2,711,118	3,430,426	23,880	0	3,454,306	3,430,426	49,077	(325,884)	3,153,619
(e) CSIRO Berrigarra - Pindar road reserve	175,949	900	0	176,849	175,053	896	0	175,949	175,053	2,504	0	177,557
(f) Flood damage repairs reserve	105,969	500	0	106,469	255,503	466	(150,000)	105,969	255,504	3,655	(150,000)	109,159
(g) Settlement buildings and facilities	522,634	1,300,000	(350,000)	1,472,634	669,208	3,426	(150,000)	522,634	669,208	9,574	(400,000)	278,782
(h) Asset rehabilitation reserve	858,858	0	(400,000)	458,858	375,000	483,858	0	858,858	375,000	483,981	0	858,981
	7,128,983	1,653,800	(2,006,188)	6,776,595	6,989,920	567,063	(428,000)	7,128,983	6,989,921	1,180,786	(1,113,884)	7,056,823

(b) Cash Backed Reserves - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements
(b) Plant reserve	Ongoing	To be used for the purchase of plant
(c) Buildings reserve	Ongoing	To be used for the construction/renovation of administration centre and Works Depot
(d) Berrigarra - Cue road reserve	Ongoing	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 Berrigarra - Pindar road reserve	Ongoing	To be used to fund additional maintenance work required for CSIRO traffic
(f) Flood damage repairs reserve	Ongoing	To be used towards the 'trigger point' for WANDRRA funded flood damage works
(g) Settlement buildings and facilities	Ongoing	To be used to fund improvements to and maintenance of settlement buildings and facilities as well as new facilities
(h) Asset rehabilitation reserve	Ongoing	To be used to fund works associated with rehabilitating Council's Infrastructure Assets

8. FEES & CHARGES REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Governance	7,000	9,506	7,500
Law, order, public safety	500	50	500
Community amenities	0	270	0
Recreation and culture	2,150	3,361	1,750
Economic services	691,880	302,163	242,000
Other property and services	0	(8,534)	0
	701,530	306,816	251,750

9. GRANT REVENUE

By Program:

(a) Operating grants, subsidies and contributions

Governance	5,000	0	0
General purpose funding	1,970,000	3,757,609	1,752,884
Law, order, public safety	19,500	19,318	19,344
Community amenities	300	0	0
Recreation and culture	5,460	0	0
Transport	1,413,934	321,545	225,000
Economic services	300	0	0
Other property and services	100,000	0	0
	3,514,494	4,098,472	1,997,228

(b) Non-operating grants, subsidies and contributions

Law, order, public safety	2,000	8,320	0
Recreation and culture	0	0	40,000
Transport	1,585,350	1,555,271	1,380,779
	1,587,350	1,563,591	1,420,779
Total grants, subsidies and contributions	5,101,844	5,662,063	3,418,007

10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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	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
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 contractual commitments	General appropriations and contributions with no specific contractual commitments	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
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
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
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	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, 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

11. ELECTED MEMBERS REMUNERATION

Elected member - President

President's allowance	13,000
Meeting attendance fees	10,000
Other expenses	1,667
Annual allowance for ICT expenses	1,084
Travel and accommodation expenses	5,500

Elected member - Deputy President

Deputy President's allowance	5,500
Meeting attendance fees	10,000
Other expenses	1,667
Annual allowance for ICT expenses	1,083
Travel and accommodation expenses	5,500

Elected member - Member 1

Meeting attendance fees	10,000
Other expenses	1,667
Annual allowance for ICT expenses	1,083
Travel and accommodation expenses	4,750

Elected member - Member 2

Meeting attendance fees	10,000
Other expenses	1,667
Annual allowance for ICT expenses	1,083
Travel and accommodation expenses	4,750

Elected member - Member 3

Meeting attendance fees	10,000
Other expenses	1,666
Annual allowance for ICT expenses	1,083
Travel and accommodation expenses	4,750

Elected member - Member 4

Meeting attendance fees	10,000
Other expenses	1,666
Annual allowance for ICT expenses	1,084
Travel and accommodation expenses	4,750

Total Elected Member Remuneration

President's allowance	13,000
Deputy President's allowance	5,500
Meeting attendance fees	60,000
Other expenses	10,000
Annual allowance for ICT expenses	6,500
Travel and accommodation expenses	30,000

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
13,000	12,032	10,032
10,000	9,870	10,091
1,667	385	3,167
1,084	874	1,333
5,500	2,110	7,600
31,251	25,271	32,223
5,500	5,015	2,508
10,000	9,870	10,091
1,667	385	3,167
1,083	1,165	1,333
5,500	1,616	7,100
23,750	18,051	24,199
10,000	9,870	10,091
1,667	385	3,167
1,083	1,165	1,333
4,750	4,033	6,900
17,500	15,453	21,491
10,000	9,870	10,091
1,667	385	3,167
1,083	1,165	1,333
4,750	2,131	6,900
17,500	13,551	21,491
10,000	9,870	10,091
1,666	385	3,166
1,083	1,165	1,333
4,750	2,085	6,900
17,499	13,505	21,490
10,000	9,870	10,091
1,666	385	3,166
1,084	874	1,333
4,750	499	6,900
17,500	11,628	21,490
125,000	97,459	142,384
13,000	12,032	10,032
5,500	5,015	2,508
60,000	59,220	60,546
10,000	2,310	19,000
6,500	6,408	7,998
30,000	12,474	42,300
125,000	97,459	142,384

12. OTHER INFORMATION

The net result includes as revenues

(a) Interest earnings

Investments			
- Reserve funds	39,500	30,006	100,000
- Other funds	13,000	12,774	20,500
Other interest revenue (refer note 1b)	8,000	13,201	1,000
	60,500	55,981	121,500

* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 7%.

(b) Other revenue

Reimbursements and recoveries	500	6,011,248	8,657,985
Other	0	0	104,944
	500	6,011,248	8,762,929

The net result includes as expenses

(c) Auditors remuneration

Audit services	73,200	0	37,350
	73,200	0	37,350

(d) Interest expenses (finance costs)

Borrowings (refer Note 6(a))	11,740	567	567
Other	0	123	0
	11,740	690	567

(e) Write offs

General rate	50,000	9,075	0
	50,000	9,075	0

13. SIGNIFICANT ACCOUNTING POLICIES - OTHER INFORMATION

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.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a budget 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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

COMPARATIVE FIGURES

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

BUDGET COMPARATIVE FIGURES

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

Introduction

Under the current COVID-19 Response arrangements there has been a significant amount of emphasis by the State and Commonwealth Governments to advance maintenance and capital spending on projects that benefit the community during the COVID-19 Pandemic. In March 2020 Council resolved to support this approach in principle but obviously this will be carried out in a financially responsible manner.

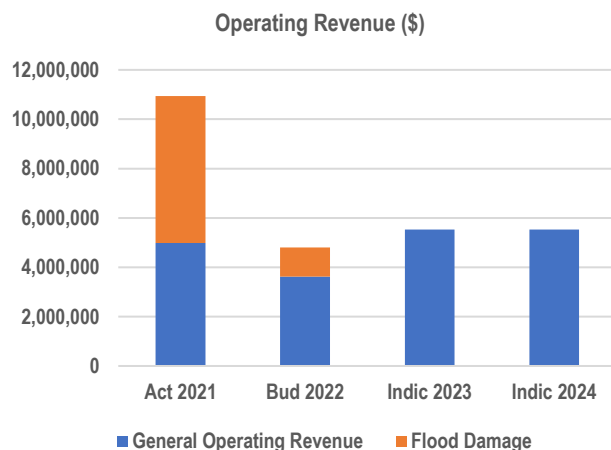
Additional Government specific COVID-19 inputs included allocations from the Local Roads and Community Infrastructure Program (LRCIP). Phase 1 - \$602,446 completed by 30 June 2021, Phase 2 - \$405,889 to be completed by 31 December 2021 and, Phase 3 - \$1,204,892 to be completed by 30 June 2023. Council also added to these amounts

3-Year Indicative Budget Approach

Budgets are set and delivered on an annual basis. In reality works and services are delivered on a continuous basis with the financial year merely a point in time. In the current COVID-19 environment it is also considered prudent to at least look at the situation of at least a 3-year period, given the anticipated changes in an abnormal environment. Part of the 2021/22 budget processes therefore involved examining such a 3-Year indicative budget. The Budget Reserves Net Current Assets Summary Graph at the end of this summary highlights this 3-year approach.

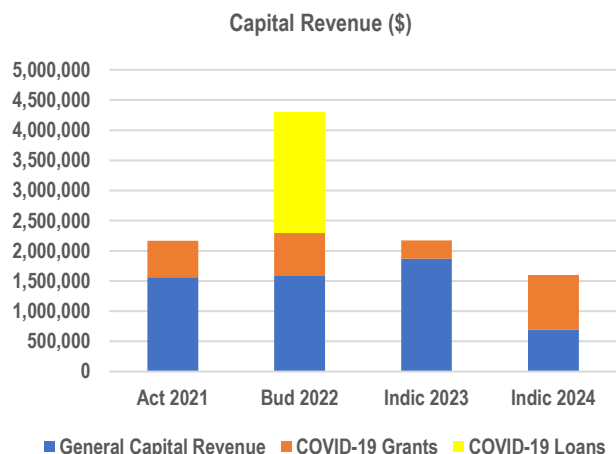
Operating Revenue

A summary of operating revenue is show below. Revenue associated with Flood Damage Repairs tend to significantly impact on Councils normal level of operations. At this stage the 2021/22 Budget has not included any revenue for rainfall events in the early part of 2021 which have been declared but actual amounts not yet known



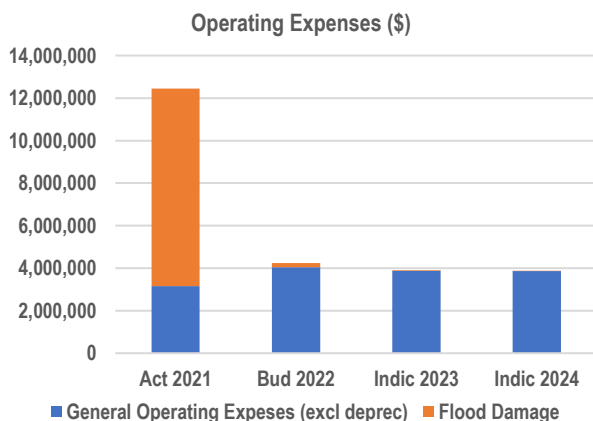
Capital Revenue

Elevated levels in 2021 to 2024 are as a result of additional government grants and Council loan related to COVID-19 related stimulus measures.



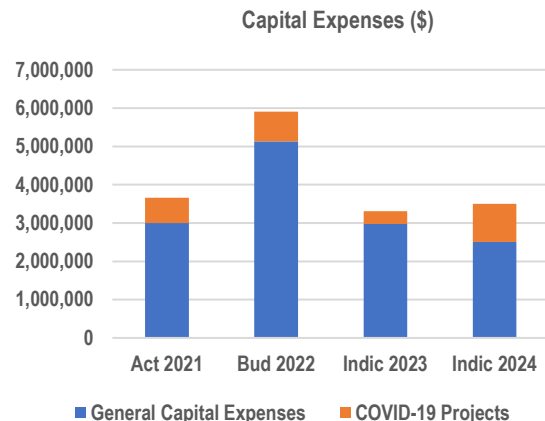
Operating Expenses

As shown although substantially funded, expenses associated with Flood Damage Repairs tend to significantly impact on Councils normal level of operations.



Capital Expenses

As shown elevated levels in 2021 to 2024 are mainly due to COVID-19 related stimulus measures



17.4.2 - August 2021

Rates

Budgeted rate revenue of \$532,000 is to be derived via the following differentials as approved by the Minster for Local Government.

Differential Rate Type	Rate in dollar cents	Min Payment (\$)
UV Pastoral	3.874	600
UV Mining	26.543	600
UV Exploration	9.618	600

Plant Replacement

Plant to be replaced includes scheduled replacement of an Isuzu 5 Tonne Truck plus a 2nd hand grid roller, tractor, flat deck and dolly. Total Gross Cost **\$455,000**.

Settlement Works

Council has finalised the 2021 Settlement Masterplan Report which includes a separate list of capital works projects as listed below in around the Murchison Settlement.

These projects identified below are listed in no priority order. Once detailed scoping and design has been completed and then works prioritised it is expected Council will work through the final priority list until the funding runs out.

A budget allocation amount of **\$1.30m** has been transferred into Reserves. Proj F is to proceed in 2021/22. Proj K is to be developed and scoped with additional funding to be sought.

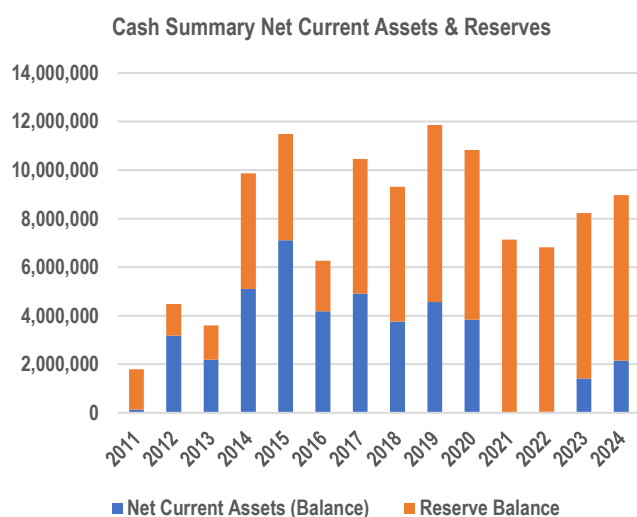
PROJ A	Transportable Classroom
PROJ D	Community / Sports Centre Upgrade
PROJ E	Community Swimming Pool / Splash Pad
PROJ F	New -Caravan Park Ablution Block
PROJ H	New -Caravan Park 2 Ensuite Units
PROJ I	General Settlement Amenity Improvements
PROJ J	Playground Upgrade
PROJ K	Interpretive Centre

Loans

Budget provides for a roadworks loan of \$2.0m, and Solar Power loan of \$0.75m. Both were a carryover items from 2020/21. Loan repayments for the Solar Power Loan are anticipated to be substantially recovered through reduced diesel operating costs at the Murchison Powerhouse.

Budget Reserves Net Current Assets Summary

The following Budget Cash Summary is a graphical representation of the summary of our Reserves (Restricted Cash) and Net Current Assets (Unrestricted Cash)



Capital Works

The 2021/22 budget includes the following Capital Works in \$.

Job	Description	Budget 2022
Administration		
	Council Meeting Tables	15,000
	Library Floor Upgrade	11,000
	Purchase Furniture & Equipment - Admin	10,000
	Administration Vehicles	70,000
Housing		
	Renovation 6 Kurara Way	95,000
Refuse Removal Tip sites & Sewerage		
	Tip Site Development Works	50,000
Town Planning & Other Community Amenities		
	Niche Wall for Settlement Cemetery	30,000
Construction Roads Footpaths Drains Bridges Depot		
	Road Sealing Program	171,839
	Carnarvon Mullewa Road SLK 254.10 to SLK 257.40 Reconstruct Resheet Prep & Seal	278,667
	Carnarvon-Mullewa Rd SLK 0.0 Bilung Creek Crossing Reconstruction	690,000
	LRCIP Phase 2 Works	405,889
	LRCIP Phase 3 Works	301,223
	Beringarra-Cue Rd - Convert to Gravel	767,188
	Grids General	140,000
	Purchase Buildings & Imp - Roads, Bridges, Depot	15,000
Road Plant Purchases		
	Purchase Major Plant & Equipment - Road Plant Purchases	455,000
Airport		
	Airport Taxiway Turnaround Flood Lighting	38,120
	Airport Lighting Upgrade - Own Source Funds	15,000
Other Economic Services		
	Provision of Solar Power	900,000
	Improvements To drinking Water reticulation	200,000
	Roadhouse Cool room/Freezer Room Combination	34,987
	Point of Sale System Roadhouse	22,000
	Washing Machines	7,500
	New Caravan Park Ablution Block	350,000
	New verandah three Accommodation Units	27,500
	Roadhouse Business Works	29,652
	Total Capital Works	5,130,565

Summary

Overall, Council aims to responsibly provide a positive COVID-19 Response Budget and still retain the Murchison Shire and Settlement in a sound long-term sustainable position.

Further Information

Please check Councils Website <https://www.murchison.wa.gov.au/> for further details of the Budget.

Capital Program

2021/22 Budget Update

The 2020/21 Budget has been adapted to the with the view to achieving the community's vision and Shire's strategic goals use outlined by the Shire's Strategic Community Plan 2016/17 -2026/27 and Corporate Business Plan 2017-2021 which together form the Shire Plan for Future.

Specific elements of the plan that have been directly impacted by the current COVID-19 Coronavirus environment as listed below in this Corporate Business Plan Extract Update. Those items in green show the updated changes

A number of projects are forecast to be undertaken during the life of the Plan which result in capital expenditure. The activities are summarised below along with an indication of the forecast capital expenditure extracted from the Long Term Financial Plan.

Action	Project	2017-18 \$	2018-19 \$	2019-20 \$	2020-21 \$	2021-22 Budget Comments
4.3.1.2	Plant replacement	608,215	958,636	461,132	493,978	20-year Plant Replacement Program updated and endorsed
4.3.1.2	Plant and equipment renewals - minor plant	15,000	15,300	15,606	15,918	Appropriate budget provision
3.1.1.1	Chlorinator	50,000				Improvements to drinking water reticulation
2.3.1.2	Fertigation	15,000				Previously completed
2.2.1.1.	Green energy solution		1,100,000			Settlement Power Upgrade. Two new Gensets in 2020/21. Final investigation of a solar microgrid solution in 2020/21 with scheduled construction in 2021/22 part funded by proposed \$750k loanPart of a Council COVID-19 stimulus approach.
3.2.1.3	DFES - fast attack			120,000		Previously completed
1.1.1.3	Road construction and renewal	7,307,942	1,402,899	1,424,529	1,826,808	Substantial expanded Program as outlined in budget as part of a Council COVID-19 stimulus approach in 2020/21 and 2021/22 and as part of a three year adopted rolling program
3.1.1.1	Other Infrastructure	7,677				
1.1.1.3	Historic Ballinyoo bridge span	15,000				Previously completed
3.1.1.3	Cemetery beautification	20,000				New Cemetery Wall included in 2021/22
1.1.1.3	Storage bunkers for road building materials		25,000			Under re-review and consideration
4.3.1.2	Furniture and equipment renewals	15,000	15,300	15,606	15,918	Appropriate budget provision

Action	Project	2017-18 \$	2018-19 \$	2019-20 \$	2020-21 \$	2021-22 Budget Comments
1.2.1.1	Interpretive centre		1,500,000			Under re-review and consideration in view of other Settlement priorities.
1.2.1.2	Backpackers accommodation and campers kitchen		500,000			Reviewed in 2020/21 and supersedes as party of 2021 Settlement Master
3.1.1.1	Extend administration offices				500,000	Minor modifications in 2019/20 to Library and Kitchen undertaken. Under re-review and consideration considering other Settlement priorities.
3.1.1.1	Sheds for residential houses	62,000				Replaced by sea containers in 2020/21
3.1.1.1	Staff housing	750,000				Two houses and fencing plus substantial renovations of several house in 2020/21. New house for roadhouse defer3ed till 2022/23. Part of a Council COVID-19 stimulus approach.
3.1.1.1	Administration office carports				45,000	Under re-review and consideration considering other Settlement priorities.
3.2.1.3	First aid transfer room	80,000				
3.1.1.1	Sports club bbq rotunda		30,000			Refer Settlement Projects Below
3.1.1.1	Tyre storage	10,000				
3.1.3.2	Community centre - renewal		50,000			Community Room repainted and new carpet installed in 2019/20. Blinds in 2020/21. Refer Settlement Projects (PROJ D) below
Grand Total		8,955,834	5,597,135	2,036,873	2,897,622	
New Settlement Building Projects.						
1.	Various projects within the Murchison Settlement as outlined. These projects are listed as identified in no priority order. Detailed scoping and design required before final decisions are made. Adopted 2021 Settlement Masterplan guides scoping and design.	PROJ A	Transportable Classroom			2021/22 Budget provides a transfer to reserves amount of \$1.3m Depending on final designs, costings some or all of these projects are under consideration. PROJ K (SKA Interpretive Centre). Under review with draft concepts and a business case to be prepared
		PROJ D	Community Sports Centre Upgrade			
		PROJ E	Community Swimming Pool & Splash Pad			
		PROJ F	Caravan Park New Ablution Block			
		PROJ H	Caravan Park Two New Ensuite's			
		PROJ I	General Settlement Amenity Improvements			
		PROJ J	Playground Upgrade			
		PROJ K	SKA Interpretive Centre			
2.	Other Settlement Projects not included in the above	~	Bollards around Fuel Bowers		~	Other developments in and around Roadhouse Bollards following Council taking over management in March 2021
		~	Point of Sale and new cool room for Roadhouse			

SHIRE OF MURCHISON - Schedule of Fees and Charges

August 2021

DETAILS

(Unless otherwise noted ** fees and charges include gst)

2020/21

2021/22

Proposed

CEMETERY

Plot reservation	\$93.00	\$94.00
Sinking grave	Actual cost	Actual cost
Re-opening grave	\$465.00	\$465.00
Permit to erect plaque	\$47.00	\$47.00

SPORTS CLUB & EQUIPMENT

Sports Club / Community Centre – commercial, business or non-resident – per day or part	\$160.00	\$160.00
Sports Club Venue – bond *	\$255.00	\$255.00
* Exempt organisations are:- The Museum Committee, MAC, Shire Social Club, Murchison Sports Club, BFB, LEMC, PGA, RBG, ICPA, LCDC & CRBA		
Table Hire – per table- commercial, business, or non-resident hirer	\$6.00	\$6.00
Chair Hire – per chair – commercial, business or non-resident hirer	\$1.00	\$1.00
Bond for use of any chairs or tables outside of the settlement	\$205.00	\$205.00

ADMINISTRATION

Photocopying – black and white A4	\$0.30	\$0.30
Photocopying – black and white A3	\$0.60	\$0.60
Photocopying – colour A4	\$0.90	\$0.90
Photocopying – colour A3	\$1.80	\$1.80
Facsimile – inward	\$4.00	\$4.00
Facsimile – outward	\$4.00	\$4.00
Laminating – A4	\$2.70	\$2.70
Laminating – A3	\$4.80	\$4.80

ADVERTISING IN THE MONOLOGUE

Full page – black and white or color	\$25.00	\$25.00
½ page – black and white or color	\$15.00	\$15.00
¼ page – black and white or color	\$7.50	\$7.50

SPECIAL SERIES PLATES

\$200.00	\$210.00
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DOG FEES

Set by legislation and subject to change

Dog Registrations

Sterilised 1 year **	\$20.00	\$20.00
Sterilised 3 years**	\$42.50	\$42.50
Sterilised – Lifetime registration **	\$100.00	\$100.00
Sterilised Working Farm dog 1 year **	\$5.00	\$5.00
Sterilised Working Farm dog 3 years **	\$10.63	\$10.63
Sterilised Working Dog – Lifetime registration *8	\$25.00	\$25.00
Unsterilised 1 year **	\$50.00	\$50.00
Unsterilised 3 years **	\$120.00	\$120.00

Dog Registrations

SHIRE OF MURCHISON - Schedule of Fees and Charges

August 2021

Unsterilised – Lifetime Registration **	\$250.00	\$250.00
Unsterilised Working Farm dog 1 year **	\$12.50	\$12.50
Unsterilised Working Farm dog 3 years **	\$30.00	\$30.00
Unsterilised Working Dog – Lifetime registration **	\$62.50	\$62.50
Pensioners 50% of above mentioned charges *8=*		
50% only payable if paid from 31 May each year **		
25% only payable for working dogs **		
Proof of sterilisation and microchipping is required **		

Dog Pound Fees per day

Set by Council		
Sustenance per dog	\$10.00	\$10.00
Release fee	\$30.00	\$30.00

CAT FEES

Set by legislation and subject to change

Cat Registrations

Sterilised 1 year **	\$20.00	\$20.00
Sterilised 3 years **	\$42.50	\$42.50
Sterilised – Lifetime Registration **	\$100.00	\$100.00

Cat Pound Fees

Set by Council		
Sustenance per cat	\$5.00	\$5.00
Release Fee	\$30.00	\$30.00

BOOKS AND MAPS

1-10copies / >10 copies		
Road to Murchison	\$30	\$30 / \$25
A Varied and Versatile Life	\$28	\$28 / \$24
Capture the Culture	\$40	\$40 / \$34

AMMUNITION

Purchase Price plus 10%	Purchase Price plus 10%
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PRIVATE WORKS

Plant & Equipment (With operator)

\$ per hr incl gst		
Dozer Komatsu D85A	\$182.00	Internal rate plus 15%
Loader Volvo 966	\$157.00	Internal rate plus 15%
Loader Cat 938	\$137.00	Internal rate plus 15%
Grader	\$167.00	Internal rate plus 15%
Roller 12 tonne vibrating	\$137.00	Internal rate plus 15%
Roller rubber tyre	\$117.00	Internal rate plus 15%
Prime mover/1 side tipping trailer	\$167.00	Internal rate plus 15%
Prime mover/2 side tipping trailers	\$198.00	Internal rate plus 15%
Prime mover/30,000L water cart	\$162.00	Internal rate plus 15%
Prime Mover	\$135.00	Internal rate plus 15%

SHIRE OF MURCHISON - Schedule of Fees and Charges

August 2021

Prime mover/Low loader	\$4.00 per km, min \$200, one way charge only	\$4.00 per km, min \$200, one way charge only
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Plant & Equipment (With operator)

Mobilisation / Demobilisation	\$4.00 per km, min \$200, one way charge only	\$4.00 per km, min \$200, one way charge only
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Labour only

\$85.00 per hour	Salary plus 45%
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FUEL – DIESEL AND ULP

As per 5.3 Roadhouse Fuel Policy Fuel price will be set at a % above the highest of the purchase price (incl. freight) of newly delivered ULP or diesel.	15% above	15% above
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FREEDOM OF INFORMATION

If you wish to access information that is not just about yourself, the following charge will apply:

Application Fee **	\$30	\$30
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Other Fees

An Agency may impose other charges as per SCHEDULE 1 to the *Freedom of Information Regulations 1993*

Time for dealing with an application	\$30 per hour of staff	\$30 per hour of staff
Access time supervised by staff plus the actual additional cost to the agency of any special arrangements	\$30 per hour of staff	\$30 per hour of staff
Time charges for photocopying plus price per photocopy	\$30 per hour 20 cents per copy	\$30 per hour 20 cents per copy
Time charges taken by staff for transcribing	\$30 per hour	\$30 per hour
Cost for duplicating a tape, film or computer information	Actual cost	Actual cost

MURCHISON OASIS CARAVAN PARK

Cabins (cost per night)

Unit 1 - Non Ensuite (double bed & bunks)	\$90 - \$110	\$90 - \$110
Unit 2 - Non Ensuite (queen bed)	\$90	\$90
Unit 3 - Non Ensuite (3 single beds)	\$80, \$90, \$100	\$80, \$90, \$100
Unit 4 - Ensuite (queen bed)	\$150	\$150
Unit 5 - Ensuite (queen bed)	\$150	\$150
Unit 6 - Ensuite (queen bed)	\$150	\$150
Unit 7 - Ensuite with king single bed. (common kitchen)	\$90	\$90
Unit 8 - Ensuite with king single bed. (common kitchen)	\$90	\$90
Unit 9 - Ensuite with king single bed. (common kitchen)	\$90	\$90

Caravan Park Sites (cost per night)

Powered	\$25	\$25
Un Powered	\$20	\$20

Damage caused by Patrons

On a cost recovery basis

Roadhouse Sales

As per 5.2 Roadhouse Operations Policy	Cost Plus	Cost Plus
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LOCAL GOVERNMENT

LG301

Local Government Act 1995

**Local Government (COVID-19 Response)
Amendment Order 2021****SL 2021/66**

Made by the Minister under section 10.3 of the Act.

1. Citation

This order is the *Local Government (COVID-19 Response) Amendment Order 2021*.

2. Commencement

This order comes into operation as follows —

- (a) clauses 1 and 2 — on the day on which this order is published in the *Gazette*;
- (b) the rest of the order — on the day after that day.

3. Order amended

This order amends the *Local Government (COVID-19 Response) Order 2020*.

4. Clause 3 amended

In clause 3(1) insert in alphabetical order:

2021/22 annual budget, in relation to a local government, means the annual budget adopted by the local government under section 6.2 for the 2021/22 financial year;

2021/22 financial year means the financial year ending on 30 June 2022;

5. Clause 8 amended

- (1) In clause 8(1) delete “in its 2020/21 annual budget.” and insert:

in —

- (a) its 2020/21 annual budget; or
- (b) its 2021/22 annual budget.

- (2) In clause 8(3) delete “section 6.13 in its 2020/21 annual budget is not to exceed 8%.” and insert:

section 6.13 —

- (a) in its 2020/21 annual budget — is not to exceed 8%; and
- (b) in its 2021/22 annual budget — is not to exceed 7%.

6. Clause 13 amended

In clause 13(2) delete “in the 2020/21 financial year.” and insert:

in —

- (a) the 2020/21 financial year; or
- (b) the 2021/22 financial year.

7. Clause 14 amended

- (1) In clause 14(1) delete “for the 2020/21 financial year.” and insert:

for —

- (a) the 2020/21 financial year; or
- (b) the 2021/22 financial year.

- (2) In clause 14(3) delete “section 6.51 is not to exceed 8%.” and insert:

section 6.51 —

- (a) for the 2020/21 financial year — is not to exceed 8%; and
- (b) for the 2021/22 financial year — is not to exceed 7%.

J. CAREY, Minister for Local Government.



PERTH, FRIDAY, 8 MAY 2020 No. 72

SPECIAL

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Local Government Act 1995

Local Government (COVID-19 Response) Order 2020

SL 2020/57

Made by the Minister under section 10.3 of the Act.

1. Citation

This order is the *Local Government (COVID-19 Response) Order 2020*.

2. Commencement

This order comes into operation on the day on which it is published in the *Gazette*.

3. Terms used

(1) In this order, unless the contrary intention appears —

2019/20 financial year means the financial year ending on 30 June 2020;

2020/21 annual budget, in relation to a local government, means the annual budget adopted by the local government under section 6.2 for the 2020/21 financial year;

2020/21 financial year means the financial year ending on 30 June 2021;

cessation day means the day on which the state of emergency declaration made under the *Emergency Management Act 2005* section 56 on 15 March 2020 in relation to the COVID-19 pandemic is revoked or otherwise ceases to have effect;

commencement day means the day on which this order comes into operation;

COVID emergency period means the period beginning on commencement day and ending on cessation day;

excluded person means a person who —

- (a) is a residential ratepayer or small business ratepayer of a local government; and
- (b) is considered by the local government to be suffering financial hardship as a consequence of the COVID-19 pandemic;

proposed differential general rate, in relation to a local government, means a differential general rate that is to be imposed by the local government in the 2020/21 financial year;

proposed minimum payment, in relation to a local government, means a minimum payment that is to be imposed by the local government in the 2020/21 financial year;

residential ratepayer, in relation to a local government, means a person who under section 6.44 is liable to pay a rate or service charge that is imposed by the local government on land on the basis that the land is used for residential purposes;

section means a section of the Act;

small business has the meaning given in the *Small Business Development Corporation Act 1983* section 3(1);

small business ratepayer, in relation to a local government, means a person who under section 6.44 is liable to pay a rate or service charge that is imposed by the local government on land used by the person for the purposes of carrying out a small business owned or operated by the person.

- (2) A term has the same meaning in this order as it has in section 6.1.

4. Section 5.27 modified (electors' general meetings)

- (1) Section 5.27 is modified as set out in this clause in relation to a general meeting of the electors of a district that —
 - (a) under section 5.27 is required to be held in the 2019/20 financial year; and
 - (b) on commencement day has not been held.
- (2) The requirements in section 5.27(1) and (2) do not apply to the general meeting and are replaced with the requirements in subclauses (3) and (4).
- (3) The general meeting is not to be held during the COVID emergency period.
- (4) The general meeting is to be held on a day selected by the local government but not more than 56 days after cessation day.

5. Section 5.28 modified (electors' special meetings)

- (1) Section 5.28 is modified as set out in this clause in relation to a special meeting of the electors of a district that under section 5.28(4) is required or permitted to be held during the COVID emergency period.

- (2) The requirements in section 5.28(4) do not apply to the special meeting and are replaced with the requirements in subclauses (3) and (4).
 - (3) The special meeting is not to be held during the COVID emergency period.
 - (4) The special meeting is to be held on a day selected by the mayor or president but not more than 35 days after cessation day.
6. **Section 5.94 modified (public can inspect certain local government information)**
 - (1) Section 5.94 is modified as set out in this clause.
 - (2) If the office of a local government is closed as a consequence of the COVID-19 pandemic, the entitlement under section 5.94 of a person to attend the office to inspect a document and the requirements in that section are replaced with the entitlement and requirements in subclause (3).
 - (3) A person may request that a local government provide the person with a copy of a document referred to in section 5.94 and, unless it would be contrary to section 5.95, the local government is to, free of charge, and whether or not the document is current at the time of the request —
 - (a) if the document is published on the local government's official website — inform the person of the website address where the document is published; or
 - (b) email a copy of the document to an email address provided by the person; or
 - (c) mail a copy of the document to a postal address provided by the person.
7. **Section 6.2 modified (local government to prepare annual budget)**
 - (1) Section 6.2(2) is modified as set out in this clause in relation to the preparation of the 2020/21 annual budget of a local government.
 - (2) The reference to the contents of the plan for the future of the district made in accordance with section 5.56 is replaced with a reference to the consequences of the COVID-19 pandemic.
8. **Section 6.13 modified (interest on money owing to local governments)**
 - (1) Section 6.13 is modified as set out in this clause in relation to a resolution of a local government under section 6.13(1) that is to be included in its 2020/21 annual budget.
 - (2) The resolution —
 - (a) cannot require a person who is considered by the local government to be suffering financial hardship as a

consequence of the COVID-19 pandemic to pay interest;
and

- (b) is to specify that the requirement to pay interest does not apply to a person who is considered by the local government to be suffering financial hardship as a consequence of the COVID-19 pandemic.
- (3) The rate of interest that may be set by the local government under section 6.13 in its 2020/21 annual budget is not to exceed 8%.
- (4) Subclause (3) applies despite the *Local Government (Financial Management) Regulations 1996* regulation 19A.

9. Section 6.33 modified (differential general rates)

- (1) In this clause —
relevant rate, of a local government, means a proposed differential general rate of the local government that under section 6.33(3) cannot be imposed without the approval of the Minister.
- (2) Section 6.33(3) is modified as set out in this clause in relation to a relevant rate of a local government if —
 - (a) as a consequence of the COVID-19 pandemic, the local government resolves (whether before or after commencement day) that no proposed differential general rate of the local government will exceed the corresponding differential general rate that was imposed by the local government in the 2019/20 financial year;
and
 - (b) the local government obtained the Minister's approval under section 6.33(3) to impose in the 2019/20 financial year a differential general rate corresponding to the relevant rate.
- (3) The local government is not required to obtain the approval of the Minister under section 6.33(3) to impose the relevant rate.

10. Section 6.34 modified (limit on revenue or income from general rates)

- (1) Section 6.34(b) is modified as set out in this clause in relation to the 2020/21 annual budget of a local government.
- (2) The reference to 90% is replaced with a reference to 80%.

11. Section 6.35 modified (minimum payment)

- (1) In this clause —
relevant minimum payment, of a local government, means a proposed minimum payment of the local government that under section 6.35(5) cannot be imposed without the approval of the Minister.

- (2) Section 6.35(5) is modified as set out in this clause in relation to a relevant minimum payment of a local government if —
- (a) as a consequence of the COVID-19 pandemic, the local government resolves (whether before or after commencement day) that —
 - (i) no proposed differential general rate of the local government will exceed the corresponding differential general rate that was imposed by the local government in the 2019/20 financial year; and
 - (ii) no proposed minimum payment of the local government will exceed the corresponding minimum payment that was imposed by the local government in the 2019/20 financial year;
 and
 - (b) the local government obtained the Minister's approval under section 6.35(5) to impose in the 2019/20 financial year a minimum payment corresponding to the relevant minimum payment.
- (3) The local government is not required to obtain the approval of the Minister under section 6.35(5) to impose the relevant minimum payment.

12. Section 6.36 modified (local government to give notice of certain rates)

- (1) Section 6.36 is modified as set out in this clause in relation to a local government if, as a consequence of the COVID-19 pandemic, the local government resolves (whether before or after commencement day) that —
- (a) no proposed differential general rate of the local government will exceed the corresponding differential general rate that was imposed by the local government in the 2019/20 financial year; and
 - (b) no proposed minimum payment of the local government of the kind referred to in section 6.36(1) will exceed the corresponding minimum payment that was imposed by the local government in the 2019/20 financial year.
- (2) The requirements in section 6.36(1) to (4) do not apply to the local government and are replaced with the requirements in subclauses (3) and (4).
- (3) The local government must publish on the local government's official website details of each proposed differential general rate and each proposed minimum payment of the local government.

- (4) The details referred to in subclause (3) must be published by the local government within 10 days after the later of the following —
 - (a) the day on which the local government makes the resolution referred to in subclause (1);
 - (b) commencement day.

13. Section 6.45 modified (options for payment of rates or service charges)

- (1) In this clause —
financial hardship policy, in relation to a local government, means a policy addressing the manner in which the local government will deal with financial hardship that may be suffered by ratepayers and other persons who are required to make payments to the local government.
- (2) Section 6.45 is modified as set out in this clause in relation to payment by instalments of a rate or service charge imposed by a local government in the 2020/21 financial year.
- (3) The local government cannot impose an additional charge (including an amount by way of interest) under section 6.45(3) in respect of payment by instalments made by an excluded person.
- (4) If the local government has not adopted a financial hardship policy, the maximum rate of interest that may be imposed by the local government under section 6.45(3) is 3%.
- (5) Subclause (4) applies despite the *Local Government (Financial Management) Regulations 1996* regulation 68.

14. Section 6.51 modified (accrual of interest on overdue rates or service charges)

- (1) Section 6.51 is modified as set out in this clause in relation to a resolution made under section 6.51(1) by a local government at the time of imposing a rate or service charge for the 2020/21 financial year.
- (2) The resolution —
 - (a) cannot impose interest in respect of a rate or service charge payable by an excluded person; and
 - (b) is to specify that the imposition of interest does not apply in respect of a rate or service charge payable by an excluded person.
- (3) The rate of interest that may be set by the local government under section 6.51 is not to exceed 8%.
- (4) Subclause (3) applies despite the *Local Government (Financial Management) Regulations 1996* regulation 70.

15. Section 9.51 modified (giving documents to local government)

- (1) Section 9.51 is modified as set out in this clause.
- (2) In addition to the methods in section 9.51(a) and (b), a document may be given to a local government by sending it by email to the local government at its email address.

D. TEMPLEMAN, Minister for Local Government.

19.1.1 - August 2021

Unit of Competency Enrolments - Warehoused

- Qualification is "CME: Council Member Essentials"
- Activity Start Date is between 19 Oct 2014 and 12 Aug 2020
- Competency Outcome Code is "60 - Credit transfer/national recognition", "1 - Competent - WA/RAPT", "70 - Continuing activity", "2 - Not competent - WA/RAPT", "5 - Participating but studies not finished (with evidence) - WA/RAPT", "55 - Participating but studies not finished (NO evidence) - WA/RAPT", "105 - Not yet started - WA/RAPT" or "100 - Never started - no participation - WA/RAPT"
- Organisation is "Shire of Murchison"
- Contact Active is True

[illegible]

[illegible]

[illegible]

[illegible]

TRANSCRIPT OF ACADEMIC RECORD

Training Organisation: WALGA Training

Student Name: Cr Andrew Whitmarsh

Student Number: 620167

Organisation: Shire of Murchison

SHORT COURSE PARTICIPATION RECORD

<u>Short Course Name</u>	<u>Location</u>	<u>Status</u>	<u>Date</u>
Understanding Financial Reports and Budgets	Murchison	Attended	30 January 2020
Professionally Speaking	West Perth	Completed	7 August 2013- Convention
Councillor Roles & Responsibilities	Perth City	Completed	5 August 2013- Convention

QUALIFICATIONS/STATEMENTS OF ATTAINMENT AWARDED

<u>Qualification Code</u>	<u>Qualification Name</u>	<u>Status</u>	<u>Date</u>
CME	Council Member Essentials	In Progress	
<u>Unit of Competency Code</u>	<u>Unit of Competency Name</u>		
CMESOC	Serving on Council	C	25/05/2021
CMEULG	Understanding Local Government	C	25/05/2021
CMEMP	Meeting Procedures	C	27/05/2021
CMECOI	Conflicts of Interest	C	14/10/2020
CMEUFRB	Understanding Financial Reports and Budgets	C	25/05/2021

END OF TRANSCRIPT

Competencies Legend

C Competent

P Participating but studies not finished (NO evidence)

TRANSCRIPT OF ACADEMIC RECORD

Training Organisation: WALGA Training

Student Name: Cr Emma Foulkes-Taylor

Student Number: 2674186

Organisation: Shire of Murchison

SHORT COURSE PARTICIPATION RECORD

<u>Short Course Name</u>	<u>Location</u>	<u>Status</u>	<u>Date</u>
Understanding Financial Reports and Budgets	Murchison	Attended	30 January 2020
Understanding Financial Reports and Budgets - CLGF	Mount Magnet	Completed	10 April 2018
Integrated Strategic Planning - CLGF	Geraldton	Completed	8 May 2017
Conflicts of Interest (eLearning) (CLOSED)	eLearning	Booked	Elected Member eLearning (CLOSED)
Serving on Council	Mount Magnet	Completed	5 November 2015

QUALIFICATIONS/STATEMENTS OF ATTAINMENT AWARDED

<u>Qualification Code</u>	<u>Qualification Name</u>	<u>Status</u>	<u>Date</u>
CME	Council Member Essentials	Completed	20/10/2020

Unit ofCompetency CodeUnit of Competency Name

CMESOC	Serving on Council	C	20/10/2020
CMEULG	Understanding Local Government	C	19/01/2020
CMEMP	Meeting Procedures	C	18/01/2020
CMECOI	Conflicts of Interest	C	12/01/2020
CMEUFRB	Understanding Financial Reports and Budgets	C	19/10/2020

END OF TRANSCRIPT

Competencies Legend

C Competent

TRANSCRIPT OF ACADEMIC RECORD

Training Organisation: WALGA Training

Student Name: Cr Greydon Mead

Student Number: 4833263

Organisation: Shire of Murchison

SHORT COURSE PARTICIPATION RECORD

<u>Short Course Name</u>	<u>Location</u>	<u>Status</u>	<u>Date</u>
Understanding Financial Reports and Budgets	Murchison	Attended	30 January 2020

QUALIFICATIONS/STATEMENTS OF ATTAINMENT AWARDED

<u>Qualification Code</u>	<u>Qualification Name</u>	<u>Status</u>	<u>Date</u>
CME	Council Member Essentials	Completed	23/11/2020

<u>Unit of Competency Code</u>	<u>Unit of Competency Name</u>		
CMESOC	Serving on Council	C	23/11/2020
CMEULG	Understanding Local Government	C	09/11/2020
CMEMP	Meeting Procedures	C	16/03/2020
CMECOI	Conflicts of Interest	C	27/07/2020
CMEUFRB	Understanding Financial Reports and Budgets	C	23/11/2020

END OF TRANSCRIPT

Competencies Legend

C Competent

TRANSCRIPT OF ACADEMIC RECORD

Training Organisation: WALGA Training

Student Name: Cr Paul Squires

Student Number: 309355

Organisation: Shire of Murchison

SHORT COURSE PARTICIPATION RECORD

<u>Short Course Name</u>	<u>Location</u>	<u>Status</u>	<u>Date</u>
Understanding Financial Reports and Budgets	Murchison	Attended	30 January 2020
Meeting Procedures & Debating	Perth City	Attended	1 August 2012

QUALIFICATIONS/STATEMENTS OF ATTAINMENT AWARDED

<u>Qualification Code</u>	<u>Qualification Name</u>	<u>Status</u>	<u>Date</u>
CME	Council Member Essentials	In Progress	

<u>Unit of Competency Code</u>	<u>Unit of Competency Name</u>		
CMESOC	Serving on Council	C	31/05/2021
CMEULG	Understanding Local Government	P	
CMEMP	Meeting Procedures	C	06/05/2021
CMECOI	Conflicts of Interest	C	04/05/2021
CMEUFRB	Understanding Financial Reports and Budgets	C	31/05/2021

END OF TRANSCRIPT

Competencies Legend

C Competent

P Participating but studies not finished (NO evidence)

TRANSCRIPT OF ACADEMIC RECORD

Training Organisation: WALGA Training

Student Name: Cr Quentin Fowler

Student Number: 4138093

Organisation: Shire of Murchison

SHORT COURSE PARTICIPATION RECORD

<u>Short Course Name</u>	<u>Location</u>	<u>Status</u>	<u>Date</u>
Understanding Financial Reports and Budgets	Murchison	Booked	30 January 2020
Understanding Local Government for Elected Members (CLOSED)	WALGA West Leederville	Booked	CLOSED 2016 - 2019

QUALIFICATIONS/STATEMENTS OF ATTAINMENT AWARDED

<u>Qualification Code</u>	<u>Qualification Name</u>	<u>Status</u>	<u>Date</u>
CME	Council Member Essentials	Completed	06/05/2021

<u>Unit of Competency Code</u>	<u>Unit of Competency Name</u>		
CMESOC	Serving on Council	C	05/05/2021
CMEULG	Understanding Local Government	C	06/05/2021
CMEMP	Meeting Procedures	C	04/05/2021
CMECOI	Conflicts of Interest	C	04/05/2021
CMEUFRB	Understanding Financial Reports and Budgets	C	05/05/2021

END OF TRANSCRIPT

Competencies Legend

C Competent

TRANSCRIPT OF ACADEMIC RECORD

Training Organisation: WALGA Training

Student Name: Cr Ross Foulkes-Taylor

Student Number: 7931747

Organisation: Shire of Murchison

SHORT COURSE PARTICIPATION RECORD

<u>Short Course Name</u>	<u>Location</u>	<u>Status</u>	<u>Date</u>
Understanding Financial Reports and Budgets	Murchison	Attended	30 January 2020

QUALIFICATIONS/STATEMENTS OF ATTAINMENT AWARDED

<u>Qualification Code</u>	<u>Qualification Name</u>	<u>Status</u>	<u>Date</u>
CME	Council Member Essentials	Completed	20/10/2020

<u>Unit of Competency Code</u>	<u>Unit of Competency Name</u>		
CMESOC	Serving on Council	C	20/10/2020
CMEULG	Understanding Local Government	C	19/01/2020
CMEMP	Meeting Procedures	C	18/01/2020
CMECOI	Conflicts of Interest	C	12/01/2020
CMEUFRB	Understanding Financial Reports and Budgets	C	19/10/2020

END OF TRANSCRIPT

Competencies Legend

C Competent

19.2.1 - August 2021

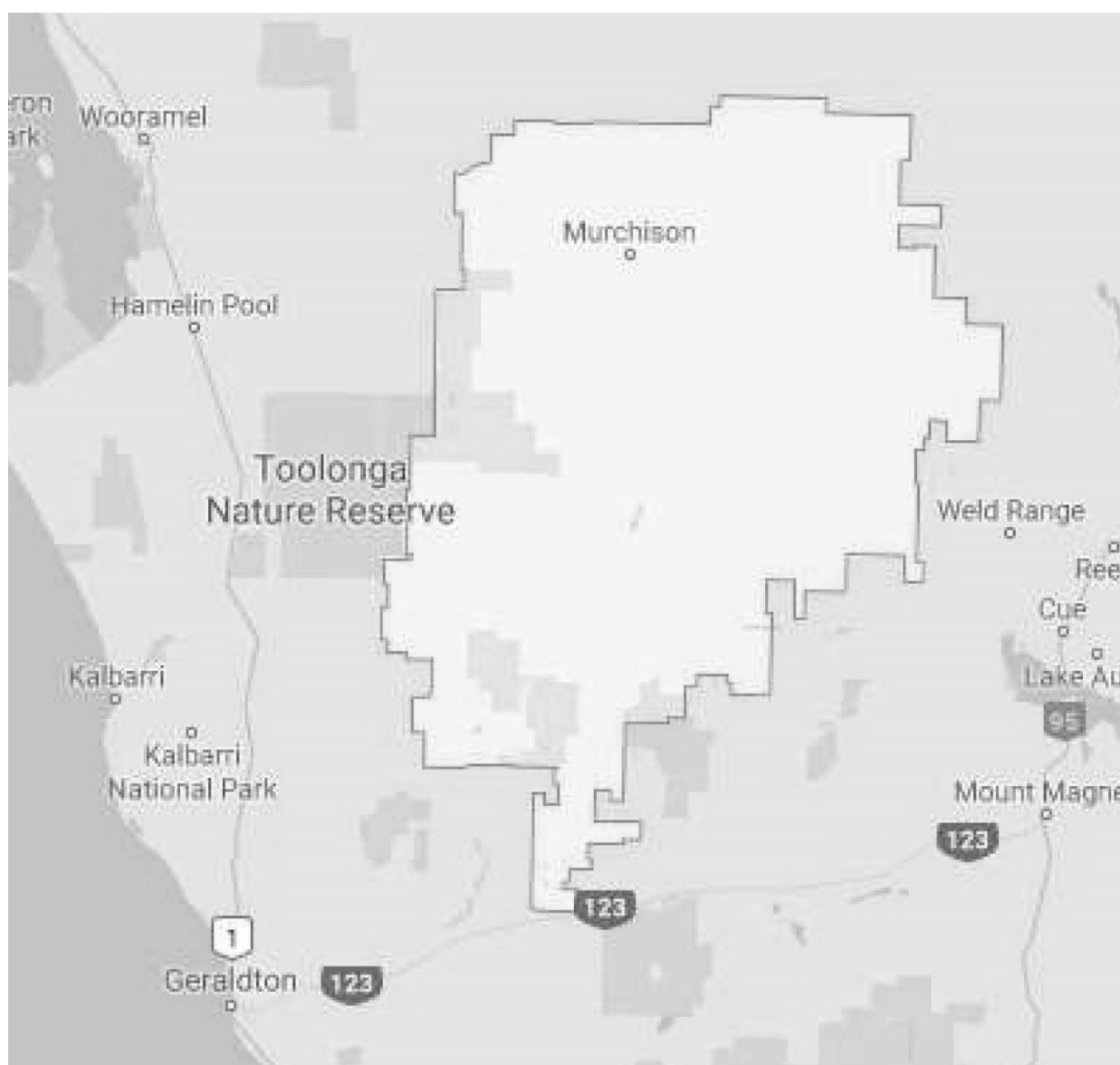
A person with long, wavy brown hair, wearing a green long-sleeved shirt and light blue shorts, is walking away from the camera on a dirt path. The path is surrounded by trees and shrubs. A large, white-barked tree with a wide canopy is the central focus. To the left, there is a palm tree and a small building with a corrugated metal roof. To the right, there is a wooden structure and a large water tank. The ground is dry and dusty, and the sky is clear and blue.

Murchison Shire Annual Report

For the year ending 30 June 2020

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Overview

Section 5.53 of the *Local Government Act 1995* requires Council to prepare, adopt and publish an Annual report for each financial year. Whilst the Act requires a raft of matters to be reported on, there is also an opportunity to highlight in summary form a range of features that make up the Murchison Shire Community, as well as actions undertaken throughout the year.

This year's 2019/20 Annual Report was finalised and adopted by Council at its Ordinary Meeting on 31 August 2021.



Shire Information

Shire Office and Chambers	3007 Carnarvon Mullewa Road, Murchison WA 6630		
Postal Address	PO Box 61, MULLEWA WA 6630		
Telephone	(08) 9963 7999		
Facsimile	(08) 9963 7966		
E-mail	admin@murchison.wa.gov.au		
Web Page	www.murchison.wa.gov.au		
Office Hours	8.00am to 5.00pm Monday to Friday		
Road Condition Reports	www.murchison.wa.gov.au/road conditions		
Population	153	Land Area	49,500 sq km
Electors	17	Length of sealed roads	230km
Employees	16	Length of unsealed roads	1,942 km
Local Government Classifications	WA - Band 4	Australian - Rural Remote Extra Small (RTX)	

Description

The Shire of Murchison lies within the Mid-West region of Western Australia. The Murchison Shire Settlement is situated on 708 hectares excised from the Wooleen pastoral lease and vested in the Council. It is located some 669km from Perth, 300 kilometres north east of Geraldton; 200 km north of Mullewa on the Carnarvon Mullewa Road.

The settlement has twelve dwellings, the Shire Office, the district museum, roadhouse, community centre, cricket pitch and practice nets, one tennis court and two lawn bowls rinks under lights, stables and horse yards, five polocrosse fields and three ablution/toilet

blocks. It is home to approximately 21 people, 14 of whom are Shire employees plus others who manage the Roadhouse or also reside in the settlement. Electricity and water supplies are owned and run by the Council. It is the engine room for the entire operation of Council.

Murchison is the second least populated Local Government in Australia and is thought to be the only Shire in Australia without a gazetted town site.

The surrounding country is mainly used for pastoral purposes, predominantly cattle and sheep. The Murchison River catchment has a significant influence, with sporadic and

widespread flooding a feature to be managed. Tourism is developing with some stations involved in station stays. The Murchison Oasis Caravan Park and motel units located at the settlement provide facilities for tourists. There are also a few mining companies in exploration stage within the shire.

The Murchison Radio Astronomy site (MRO) has been developed by CSIRO on a portion of the Boolardy pastoral lease and will be the location for the Australian component of the Square Kilometre Array, which will be developed in future years as part of an international ground breaking science project with state-of-the-art radio telescopes

History

The Shire of Murchison is one of the older Local Governments in Western Australia, having its origins in the Murchison District Roads Board, established 31 August 1875 and the Upper Murchison Roads Board established 12 July 1907.

These two were amalgamated in 1911 as the Murchison Roads Board. In July 1961, under the provisions of the Local Government Act, the Roads Board became the Shire of Murchison. In 2004 a portion of the then Mullewa Shire was added to the Murchison Shire.

Until 1963 the Shire was administered from one or other of the stations, and in that year 400 hectares were excised from the Wooleen pastoral lease and vested in the Shire. A house, which contained the office, was built, as was a workshop and airstrip. These were followed by sporting facilities and in 1986 a new office. Later, a museum and staff houses were constructed. The Murchison Settlement was proclaimed on 15 July 1988.

The name 'Murchison' was given to the region back in 1839 by early explorer Lt George Grey in honour of Sir Roderick Impey Murchison, the President of the Royal Geographical Society of London. The Murchison and Roderick Rivers were also named in his honour.



top to bottom left to right – Aerial View Murchison Settlement, Bilung Pool, Wild Flowers.

Branding

At its March 2018 ordinary Meeting, Council adopted a new tag line for the Shire of Murchison namely

"Ancient land under brilliant skies"

During the year with the assistance of Cr E Foulkes-Taylor and Frances Pollock; graphic designers Identify Perth prepared various concepts which were presented to the February 2020 Council Meeting.

At this meeting Council adopted the logo as shown, with a capital M coloured to represent our ancient land and brilliant skies, and written as **murchisonshire** - a change from Shire of Murchison

Explanation and rationale for Council's new logo is as follows:



murchisonshire

Ancient land under brilliant skies

ILLUSTRATIONS

1. Nights Sky
2. Green Foliage
3. Red Rocks
4. Murchison River
5. Low Clouds
6. Brilliant Stars



TYPOGRAPHY

The strong, bold and confident typography that has been used for the key 'M' is accented with subtle rounded edges to give it a friendly feel.

Use of lowercase for 'murchison shire' was at the request of the client, to complement existing tone of voice - friendly and approachable - and is consistent with communications already in circulation.

The tagline 'Ancient land under brilliant skies' in a hand stroked script lettering underlines the words 'murchison shire' adding strength to the name and complementing the hand drawn style of the illustration.

COLOURS

The colour palette is inspired and taken from the vibrant spectrum of colours experienced and seen within Murchison. Used tastefully within the 'M' to create a colourful landscape. We have also drawn inspiration from the mural located in the Murchison Sports Community Centre that was said to encapsulate the *essence* of the Shire.





top to bottom left to right – Murchison Settlement Entrance Sign, 2018 Christmas Party, Sandy McTaggart Freeman of the Shire, Carol McTaggart Freeman of the Shire, 2018 Christmas Santa, Murchison Museum.

President's Report

Hello All,
Here we are at the end of another financial year. Plenty has happened this year; below are a couple of significant developments.



COVID 19

While causing a lot of grief and uncertainty around the world, we have been relatively lucky in the Murchison and have worked through COVID 19 largely unaffected. I said in last year's report that we live in one of the better places in the world and the COVID 19 pandemic has reinforced this for me. I really feel for all those that have had a terrible experience with COVID.

Sealing on Mullewa /Carnarvon Rd

Various funding sources have become available to allow for the gradual but continuous sealing of the Mullewa Carnarvon Road between the Settlement and the Shire's south boundary. Judging by feedback from the particularly large number of tourists, mainly bound for Mt Augustus and beyond, this work is certainly appreciated.

Staff Housing

Two new staff houses on Mulga Crescent are well underway and will hopefully be occupied by October. Significant maintenance on the other houses, which I'm embarrassed to admit is a bit overdue, is also being carried out. Council is grateful to have the use of the Museum cottage in order to facilitate the upgrades and it too has had some maintenance and renovation.

Roadworks in preparation for the SKA project

While the heavy traffic during construction was pretty testing for roads and locals alike, towards the end of 2019 some significant SKA road access upgrades were funded by the State Government and delivered by outside contractors working alongside plenty of locals. There are now substantial crossings at the Murchison River, Boolardy House Creek and the Roderick River, which will hopefully stand the

test of time and benefit locals and visitors for many years to come.

Rossco's Rundown

After a comment from a local that he didn't know what was going on with the Shire, I have started up Rossco's Rundown and every month or two I send out a brief report of Council's recent decisions and activity. Hopefully this is of value to the community....I'm sure you will let me know if it's not, or if it's just too much Rossco.

Freeman

Two long serving and outstanding contributors to the Murchison community, Carol and Sandy McTaggart, were awarded Freeman of the Shire in December 2019. Council felt that this recognition was richly deserved and thanks and congratulates Carol and Sandy for their many contributions and achievements.

Fire Truck Storage Shed

The fire truck shed construction was completed and our main fire truck has a safe place to camp near the works depot.

Logo

After many years of discussion and debate, and work from various council and community members, Council adopted a new logo in February. Now that I have more or less become a proper grown-up I have worked out and accepted that achieving unanimous support for something as emotive/subjective as a Shire logo is more or less impossible. Having said this though, I feel that the whole Council was supportive of this new logo- which was a bit of a first for me to witness. For the record, I reckon it is a fine new representation of our shire.

Thanks to all those that contribute to making Murchison the place it is.

Rossco Foulkes-Taylor
President

Governance

Elected Members

Council has a small active team of elected members who work within and outside of Council for the betterment of the community.

Councillor

Term Expiry

Committees Working Groups & Delegates

*Cr Rossco Foulkes-Taylor
Yuin Station
President*



Oct 2023

Audit Committee, Murchison Community Fund Management Committee, Local Emergency Management Committee, Plant Working Group, Settlement Drinking Water Working Group, Settlement Power Supply Working Group, Murchison Regional Road Group and WALGA Zone Delegate

*Cr Andrew Whitmarsh
Byro Station
Deputy President*



Oct 2023

Audit Committee, , Wild Dog Control Working Group, SKA Stakeholder Meeting Representative and WALGA Zone Delegate

*Cr Quentin Fowler
Mt Narryer Station
Member*



Oct 2023

Audit Committee, Community Development Working Group

*Cr Paul Squires
Twin Peaks Station
Member*



Oct 2021

Plant Working Group, Settlement Drinking Water Working Group and Murchison Regional Road Group

*Cr Emma Foulkes-Taylor
Yuin Station
Member*



Oct 2021

Community Development Working Group, Economic Development Working Group, Settlement Drinking Water Working Group, SKA Stakeholder Meeting Representative and Murchison GEO Region

*Cr Greydon Mead
Bullardoo Station
Member*



Oct 2021

Plant Working Group, Settlement Power Supply Working Group and Wild Dog Working Group

Councillor Meeting Attendance

There were 11 Ordinary Meetings, and 1 Electors Meeting of Council held between 1 July 2019 and 30 June 2020. A breakdown of Councillors' presence at meetings is detailed in the following table:

Councillor		Ordinary Meeting	Electors Meeting	Total
Cr Rossco Foulkes-Taylor	President	11	1	12
Cr Andrew Whitmarsh	Deputy President	9	1	10
Cr Quentin Fowler	Member	10	1	11
Cr Paul Squires	Member	11	1	12
Cr Emma Foulkes Taylor	Member	11	1	12
Cr Greydon Mead	Member	10	1	11

Other meetings attended also included Audit Committee, Local Emergency Management Committee, Various Working Groups and Tender Assessment Panels. External meetings attended as Council representatives included Regional Road Group and Murchison sub-Regional Road Group, SKA Stakeholders and WALGA Zone Meeting (Cue Parliament).

General

Council formally deliberated on a large array of governance matters during the year as per the following highlights

- ~ Reviewed and resolved as a policy position to operate the fuel facilities at the Murchison Oasis Roadhouse aiming to operate at neither a profit nor loss over the medium to long term. From November 2019 and the price of fuel was set at 15% above the highest of the purchase price (including freight) of newly delivered ULP or diesel.
- ~ Accepted the offer of Canine Control to extend the current agreement for the provision of Ranger Services to the Shire for a period of 5 years commencing 1 July 2020.
- ~ Reviewed and formalised arrangements in relation to the Museum recognising that whilst the facility is owned by the Museum Committee, the building continues to be treated as a Council asset with Council meeting all operational costs, and on request some capital works. The Museum Committee remains primarily responsible for fit out of the building. In recognition of these contributions, when the cottage is vacant Council is able to use the cottage to accommodate staff and the occasional contractor staff
- ~ Accepted a tender submitted by Quality Builders for the design, construct and supply

of two residential dwellings at Mulga Crescent, Murchison

- ~ Ratified the Road Access & Maintenance Deed between with Adaman Resources for the maintenance of the Beringarra-Pindar Road during proposed Mixy and A-Zone mine operations. Also agreed was a request to realign a short section of the Beringarra-Pindar Road around the proposed Mixy Mine
- ~ Nominated Cr E Foulkes-Taylor, for a Midwest Development Commission vacancy. Council was later pleased that this nomination was successful.
- ~ Authorised proceeding with designs and costings for the potential reconstruction of the Bilung Creek Crossing on the Carnarvon-Mullewa Road.
- ~ Received and noted updated reports associated with Sealed Roads Program, Murchison Roads 2030 Regional Strategies and the submissions made, updated approach for future projects that are intended to be taken when moving forward with management of the Carnarvon-Mullewa Road.
- ~ Accepted the eQuote and the submission from Greenfield Technical Services for the the onsite engineering supervision and support for Flood 6 works associated with the flood event of April 2019 under Disaster Recovery Funding Arrangements WA - AGRN 863. Them Earthmoving and Squires

Resources were later appointed as successful contractors for these and other works

- ~ Council noted Northampton Shire's response in relation to the maintenance of a section of the Coolcalalaya Road in Northampton Shire and authorised the Chief Executive Officer to pursue an agreement with the Northampton Shire to undertake maintenance works on the Coolcalalaya Road within their Shire on a cost recovery basis.
- ~ Endorsed the participation of the Murchison Shire in the National Redress Scheme as a State Government institution and included as part of the State Government's declaration.

COVID-19

The COVID-19 Pandemic significantly impacted Council's short and medium-term approach over the next 2-3 years. Specific COVID-19 related actions included the following:

Adopted COVID-19 Coronavirus principles and rationale associated with health and economic activity namely that

- ~ Our overriding responsibility is to act to protect our citizens and community to

prevent, control or abate the serious public health risk presented by COVID-19 by limiting the spread of COVID-19.

- ~ Council will act to ensure that we can function and deliver the required works and services to support and stimulate the local economy.

As requested by the State Government Council agreed to freeze current rate levels for the 2020/21 year.

Council looked to expanding its works program by bringing forward projects that can stimulate the local economy and provide lasting benefits for the community.

Explored Short Term Lending Options with Western Australia Treasury Corporation.

Repurposed and combined the *Beringarra-Cue Road and Cue Road Reserve*, slightly expanded the scope of the *Buildings Reserve*, slightly repurposed the *Settlement Building and Facilities Reserve*, renamed the *Roads Sealing Reserve* to the *Assets Rehabilitation Reserve* to fund rehabilitation of Council's Infrastructure.



top to bottom left to right – Council Office and Staff, Sports Club, Library, Murchison Oasis Caravan Park.

Chief Executive Officer's Report

Staff

The Shire is fortunate to have a dedicated and committed set of councillors who are well connected to the community, understand the area's history and heritage and contribute in many ways outside their formal roles.

Council's very small staff team punch well above their weight, actively assisting in a complementary fashion and, whilst very small in number, work and function across a large array of areas and, where necessary due to our small size, utilise a range of external contract resources.

Acting CEO Eddie Piper, who was well-versed with local government operations through his long-standing experience, filled the role of previous departing CEO Peter Dittrich till the new permanent appointment of Mr Bill Boehm.

Council's Deputy CEO Rose Jones resigned in early July 2019. Prior to this Technical Services Administration Officer Ms Vanessa Crisp, Finance Officer/Administration Officer Bernie Peirl had also previously resigned in 2018/19

Following a consolidation, a number of new personnel were recruited, and positions altered including the promotion of Ms Tatjana Erak to Acting Deputy CEO and new personnel in Corporate Services Officer Ms Racheal King, Technical / Projects Officer Ms Kaye Doyle and Gardener/ Cleaner Melissa Faye. Ms Stephanie Jeffries also filled in during the early part of the year as casual Customer Services Officer.

We once again take this opportunity to thank all members of staff for their service, alongside a number of contractors who support our service delivery.

Governance

Chief Executive Officer

Mr Eddie Piper till 21/07/19

Mr Bill Boehm from 22/07/19

Corporate Services

Deputy Chief Executive Officer

Ms Rose Jones till 5/7/2019

Acting Deputy Chief Executive Officer

Ms Tatjana Erak from 12/8/19

Finance Administration Officer

Ms Tatjana Erak till 11/8/2019

Corporate Services Officer

Ms Racheal King from 11/11/2019

Administration Officer

Ms Vicki Dumbris

Customer Service Officer (Casual)

Ms Stephanie Jeffries from 12/8/2019 till 7/10/2019

Works

Works Supervisor

Mr William Herold

Technical Projects Officer

Ms Kaye Doyle from 9/8/2019

Mechanic

Mr Stuart Broad

Leading Hand - Construction

Mr Mark Jones

Leading Hand - Maintenance

Mr Neil Combe

Plant Operator

Mr Glen Pinnegar

Plant Operator

Mr Ivor Dumbris

Plant Operator

Mr Greg Barr till 31/12/2019

Plant Operator

Mr Lou Bavoillot from 9/3/2020

Plant Operator

Mr Peter Mahony (casual)

Gardener

Mr Ryan Prow

Gardener/ Cleaner (casual / part time)

Ms Melissa Faye from 6/12/2019

Other Contract Staff

Environmental Health Officer / Building Surveyor
Ranger

Mr Phillip Swain – Phil Swain Consulting
Mr Peter Smith – Canine Control



top to bottom left to right – Murchison Settlement, Shire staff with new Kenworth Prime Mover, Shire staff with new Cat Grader, New Fire Shed Opening, Bitumen Sealing on Carnarvon-Mullewa Road, New Settlement Footpath from Roadhouse to Museum.

Roads

The backbone of the Shire's operation involves the management, maintenance, repair, construction and reconstruction of the vast array of Council's road network. Council's small construction crew (4) and maintenance crew (2) are supplemented by various contractors.

Maintenance

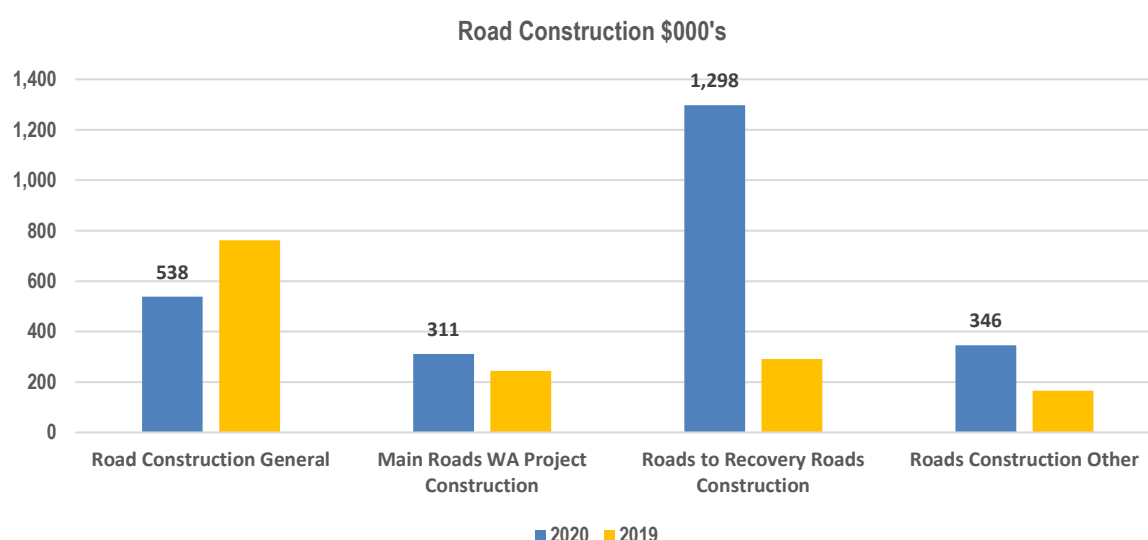
Council funded a significant amount of \$520,850 on emergency repairs of damaged sections of the Carnarvon-Mullewa and Coolcalalaya West Roads caused by heavy vehicles on wet roads.

Council also undertook \$2,255,800 worth of Flood Damage Repairs associated with completing FLOOD 5 (AGRN 778 January 2018 event, and commencing FLOOD 6 (AGRN 863 April 2019 Event) and FLOOD 7 (AGRN 899 February 2020 Event)

Both these actions significantly impacted on Council's normal level of road maintenance operations.

Construction

Major capital roadworks of \$4,513,226 undertaken during year included the following:



Road	Location	Works
Roads Construction General		
Beringarra-Pindar	198.50-198.70	Resheet and fix camber
Carnarvon-Mullewa	101.42-102.42	Resheet near Curbur. Seal in 2020/21
Various	Various	
MRWA Project Construction		
Carnarvon-Mullewa	111.68-116.16	Resheet
Carnarvon-Mullewa	271.80-278.85	Resheet south of Bullardoo. Small portion. Balance 2020/21
Roads to Recovery Construction		
Beringarra-Pindar	144.00-145.30	Replace Gravel on Corner
Beringarra-Pindar	151.76-153.45	Resheet Sandy Section South of PIA
Carnarvon-Mullewa	0.00-10.59	Gravel Resheet
Carnarvon-Mullewa	Various	Reseal Program
Roads Construction Other		
Beringarra-Cue	Various	Convert To Gravel (reserve funded)
Beringarra-Cue	Various	Upgrade Floodways (reserve funded)

Other Actions

Other actions undertaken during the year included the following

~ Plant and Equipment.

Replaced a Grader, Prime Mover Truck, Loader and Works Utility

~ Settlement Projects

Commenced works to review the extent of projects required in and around the Murchison Settlement with the view to incorporating them into 2020/21 and in future years. Elements included a Transportable Classroom, Community Sports Centre Upgrade, Community Swimming Pool and Splashpad, New Caravan Park Ablution Block, New Caravan Park Ensuites, Playground Upgrade and General amenity improvements to the Settlement.

~ Settlement Power

Continued to work towards upgrading our Settlement power. During the summer period the existing generating capacity continued to be placed under significant stress so that, whilst Council continues to work towards greening our power operation, a new generator was programmed for 2019/20 and subsequently commissioned

~ Potable Water

Work towards providing potable water for Settlement residents and visitors continues.

~ General Community Participation.

All residents and ratepayers are encouraged to respond to surveys and provide feedback to Council on an ongoing basis to help build a stronger and economically resilient community. Council regularly updates and utilises its community email list to assist, as well as facilitating publication of the Murchison Monologue about life in the Shire of Murchison. During the year 3 newsletters were produced and distributed.

Anzac Day in April, Murchison Polocrosse Tournament in July and planned Yuck Circus Event in May were unfortunately cancelled due to COVID-19. The Shire Christmas celebrations in December continued as the main Shire community event.



~ Staff Housing

Work commenced in constructing two new staff houses in the Murchison Settlement. Quality Builders were engaged and commenced work which is to be completed in 2020/21.

~ Fire Shed

With the assistance of DFES funding a new Fire Shed at the Murchison Settlement was completed and officially opened in December 2019.

Bill Boehm

Chief Executive Officer

Strategic Community Plan

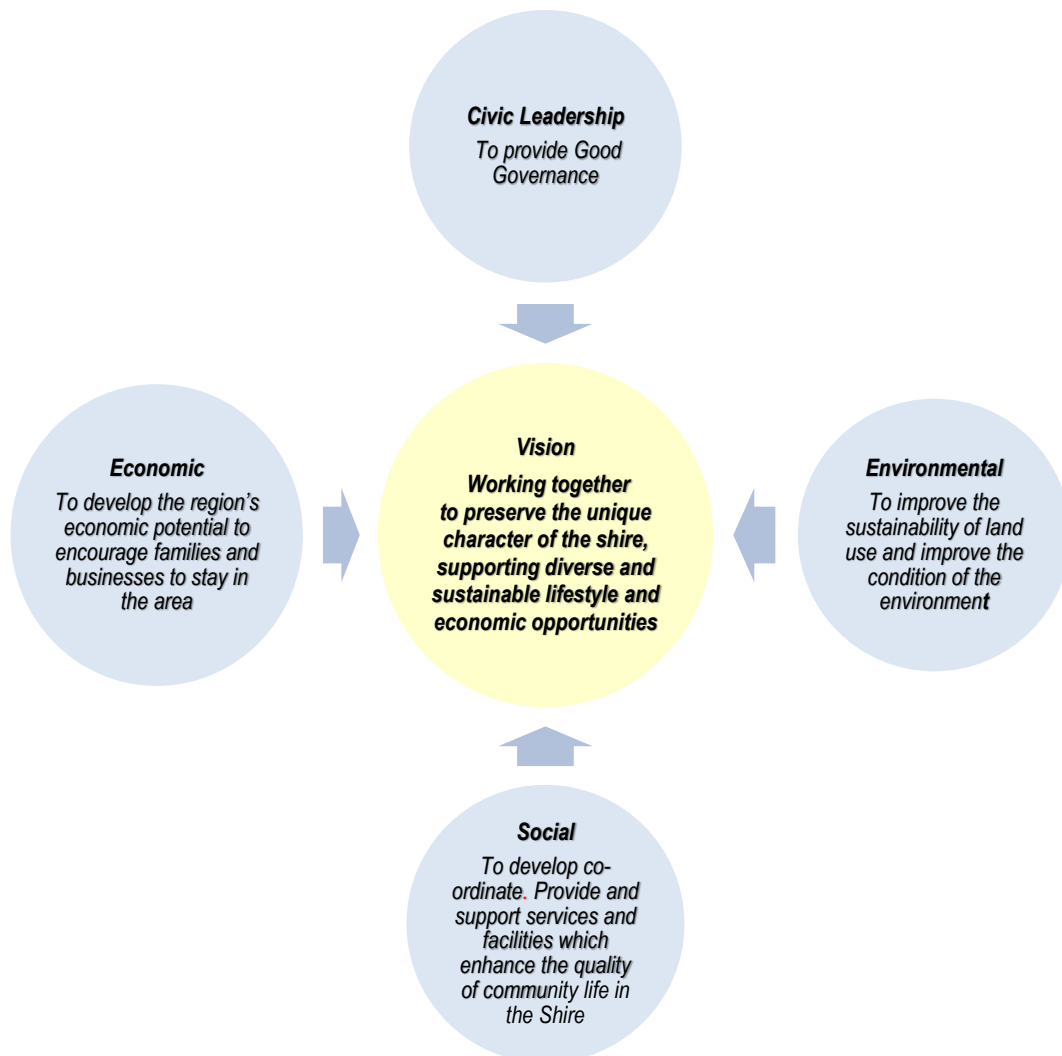
The Local Government Act and associated Regulations require a Local Government to ensure that a Strategic Community Plan is made for its district

- ~ Ensure that a Corporate Business Plan is made for its district and
- ~ include in its Annual Report an overview of the Plan for the Future, including major initiatives planned to commence or continue in the next year.

In accordance with Integrated Planning and Reporting Requirements, the Shire of Murchison has developed a ten-year Strategic Community Plan, a 15-year Long Term Financial Plan and a four-year Corporate Business Plan.

The Strategic Community Plan was originally developed in 2013 after extensive community consultation. The Plan reflects the Community's vision for the future and is the principal strategic guide for our future planning and activities.

A full review of the plan was undertaken and the revised 2016/17 to 2026/27 Strategic Community Plan was adopted on the 29 March 2017 and as shown below is built around four well-being priorities.



Various major initiatives were planned to commence or continue in the next few years. The proposed desktop review of the plan may alter priorities especially as specific elements of the plan that have been directly impacted by the current COVID-19 Coronavirus environment. In the meantime, the original planned capital program with updated comments as listed is shown in the following table:

Action	Project	2018 \$	2019 \$	2020 \$	2021 \$	Comments
4.3.1.2	Plant replacement	608,215	958,636	461,132	493,978	20-year Plant Replacement Program updated and endorsed
4.3.1.2	Plant and equipment renewals - minor plant	15,000	15,300	15,606	15,918	Appropriate budget provision
3.1.1.1	Chlorinator	50,000				2020/21 proposed Improvements to drinking water reticulation
2.3.1.2	Fertigation	15,000				Previously completed
2.2.1.1.	Green energy solution		1,100,000			Settlement Power Upgrade. Two new Gensets ordered in 2019/20 but delayed due to COVID-19. Installation in 2020/21. Final investigation of a solar microgrid solution in 2020/21 with potential construction in 2021as part of a Council COVID-19 stimulus approach.
3.2.1.3	DFES - fast attack			120,000		Previously completed
1.1.1.3	Road construction and renewal	7,307,942	1,402,899	1,424,529	1,826,808	Generally exceeded targets. Commenced expanded Council COVID-19 stimulus program.
3.1.1.1	Other Infrastructure	7,677				
1.1.1.3	Historic Ballinyoo bridge span	15,000				Previously completed
3.1.1.3	Cemetery beautification	20,000				New Cemetery Wall included in 2020/21
1.1.1.3	Storage bunkers for road building materials		25,000			Under re-review and consideration
4.3.1.2	Furniture and equipment renewals	15,000	15,300	15,606	15,918	Appropriate budget provision
1.2.1.1	Interpretive centre		1,500,000			Under re-review and consideration in view of other Settlement priorities.
1.2.1.2	Backpackers accommodation and campers kitchen		500,000			Under re-review and consideration considering other Settlement priorities.
3.1.1.1	Extend administration offices				500,000	Minor modifications in 2019/20 to Library and Kitchen undertaken. Under re-consideration on light of other Settlement priorities.
3.1.1.1	Sheds for residential houses	62,000				Included in 2020/21
3.1.1.1	Staff housing	750,000				Two houses substantially completed in 2019/20. Complete Site works and fencing in 2020/21. New house 2020/21. Part of a Council COVID-19 stimulus approach.
3.1.1.1	Administration office carports				45,000	Under re-review and consideration considering other Settlement priorities.
3.2.1.3	First aid transfer room	80,000				
3.1.1.1	Sports club bbq rotunda		30,000			Part of Settlement Projects review in 2020/21
3.1.1.1	Tyre storage	10,000				
3.1.3.2	Community centre - renewal		50,000			Community Room repainted and new carpet installed in 2019/20. Blinds in 2020/21. Part of Settlement Projects review in 2020/21
Grand Total \$		8,955,834	5,597,135	2,036,873	2,897,622	

Statutory Reporting Requirements

The following are statutory reporting requirements for inclusion into Council's Annual Report

National Competition Policy

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local government will also be affected where local laws unnecessarily affect competition.

Local Government is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

It is Council's responsibility to determine whether it is engaged in "significant business activities" within the context of its operations and therefore whether it is required to apply the competitive neutrality principles. Local government is only required to implement the above principles to the extent that the benefits to be realised from implementation outweigh the costs in respect of individual business activities exceeding an annual income of \$500,000.

Regarding Council's responsibilities in relation to National Competition Policy and Competitive Neutrality, the Shire reports that:

- ~ Council does not undertake any business enterprises that are classified as either a Public Trading Enterprise or Public Financial Enterprise.
- ~ Competitive neutrality has not been applied to any activities undertaken by the Shire in 2018-19 and no allegations of non-compliance with competitive neutrality principals have been made by any private entity.
- ~ The Shire continues to monitor Council Policies and Local Laws for anti-competitive practices.

Register of Certain Complaints of Minor Breaches

The Local Government Act requires the annual report to contain details about entries made during the financial year in the register of complaints, including:

- ~ the number of complaints; and
- ~ how the recorded complaints were dealt with; and
- ~ any other details that the regulations may require.

Generally, a minor breach is a breach of a local law or code of conduct and the action taken may be public censure, making the person say sorry or sending them to training. A register must be kept of all such breaches.

The Shire of Murchison does not have a designated Complaints Officer and so the Chief Executive Officer fulfils this role.

The Shire reports no complaints as defined under s5.110 (6) (b) or (c) of the Act for the period ending 30 June 2020.

Public Interest Disclosures

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information and provides protection for those making such disclosure and those who are the subject of disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken. The Chief Executive Officer is the designated responsible officer under the Act and has complied with all obligations. There were no disclosures or complaints lodged during 2018-19.

National Competition Policy

Council operations in 2019/20 did not fall within the requirements of the National Competition Policy

Disability Access and Inclusion Plan

The Disability Services Act 1993 requires a local government or regional local government that has a disability access and inclusion plan must include in its annual report a report about the implementation of the plan.

The Murchison Shire Council Disability Access & Inclusion Plan was originally adopted in July 2008, then reviewed in the later part of 2015 and the review adopted by Council in February 2016,

after community consultation. The Disability Access and inclusion Plan 2016–2020 includes seven outcomes and underpinning strategies to ensure that people with disability have the same opportunities as other people to access the services of public authority.

The seven outcomes and achievements against strategies for 2019-20 are:

Outcomes

- 1 People with disability have the same opportunities as other people to access the services of and any events organised by a public authority.
- 2 People with disability have the same opportunities as other people to access the buildings and other facilities of public authority
- 3 People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.
- 4 People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.
- 5 People with disability have the same opportunities as other people to make complaints to public authority.
- 6 People with disability have the same opportunities as other people to participate in any public consultation by a public authority.
- 7 People with disability have the same opportunity as other people to obtain and maintain employment with public authority.

Achievements against Strategies

- ~ Shire services are monitored to ensure equitable access and inclusion, especially in regard to events being organised or funded
- ~ The DAIP is considered a living document and is inclusive to all shire plans and strategies.
- ~ Consideration is given to providing wheelchair access for all new development works;
- ~ All recreational areas are accessible.
- ~ All Shire information is available in alternative format upon request;
- ~ Staff are aware;
- ~ Website meets contemporary good practice.
- ~ Staff and Council are aware of disability issues and provide a high standard of customer service to all who attend the Shire.
- ~ Grievance mechanisms are in place but have not yet been utilised by any people with disability.
- ~ Through our website, people with disability are encouraged to participate in any public consultation.
- ~ People with disability are encouraged to apply for any employment with the Shire.

Information About Certain Employees

In accordance with s5.53(2)(g) of the *Local Government Act 1995* and s19B of the *Local Government (Administration) Regulations 1996*, there are three employees entitled to an annual salary of \$100,000 per annum or more. The following information relates to employee remuneration bands and the number of employees within each band:

Salary Band	Number of Employees	
	2020	2019
\$100,000 to \$109,999	1	1
\$110,000 to \$119,999	0	0
\$120,000 to \$129,999	1	1
\$130,000 to \$139,999	0	0
\$140,000 to \$149,999	1	1

Freedom of Information

The Shire of Murchison complies with the Freedom of Information Act 1992 which, amongst other things, has as its objectives to.

- ~ Enable the public to participate more effectively in governing the state; and
- ~ Make the persons and bodies that are responsible for the State and Local Government more accountable to the public.
- ~ Make available details about the kind of information they hold and enable persons to ensure that personal information held by government agencies about them is "accurate, complete, up to date and not misleading

The Chief Executive Officer is the Shire's Freedom of Information Coordinator. Any formal application for the information that is not already freely available at the Shire may be made formally through the Chief Executive Officer.

It is the aim of the Shire of Murchison to make information available promptly, at the least possible cost and wherever possible, documents will be provided outside the freedom of information (FOI) process. During 2018/19 the Shire received no Freedom of Information applications.

Record Keeping

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed matter. Council has prepared a Record Keeping Plan that is considered to comply with the Act. The record keeping plan is to provide evidence to address that;

- ~ The efficiency and effectiveness of the Shire's record keeping system is evaluated not less than once every 5 years.
- ~ The Shire conducts a record keeping training program.
- ~ Information sessions are conducted for staff as required.
- ~ The Shire's Induction Program for new employees includes an introduction to the local government's record keeping system and program, and information on their record keeping responsibilities.

The Record Keeping Plan must be reviewed at least every five years. Between reviews, the implementation/continuation of requirements is to be further developed.

The Shire of Murchison completed a full review of its record keeping plan in November 2018 which will be submitted to the State Records Office. It is expected that a significant amount of catch-up work will be required to implement the plan.

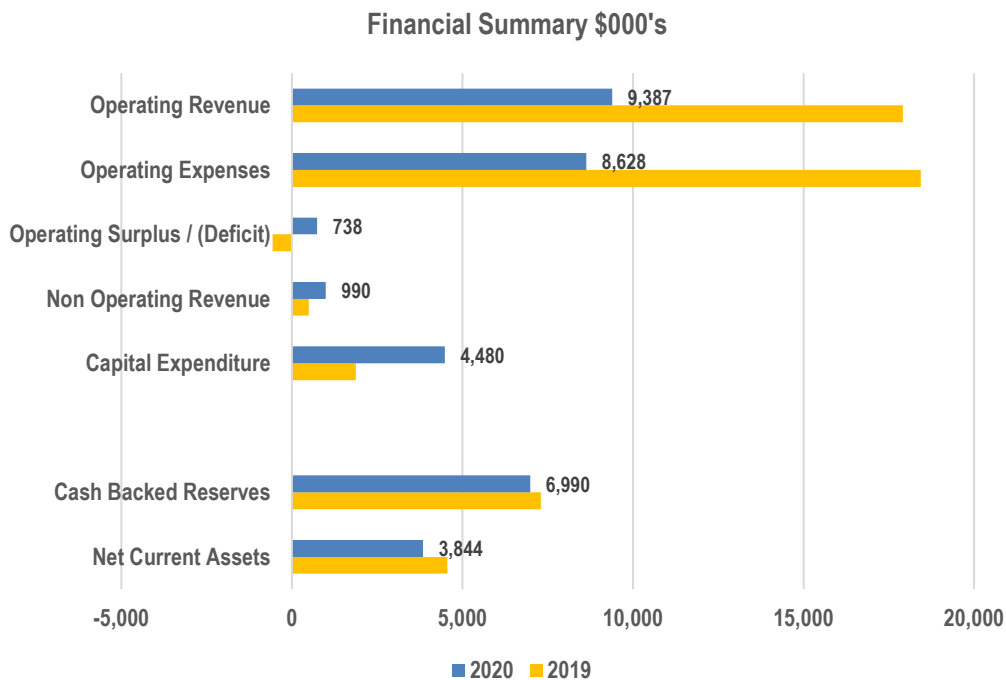
Financial Overview

Financial Summary

A summary of Council's financial performance is shown as follows:

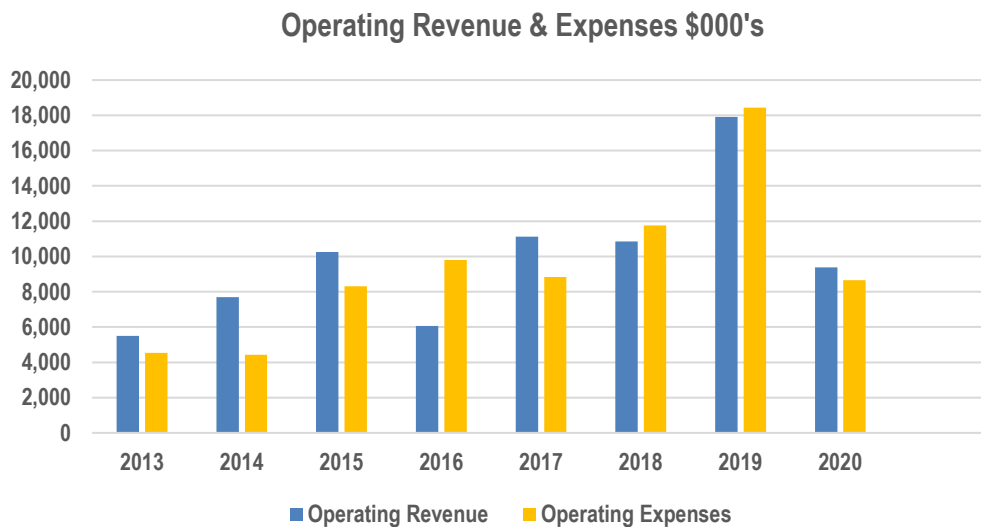
Depending on the circumstances during the year the Financial Performance may vary widely. For 2019/20 the main influencing factor that dramatically increased both operating income and operating expenses involved repairs to Council's road network following continuation of flood restoration works associated with the January/February 2018 following event and commencement of works associated with the February 2019 rain event.

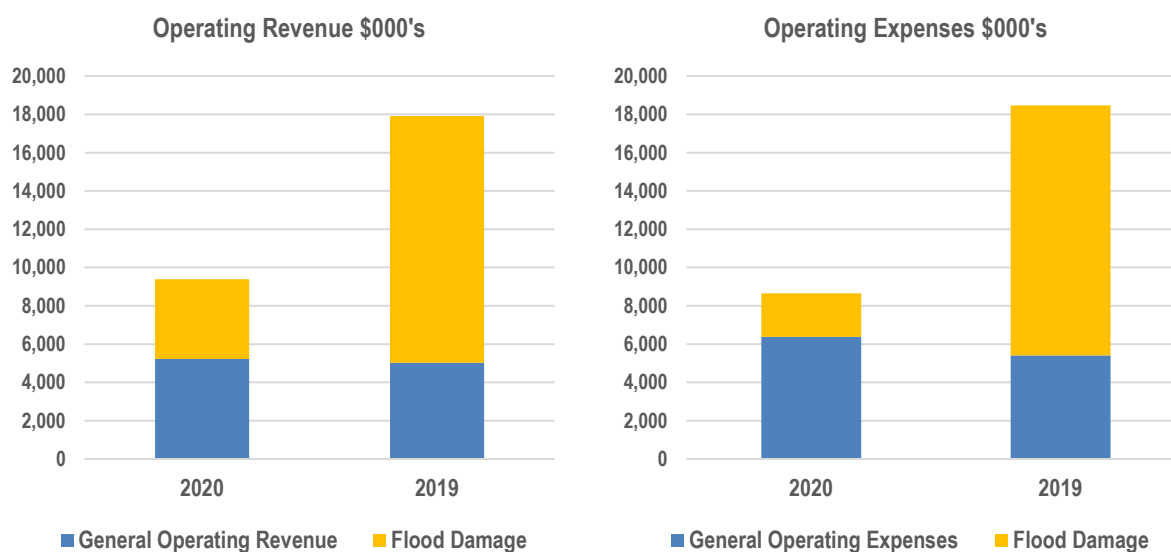
Rate Revenue of \$465,397 is frozen at 2019/20 levels with no changes in the current differential rates and minimum rates for 2020/21



Operating Revenue & Expenses

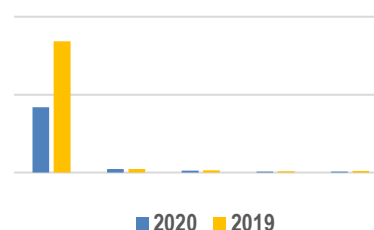
A summary of operating revenue and expenses over several years is show below.



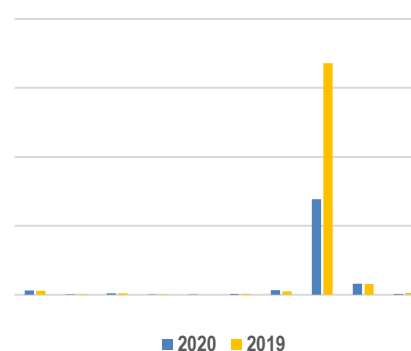


Summary categorisation of operating revenue and expenses is shown as follows:

Revenue \$	2020	2019
Rates	465,397	458,510
Grants & Subsidies	8,387,972	16,829,134
Fees & Charges	255,705	275,973
Interest Earnings	137,468	189,604
Other Revenue	140,299	156,197
	9,386,841	17,909,418



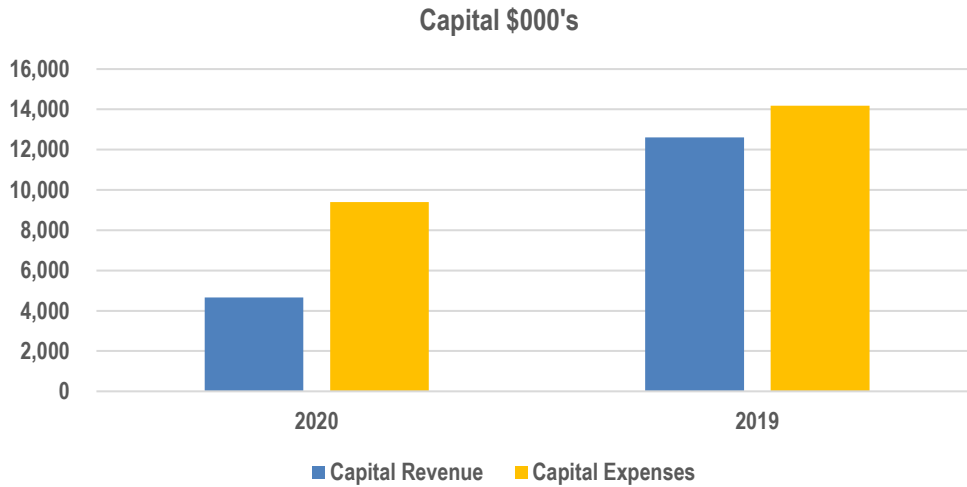
Expenses \$	2020	2019
Governance	308,101	290,229
General Purpose Funding	25,284	23,995
Law Order Public Safety	100,838	96,816
Health	21,163	19,643
Housing	2,182	0
Community Amenities	47,346	51,104
Recreation & Culture	333,455	243,395
Transport	6,929,124	16,806,243
Economic Services	793,974	781,024
Other Property Services	66,044	125,201
	8,629,531	18,439,669



<i>Non-Cash amounts included in the above</i>	<i>3,414,211</i>	<i>2,996,112</i>
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Capital Revenue & Expenses

A summary of capital revenue and expenses is show below.



Financial Position

Many small councils in WA are heavily reliant on external funding, delivered through the State Grants Commission (Financial Assistance and Road Grants), Roads to Recovery, Main Roads WA, Flood Damage (where applicable) and other sources. Rate Revenue represents a very small proportion of our operating revenue.

The Department of Local Government Sport & Cultural Industries (DLGCSI) has, over recent years, developed various financial indicators including a Financial Health Indicator (FHI) as a measurement of a local government's overall financial health. It is calculated from the seven financial ratios that local governments are required to calculate annually and included in Annual Financial Report.

Whilst these indicators are one aspect to consider in assessing overall performance, other factors include: the range of services offered, efficiency of services delivered, community satisfaction, sparseness, and major events such as flood repairs, etc which as previously indicated under Operating Revenue have a case significant impact.

For instance, in 2018/19 whilst the Debt Service Cover Ratio as outlined under Note 30 of the Notes to Financial Report is recognised as being "supposedly" below the (DLGCSI) standard in reality this was influenced by \$1.55m in short-term loan payments which were outstanding at the end of the financial year, but later paid in 2019/20 from flood damage grants. For practical purposes Council is almost debt free.

The figure is also subject to question depending on the timing of an entity's asset valuation and the degree of sophistication of the Asset Management Plan which in our case was adopted in 2013. Much has changed since.

Some of the definitions of ratios required to be calculated do not appear to be in accordance with contemporary practice with the one size fits all criteria difficult to apply with any uniformity in such a widely varying State.

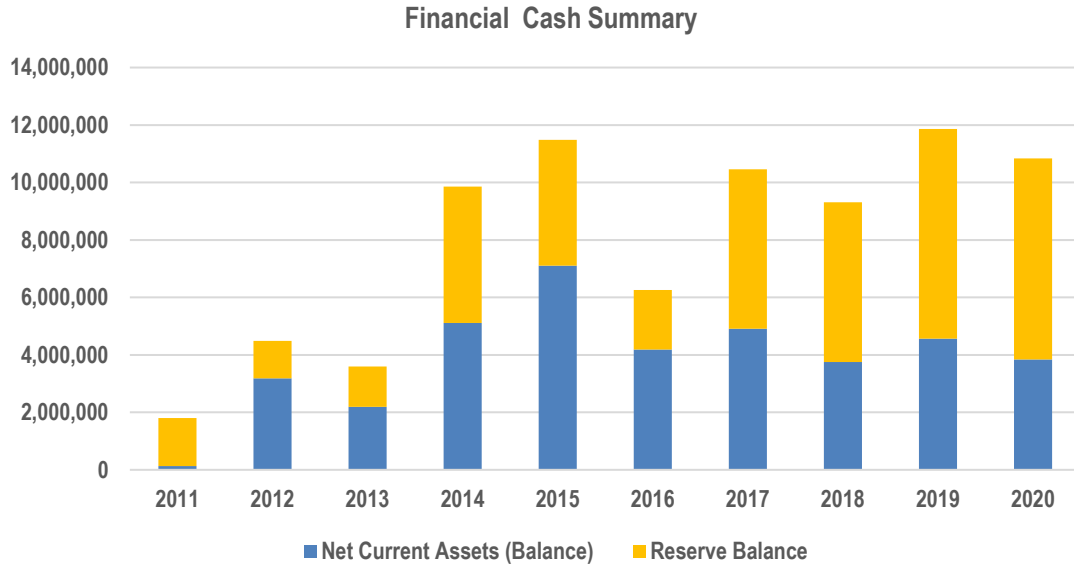
In 2019 WALGA commissioned an independent review of the current legislated financial indicators and have adopted a modified set with significantly different components.

It was also noted that

"Financial Ratios measure financial performance and do not measure a local government's efficiency or effectiveness in delivering its programs and services".

It is considered that Councils current approach to measure the amount of available cash as shown by the combined cash reserves and Net Current Assets Position and develop and continually update our asset management and long-term financial plans

As shown below "cash wise" Council's financial position has improved over time.

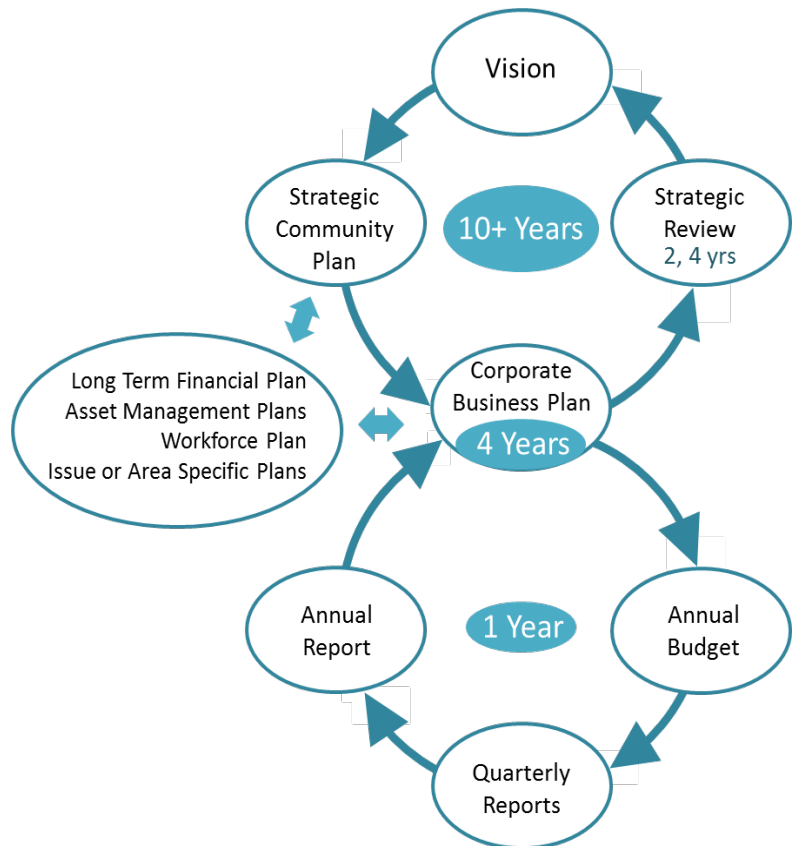


Regardless of the figures questions maybe be asked by the community about a local government's revenue, expenses and service delivery.

This same question is asked at a Council level where it is recognised that having sound data and analysis is critical to good medium to long term decision making.

Council is committed to improvements in this area and during the year commenced detailed strategic work including Revalidation of Council's RAMM Database and Road Condition Assessment leading in part to the adoption of long-term sealing program and plant replacement through an adaptive model.

This is part of the adjacent continuous improvement approach journey that Council continues to embark on.



Financial Report

Council's Financial Report for the year ending 30 June 2020 report comprises

- ~ Statement by Chief Executive Officer,
- ~ Statement of Comprehensive Income by Nature or Type
- ~ Statement of Comprehensive Income by Program
- ~ Statement of Financial Position
- ~ Statement of Changes in Equity
- ~ Statement of Cash Flows
- ~ Rate Setting Statement
- ~ Notes to and Forming Part of the Annual Report
- ~ Independent Auditors Report

SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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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

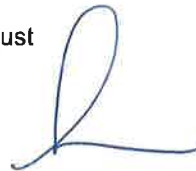
**SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Murchison for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Murchison at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 10th day of August 2021



Chief Executive Officer

William James Boehm



SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	21(a)	465,397	464,044	458,510
Operating grants, subsidies and contributions	2(a)	8,387,972	11,448,840	16,829,134
Fees and charges	2(a)	255,705	261,750	275,973
Interest earnings	2(a)	137,468	135,500	189,604
Other revenue	2(a)	140,299	204,742	156,197
		9,386,841	12,514,876	17,909,418
Expenses				
Employee costs		(1,240,615)	(1,232,268)	(1,212,333)
Materials and contracts		(3,877,598)	(11,229,957)	(13,883,349)
Utility charges		0	0	(36,276)
Depreciation on non-current assets	10(b)	(3,216,991)	(3,071,485)	(3,049,712)
Interest expenses	2(b)	(21,004)	(12,500)	(34,016)
Insurance expenses		(155,832)	(157,376)	(141,862)
Other expenditure		(136,469)	(155,583)	(114,119)
		(8,648,509)	(15,859,169)	(18,471,667)
		738,332	(3,344,293)	(562,249)
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Profit on asset disposals	10(a)	13,313	9,439	6,171
(Loss) on asset disposals	10(a)	(156,534)	(112,597)	(59,617)
		653,871	635,792	424,064
Net result for the period		1,392,203	(2,708,501)	(138,185)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		1,392,203	(2,708,501)	(138,185)

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



SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Governance	2(a)	13,639	12,500	25,208
General purpose funding		4,486,135	2,437,544	4,371,188
Law, order, public safety		13,408	12,700	15,590
Health		236	0	0
Housing		3,990	4,290	3,765
Recreation and culture		585	1,750	586
Transport		4,500,352	9,706,092	13,091,162
Economic services		250,003	252,000	265,247
Other property and services		118,493	88,000	136,672
		9,386,841	12,514,876	17,909,418
Expenses				
Governance	2(b)	(308,101)	(376,935)	(290,229)
General purpose funding		(25,284)	(24,000)	(23,995)
Law, order, public safety		(100,832)	(123,635)	(96,817)
Health		(21,163)	(25,680)	(19,643)
Housing		(2,182)	(12,882)	0
Community amenities		(47,346)	(84,385)	(51,104)
Recreation and culture		(333,455)	(342,983)	(243,395)
Transport		(6,929,124)	(13,872,667)	(16,806,243)
Economic services		(793,974)	(858,525)	(781,024)
Other property and services		(66,044)	(124,977)	(125,201)
		(8,627,505)	(15,846,669)	(18,437,651)
Finance Costs				
Transport	2(b)	(21,004)	(12,500)	(34,016)
		(21,004)	(12,500)	(34,016)
		738,332	(3,344,293)	(562,249)
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Profit on disposal of assets	10(a)	13,313	9,439	6,171
(Loss) on disposal of assets	10(a)	(156,534)	(112,597)	(59,617)
		653,871	635,792	424,064
Net result for the period		1,392,203	(2,708,501)	(138,185)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		1,392,203	(2,708,501)	(138,185)

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



SHIRE OF MURCHISON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	3	4,858,506	7,688,103
Trade and other receivables	6	311,290	873,587
Other financial assets	5(a)	6,645,418	2,250,000
Inventories	7	72,987	98,542
Contract assets	2(a)	0	2,353,389
TOTAL CURRENT ASSETS		11,888,201	13,263,621
NON-CURRENT ASSETS			
Other financial assets	5(b)	17,805	17,805
Property, plant and equipment	8	10,336,893	9,417,040
Infrastructure	9	72,178,320	72,171,029
TOTAL NON-CURRENT ASSETS		82,533,018	81,605,874
TOTAL ASSETS		94,421,219	94,869,495
CURRENT LIABILITIES			
Trade and other payables	12	1,054,373	1,398,325
Borrowings	13(a)	1,137	1,550,526
Employee related provisions	14	85,266	64,471
TOTAL CURRENT LIABILITIES		1,140,776	3,013,322
NON-CURRENT LIABILITIES			
Borrowings	13(a)	16,178	17,315
Employee related provisions	14	66,086	32,882
TOTAL NON-CURRENT LIABILITIES		82,264	50,197
TOTAL LIABILITIES		1,223,040	3,063,519
NET ASSETS		93,198,179	91,805,976
EQUITY			
Retained surplus		28,973,378	25,761,683
Reserves - cash/financial asset backed	4	6,989,920	7,303,108
Revaluation surplus	11	57,234,881	58,741,185
TOTAL EQUITY		93,198,179	91,805,976

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 2020

NOTE	RETAINED SURPLUS	RESERVES CASH/FINANCIAL		TOTAL EQUITY
		ASSET BACKED	REVALUATION SURPLUS	
	\$	\$	\$	\$
Balance as at 1 July 2018	27,643,814	5,559,162	58,741,185	91,944,161
Comprehensive income				
Net result for the period	(138,185)	0	0	(138,185)
Total comprehensive income	(138,185)	0	0	(138,185)
Transfers from reserves	4 280,233	(280,233)	0	0
Transfers to reserves	4 (2,024,179)	2,024,179	0	0
Balance as at 30 June 2019	25,761,683	7,303,108	58,741,185	91,805,976
Change in accounting policy	26(b) 1,506,304	0	(1,506,304)	0
Restated total equity at 1 July 2019	27,267,987	7,303,108	57,234,881	91,805,976
Comprehensive income				
Net result for the period	1,392,203	0	0	1,392,203
Total comprehensive income	1,392,203	0	0	1,392,203
Transfers from reserves	4 940,046	(940,046)	0	0
Transfers to reserves	4 (626,858)	626,858	0	0
Balance as at 30 June 2020	28,973,378	6,989,920	57,234,881	93,198,179

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

SHIRE OF MURCHISON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		312,284	464,044	419,169
Operating grants, subsidies and contributions		8,915,482	4,662,133	14,047,509
Fees and charges		255,705	261,750	275,973
Interest received		137,468	135,500	189,604
Goods and services tax received		923,670	109,868	1,369,490
Other revenue		140,299	9,480,677	138,392
		10,684,908	15,113,972	16,440,137
Payments				
Employee costs		(1,142,007)	(1,232,268)	(1,296,119)
Materials and contracts		(1,878,146)	(11,229,957)	(12,680,434)
Utility charges		0	0	(36,276)
Interest expenses		(21,004)	(12,500)	(34,016)
Insurance paid		(155,832)	(157,376)	(141,862)
Goods and services tax paid		(744,839)	(109,868)	(1,326,920)
Other expenditure		(136,469)	(155,583)	(114,119)
		(4,078,297)	(12,897,552)	(15,629,746)
Net cash provided by operating activities	15	6,606,611	2,216,420	810,391
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at fair values through profit and loss		0	0	500,000
Payments for purchase of property, plant & equipment	8(a)	(1,982,395)	(2,693,250)	(299,012)
Payments for construction of infrastructure	9(a)	(2,498,041)	(2,742,975)	(1,577,983)
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Proceeds from financial assets at amortised cost - term deposits		(4,395,418)	0	0
Proceeds from sale of property, plant & equipment	10(a)	193,080	243,900	19,933
Net cash used in investment activities		(7,885,682)	(4,453,375)	(879,552)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	13(b)	(4,282,056)	(4,050,525)	(10,281,350)
Proceeds from new borrowings	13(b)	2,731,530	2,500,000	11,829,710
Net cash provided by / (used in) financing activities		(1,550,526)	(1,550,525)	1,548,360
Net increase (decrease) in cash held		(2,829,597)	(3,787,480)	1,479,199
Cash at beginning of year		7,688,103	9,520,812	6,208,904
Cash and cash equivalents at the end of the year	15	4,858,506	5,733,332	7,688,103

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

SHIRE OF MURCHISON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	22 (b)	4,562,188	4,681,340	3,756,909
		4,562,188	4,681,340	3,756,909
Revenue from operating activities (excluding rates)				
Governance		13,639	12,500	25,208
General purpose funding		4,020,738	1,973,500	3,912,678
Law, order, public safety		13,408	12,700	15,590
Health		236	0	0
Housing		3,990	4,290	3,765
Recreation and culture		585	1,750	586
Transport		4,513,665	9,715,531	13,097,333
Economic services		250,003	252,000	265,247
Other property and services		118,493	88,000	136,672
		8,934,757	12,060,271	17,457,079
Expenditure from operating activities				
Governance		(308,101)	(380,521)	(290,229)
General purpose funding		(25,284)	(24,000)	(23,995)
Law, order, public safety		(100,832)	(123,635)	(96,817)
Health		(21,163)	(25,680)	(19,643)
Housing		(2,182)	(12,882)	0
Community amenities		(47,346)	(84,385)	(51,104)
Recreation and culture		(333,455)	(342,983)	(285,104)
Transport		(7,106,662)	(13,994,178)	(16,858,167)
Economic services		(793,974)	(858,525)	(781,024)
Other property and services		(66,044)	(124,977)	(125,201)
		(8,805,043)	(15,971,766)	(18,531,284)
Non-cash amounts excluded from operating activities	22(a)	3,414,211	3,174,643	2,996,112
Amount attributable to operating activities		8,106,113	3,944,488	5,678,816
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	797,092	738,950	477,510
Proceeds from disposal of assets	10(a)	193,080	243,900	19,933
Purchase of property, plant and equipment	8(a)	(1,982,395)	(2,693,250)	(299,012)
Purchase and construction of infrastructure	9(a)	(2,498,041)	(2,742,975)	(1,577,983)
Amount attributable to investing activities		(3,490,264)	(4,453,375)	(1,379,552)
FINANCING ACTIVITIES				
Repayment of borrowings	13(b)	(4,282,056)	(4,050,525)	(10,281,350)
Proceeds from borrowings	13(c)	2,731,530	2,500,000	11,829,710
Transfers to reserves (restricted assets)	4	(626,858)	(1,028,634)	(2,024,179)
Transfers from reserves (restricted assets)	4	940,046	2,624,002	280,233
Amount attributable to financing activities		(1,237,338)	44,843	(195,586)
Surplus/(deficit) before imposition of general rates		3,378,511	(464,044)	4,103,678
Total amount raised from general rates	21(a)	465,397	464,044	458,510
Surplus/(deficit) after imposition of general rates	22(b)	3,843,908	0	4,562,188

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

SHIRE OF MURCHISON
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FOR THE YEAR ENDED 30 JUNE 2020

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SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, *Financial Management Regulation 16* arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 *Leases* which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to specify that vested land is a right of use asset to be measured at cost. All right of use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is 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.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

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 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.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*

AASB 1059 *Service Concession Arrangements: Grantors* is not expected to impact the financial report.

Specific impacts of AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*, have not been identified.

CRITICAL ACCOUNTING 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 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.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

Any monies required to be held in the Trust Fund are excluded from the financial statements.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

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
Specified area rates	Rates charge for specific defined purpose	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
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
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 cahrges 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 assets are controlled

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions			
General purpose funding	3,883,105	1,837,500	3,722,382
Law, order, public safety	13,049	12,200	15,589
Transport	4,491,818	323,205	13,091,163
	8,387,972	2,172,905	16,829,134
Non-operating grants, subsidies and contributions			
Law, order, public safety	49,795	53,950	0
Transport	747,297	685,000	477,510
	797,092	738,950	477,510
Total grants, subsidies and contributions	9,185,064	2,911,855	17,306,644
Fees and charges			
Governance	2,892	7,500	8,090
Law, order, public safety	360	500	0
Health	236	0	0
Recreation and culture	585	1,750	586
Transport	8,533	0	0
Economic services	241,429	252,000	265,247
Other property and services	1,670	0	2,050
	255,705	261,750	275,973

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (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.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

**Contracts with customers and transfers
for recognisable non-financial assets**

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

Non-operating grants, subsidies and contributions

2020 Actual \$	2020 Budget \$	2019 Actual \$
797,092	738,950	477,510
797,092	738,950	477,510

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Other revenue from performance obligations satisfied during the year

797,092	738,950	477,510
797,092	738,950	477,510

Information about receivables, contract assets and contract liabilities 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:

Trade and other receivables from contracts with customers (refer to Note 6)
Contract assets

80,054	0	595,911
0	0	2,353,389

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2020. Assets associated with contracts with customers were not subject to an impairment charge.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates
Statutory permits and licences

Other revenue

Reimbursements and recoveries
Other

Interest earnings

Interest on reserve funds
Rates instalment and penalty interest (refer Note 21(b))
Other interest earnings

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	465,397	464,044	458,510
Statutory permits and licences	596	500	0
	465,993	464,544	458,510
Reimbursements and recoveries	136,648	9,383,387	124,460
Other	3,651	97,290	31,737
	140,299	9,480,677	156,197
Interest on reserve funds	109,935	90,000	134,007
Rates instalment and penalty interest (refer Note 21(b))	341	3,000	3,503
Other interest earnings	27,192	42,500	52,094
	137,468	135,500	189,604

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset 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).

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

Borrowings

Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
	37,350	50,000	31,605
	0	0	3,318
	37,350	50,000	34,923
13(b)	21,004	12,500	34,016
	21,004	12,500	34,016

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

	NOTE	2020 \$	2019 \$
Cash at bank and on hand		1,631,212	1,309,291
Term deposits		3,227,294	6,378,812
Total cash and cash equivalents		4,858,506	7,688,103

Restrictions

The following classes of 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		349,502	5,058,108
- Financial assets at amortised cost		6,645,418	2,250,000
		6,994,920	7,308,108

The restricted assets are a result of the following specific purposes to which the assets may be used:

Reserves - cash/financial asset backed	4	6,989,920	7,303,108
Unspent loans	13(d)	5,000	5,000
Total restricted assets		6,994,920	7,308,108

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, 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.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH/FINANCIAL ASSET BACKED

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
(a) Leave reserve	\$ 135,709	\$ 2,671	\$ -	\$ 138,380	\$ 135,705	\$ 2,170	\$ -	\$ 137,875	\$ 181,983	\$ 3,726	\$ (50,000)	\$ 135,709
(b) Plant replacement reserve	1,410,356	523,197	(500,000)	1,433,553	1,410,317	516,820	(650,000)	1,277,137	975,370	434,986	0	1,410,356
(c) Building reserve	502,893	9,904	0	512,797	502,879	0	(252,479)	250,400	135,114	367,779	0	502,893
(d) Beringarra-Cue road reserve	3,411,313	67,087	(47,974)	3,430,426	3,536,485	34,750	(895,000)	2,676,235	3,499,963	88,102	(176,752)	3,411,313
(e) Cue road reserve	125,171	0	(125,171)	0	0	0	0	0	125,171	0	0	125,171
(f) Transaction centre reserve	0	0	0	0	0	0	0	0	6,329	94	(6,423)	0
(g) Ballinyoo bridge reserve	0	0	0	0	0	0	0	0	46,115	943	(47,058)	0
(h) CSIRO Beringarra-Pindar road reserve	171,673	3,380	0	175,053	171,668	2,740	(126,523)	174,408	168,227	3,446	0	171,673
(i) Flood damage repairs reserve	250,568	4,935	0	255,503	250,561	4,000	(126,523)	128,038	69,145	181,423	0	250,568
(j) Settlement buildings and facilities reserve	920,425	15,684	(266,901)	669,208	920,399	366,279	(500,000)	786,678	351,745	568,680	0	920,425
(k) Road sealing reserve	375,000	0	0	375,000	375,000	101,875	(200,000)	276,875	0	375,000	0	375,000
	7,303,108	626,858	(940,046)	6,989,920	7,303,014	1,028,634	(2,624,002)	5,707,646	5,559,162	2,024,179	(280,233)	7,303,108

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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	Anticipated date of use	Purpose of the reserve
(a) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements.
(b) Plant replacement reserve	Ongoing	To be used for the purchase of plant.
(c) Building reserve	Ongoing	To be used for the construction / renovation of administration centre.
(d) Beringarra-Cue road reserve	Ongoing	To be used to convert the road from bitumen to gravel as required.
(e) Cue road reserve	Ongoing	To be used to convert the road from bitumen to gravel as required.
(f) Transaction centre reserve	30/06/2019	Set up for development of CBD - transferred to settlements buildings and facilities reserve
(g) Ballinyoo bridge reserve	30/06/2019	To be used for the maintenance or replacement of bridge 837.
(h) CSIRO Beringarra-Pindar road reserve	Ongoing	To be used to fund additional maintenance work required due to CSIRO traffic.
(i) Flood damage repairs reserve	Ongoing	To be used towards the 'trigger point' for WANDRRA funded flood damage works.
(j) Settlement buildings and facilities reserve	Ongoing	To be used to fund improvements to and maintenance of settlement buildings and facilities.
(k) Road sealing reserve	Ongoing	To be used to fund road sealing program.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

2020	2019
\$	\$
6,645,418	2,250,000
6,645,418	2,250,000

Other financial assets at amortised cost

Term deposits

6,645,418	2,250,000
6,645,418	2,250,000

(b) Non-current assets

Financial assets at fair value through profit and loss

17,805	17,805
17,805	17,805

Financial assets at fair value through profit and loss

Units in Local Government House Trust

17,805	17,805
17,805	17,805

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.

Financial assets at fair value through profit and loss

The Shire classifies the following financial assets at fair value through profit and 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 not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 23.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Accrued income/payments in advance	

2020	2019
\$	\$
206,328	53,215
80,054	595,911
0	187,900
24,908	36,561
311,290	873,587

SIGNIFICANT ACCOUNTING POLICIES

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 goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 23.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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 2020

7. INVENTORIES

Current

Fuel and materials
 History books

	2020	2019
	\$	\$
Fuel and materials	72,506	98,061
History books	481	481
	72,987	98,542
Carrying amount at beginning of period	98,542	179,191
Inventories expensed during the year	(154,362)	(524,222)
Additions to inventory	128,807	443,573
Carrying amount at end of period	72,987	98,542

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

Carrying amount at end of period

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.

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Buildings - non- specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Work in progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	6,759,223	6,759,223	6,759,223	16,500	3,066,930	6,535	9,849,188
Additions	222,077	222,077	222,077	10,338	66,597	0	299,012
(Disposals)	(14,566)	(14,566)	(14,566)	(10,123)	(48,690)	0	(73,379)
Depreciation (expense)	(296,581)	(296,581)	(296,581)	(3,051)	(358,149)	0	(657,781)
Carrying amount at 30 June 2019	6,670,153	6,670,153	6,670,153	13,664	2,726,688	6,535	9,417,040
Comprises:							
Gross carrying amount at 30 June 2019	7,291,466	7,291,466	7,291,466	14,500	3,079,194	6,535	10,391,695
Accumulated depreciation at 30 June 2019	(621,313)	(621,313)	(621,313)	(836)	(352,506)	0	(974,655)
Carrying amount at 30 June 2019	6,670,153	6,670,153	6,670,153	13,664	2,726,688	6,535	9,417,040
Change in accounting policy	0	0	0	0	0	0	0
Carrying amount at 1 July 2019	6,670,153	6,670,153	6,670,153	13,664	2,726,688	6,535	9,417,040
Additions	733,108	733,108	733,108	14,994	1,234,293		1,982,395
(Disposals)	0	0	0	0	(336,301)	0	(336,301)
Depreciation (expense)	(306,355)	(306,355)	(306,355)	(2,063)	(417,823)		(726,241)
Carrying amount at 30 June 2020	7,096,906	7,096,906	7,096,906	26,595	3,206,857	6,535	10,336,893
Comprises:							
Gross carrying amount at 30 June 2020	8,024,573	8,024,573	8,024,573	29,494	3,873,486	6,535	11,934,088
Accumulated depreciation at 30 June 2020	(927,667)	(927,667)	(927,667)	(2,899)	(666,629)	0	(1,597,195)
Carrying amount at 30 June 2020	7,096,906	7,096,906	7,096,906	26,595	3,206,857	6,535	10,336,893

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Independent valuer	June 2017	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.

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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9. INFRASTRUCTURE

(a) Movements in Carrying Amounts

Movement in the carrying amounts 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 2018	68,991,043	3,993,934	72,984,977
Additions	1,577,983	0	1,577,983
Depreciation (expense)	(2,340,727)	(51,204)	(2,391,931)
Carrying amount at 30 June 2019	68,228,299	3,942,730	72,171,029
Comprises:			
Gross carrying amount at 30 June 2019	88,679,971	4,096,342	92,776,313
Accumulated depreciation at 30 June 2019	(20,451,672)	(153,612)	(20,605,284)
Carrying amount at 30 June 2019	68,228,299	3,942,730	72,171,029
Additions	2,498,041	0	2,498,041
Depreciation (expense)	(2,439,546)	(51,204)	(2,490,750)
Carrying amount at 30 June 2020	68,286,794	3,891,526	72,178,320
Comprises:			
Gross carrying amount at 30 June 2020	91,178,012	4,096,342	95,274,354
Accumulated depreciation at 30 June 2020	(22,891,218)	(204,816)	(23,096,034)
Carrying amount at 30 June 2020	68,286,794	3,891,526	72,178,320

SHIRE OF MURCHISON
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FOR THE YEAR ENDED 30 JUNE 2020

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition residual values and remaining useful life assessments.
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	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 2020

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration 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 initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, 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 anniversary date in accordance with the mandatory measurement framework.

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 valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets 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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right of use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

The Shire has vested land values associated with vested land previously recognised (of Nil) by removing the land values and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right of use assets at zero cost.

SHIRE OF MURCHISON
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10. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - non-specialised	0	0	0	0	0	0	0	0	14,566	0	0	(14,566)
Furniture and equipment	0	0	0	0	0	0	0	0	10,123	0	0	(10,123)
Plant and equipment	336,301	193,080	13,313	(156,534)	347,058	243,900	9,439	(112,597)	48,690	19,933	6,171	(34,928)
	336,301	193,080	13,313	(156,534)	347,058	243,900	9,439	(112,597)	73,379	19,933	6,171	(59,617)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Plant and Equipment				
Transport				
UD Prime Mover	38,000	12,572	0	(25,428)
IVECO Powerstar 6700	24,500	4,637	0	(19,863)
Volvo L110E Wheel Loader	51,200	62,849	11,649	0
John Deere 770G Motor Grader	168,001	79,158	0	(88,843)
Toyota Prado 3.0i	16,200	17,864	1,664	0
Isuzu D Max	38,400	16,000	0	(22,400)
	336,301	193,080	13,313	(156,534)
	336,301	193,080	13,313	(156,534)

SHIRE OF MURCHISON
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10. FIXED ASSETS

(b) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - non-specialised	306,355	305,300	296,581
Furniture and equipment	2,063	1,980	3,051
Plant and equipment	417,823	424,600	358,149
Infrastructure - roads	2,439,546	2,293,355	2,340,727
Infrastructure - bridges	51,204	46,250	51,204
	3,216,991	3,071,485	3,049,712

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested 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.

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.

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	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

Depreciation on revaluation

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

- The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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11. REVALUATION SURPLUS

	2020 Opening Balance	2020 Change in Accounting Policy	2020 Re-stated Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	2020 Total Revaluation Movement on	2020 Closing Balance	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	2019 Total Revaluation Movement on	2019 Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings - non-specialised	5,397,026	0	5,397,026	0	0	0	5,397,026	5,397,026	0	0	0	5,397,026
Revaluation surplus - Plant and equipment	1,506,304	(1,506,304)	0	0	0	0	0	1,506,304	0	0	0	1,506,304
Revaluation surplus - Infrastructure - roads	51,778,640	0	51,778,640	0	0	0	51,778,640	51,778,640	0	0	0	51,778,640
Revaluation surplus - Infrastructure - bridges	59,215	0	59,215	0	0	0	59,215	59,215	0	0	0	59,215
	58,741,185	(1,506,304)	57,234,881	0	0	0	57,234,881	58,741,185	0	0	0	58,741,185

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

SHIRE OF MURCHISON
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12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Accrued salaries and wages
 ATO liabilities
 Bonds and deposits held
 Accrued expenses

2020	2019
\$	\$
537,254	925,391
18,036	8,324
63,266	37,438
420,746	413,902
15,071	13,270
1,054,373	1,398,325

SIGNIFICANT ACCOUNTING POLICIES

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.

19.2.1 - August 2021

(a) Borrowings

1,137	1,550,526
16,178	17,315
<u>17,315</u>	<u>1,567,841</u>

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2020			30 June 2020			30 June 2020			30 June 2020			30 June 2020			30 June 2020			30 June 2019			30 June 2019			30 June 2019		
				Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	Actual/Principal 1 July 2019	
Transport	1	WATC	3.33%	18,416	0	1,101	604	17,315	0	1,549,425	2,731,530	4,260,955	20,400	1,567,841	2,731,530	4,260,955	21,004	17,315	0	1,549,425	2,731,530	4,260,955	20,400	1,567,841	2,731,530	4,260,955	20,400	1,567,841		
Plant	2	WATC	Variable	18,416	0	1,101	604	17,315	0	1,549,425	2,731,530	4,260,955	20,400	1,567,841	2,731,530	4,260,955	21,004	17,315	0	1,549,425	2,731,530	4,260,955	20,400	1,567,841	2,731,530	4,260,955	20,400	1,567,841		

- WA Treasury Corporation

SHIRE OF MURCHISON
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13. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2019/20

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2020 Actual	2020 Budget	2020 Actual	2020 Budget		
Finance flood damage works		Credit Line		Variable	\$ 2,731,530	\$ 2,500,000	\$ (2,731,530)	\$ (2,500,000)	\$ 20,400	\$ 0
* WA Treasury Corporation					2,731,530	2,500,000	(2,731,530)	(2,500,000)	20,400	0

(d) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2019	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2020
Plant	Dec-17	\$ 5,000	\$ 0	\$ 0	\$ 5,000
* WA Treasury Corporation		5,000	0	0	5,000

(e) Undrawn Borrowing Facilities

	2020	2019
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	(415)	0
Total amount of credit unused	104,585	105,000
Loan facilities		
Loan facilities - current	1,137	1,550,526
Loan facilities - non-current	16,178	17,315
Total facilities in use at balance date	17,315	1,567,841
Unused loan facilities at balance date	5,000	5,000

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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 the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 23.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

14. EMPLOYEE RELATED PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	37,459	27,012	64,471
Non-current provisions	0	32,882	32,882
	37,459	59,894	97,353
Additional provision	113,565	7,300	120,865
Amounts used	(65,758)	(1,108)	(66,866)
Balance at 30 June 2020	85,266	66,086	151,352
Comprises			
Current	85,266	0	85,266
Non-current	0	66,086	66,086
	85,266	66,086	151,352
Amounts are expected to be settled on the following basis:	2020	2019	
	\$	\$	
Less than 12 months after the reporting date	25,266	56,566	
More than 12 months from reporting date	126,086	40,787	
	151,352	97,353	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits 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

Other long-term employee benefits (Continued)

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.

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 measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

15. NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash and cash equivalents	4,858,506	5,733,332	7,688,103
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	1,392,203	(2,708,501)	(138,185)
Non-cash flows in Net result:			
Depreciation on non-current assets	3,216,991	3,071,485	3,049,712
Net loss on sale of asset	143,221	103,158	53,446
Recognition of units in Local Government House	0	0	(17,805)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	562,297	2,489,228	(2,778,396)
(Increase)/decrease in inventories	25,555	0	80,649
(Increase)/decrease in contract assets	2,353,389	0	0
Increase/(decrease) in payables	(343,952)	0	1,127,721
Increase/(decrease) in provisions	53,999	0	(89,241)
Non-operating grants, subsidies and contributions	(797,092)	(738,950)	(477,510)
Net cash from operating activities	6,606,611	2,216,420	810,391

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	1,739,819	2,326,675
General purpose funding	4,727,647	2,274,308
Law, order, public safety	131,762	136,622
Health	10,800	26,566
Housing	1,441,958	823,339
Community amenities	76,745	42,151
Recreation and culture	1,053,469	1,125,776
Transport	80,284,591	85,429,740
Economic services	1,867,644	1,944,139
Other property and services	3,086,784	740,179
	94,421,219	94,869,495

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. CONTINGENT LIABILITIES

There are no contingent liabilities which require reporting.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

18. CAPITAL COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects	2,424,477	0
- plant & equipment purchases	38,485	0
	<u>2,462,962</u>	<u>0</u>

Payable:

- not later than one year	2,462,962	0
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SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	53,490	60,543	58,090
President's allowance	5,243	10,032	6,990
Deputy President's allowance	3,498	2,508	1,750
Travelling expenses	14,548	22,000	20,653
Telecommunications allowance	6,408	8,000	6,937
	83,187	103,083	94,420

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	345,852	344,340
Post-employment benefits	50,937	50,573
Other long-term benefits	8,915	3,452
Termination benefits	0	56,404
	405,704	454,769

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. RELATED PARTY TRANSACTIONS (Continued)

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.

- Councillor Paul Squires controls an earthmoving and transport company called Squires Resources Pty Ltd, which has been paid for earthmoving and transport services during the financial year, with amounts payable at year end.
- Councillor Ross Foulkes-Taylor controls a civil work entity called Yuin Pastoral, which has been paid for civil works during the financial year.
- Councillor Ross Foulkes-Taylor and Emma Foulkes-Taylor has a close family member who controls 'Murchison Gas & Plumbing, which has been paid for gas and plumbing services during the financial year ' with amounts payable at year end.

The following transactions occurred with related parties:

	2020 Actual	2019 Actual
	\$	\$
- Purchase of goods and services	1,714,274	4,289,595
Amounts payable to related parties:		
Trade and other payables	223,546	203,984
Fees and allowances		
- Elected members	20,629	24,520

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 elected member, are considered key management personnel.

ii. Other Related Parties

The associate person of KMP was employed by the Shire under normal employment terms and conditions.

iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

20. INVESTMENT IN JOINT ARRANGEMENTS

(a) Share of joint arrangements

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.

Land and buildings
 Less: Accumulated depreciation
 Total assets

	2020	2019
	\$	\$
	59,787	59,787
	(11,505)	(9,113)
	48,282	50,674

19.2.1 - August 2021

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RATE TYPE		Differential general rate / general rate													
Rate in \$	Number of Properties	2019/20		2019/20		2019/20		2019/20		2019/20		2019/20		2018/19	
		Actual Value	Rate	Actual Rate	Interim Rates	Actual Back Rates	Actual Total Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Budget Total Revenue	Actual Total Revenue			
0.03295	23	1,459,657	48,096	0	0	0	48,096	0	0	0	48,096	45,541			
0.2794	11	1,375,054	384,190	0	0	0	384,190	0	0	0	384,190	382,181			
0.08015	23	327,399	26,241	0	0	0	26,241	27	0	0	25,788	22,882			
Minimum \$	57	3,162,110	458,527	0	0	0	458,527	27	0	0	458,074	450,604			
Unimproved valuations															
	Rural														
	Mining														
	Prospecting and Exploration														
	Sub-Total														
Minimum payment															
Unimproved valuations															
	Rural														
	Prospecting and Exploration														
	Sub-Total														
Total amount raised from general rate															

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

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.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

21. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One - Payment in full	11/05/2020	0	0.00%	0.00%
Option Two				
First instalment	11/05/2020	0.00	0.00%	8.00%
Second instalment	13/07/2020	11.00	0.00%	8.00%
Third instalment	14/09/2020	11.00	0.00%	8.00%
Fourth instalment	16/11/2020	11.00	0.00%	8.00%

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Interest on unpaid rates	341	3,000	3,503
Charges on instalment plan	0	500	693
	341	3,500	4,196

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

22. RATE SETTING STATEMENT INFORMATION

(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 Rate Setting Statement in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

Note	2019/20 (30 June 2020) Carried Forward) \$	2019/20 Budget (30 June 2020) Carried Forward) \$	2019/20 (1 July 2019) Brought Forward) \$	2018/19 (30 June 2019) Carried Forward \$
Less: Profit on asset disposals	10(a) (13,313)	(9,439)	(6,171)	(6,171)
Less: Recognition of unit in LG House	0	0	(17,805)	(17,805)
Movement in liabilities associated with restricted cash	20,795	0	0	0
Movement in employee benefit provisions (non-current)	33,204	0	(89,241)	(89,241)
Add: Loss on disposal of assets	10(a) 156,534	112,597	59,617	59,617
Add: Depreciation on non-current assets	10(b) 3,216,991	3,071,485	3,049,712	3,049,712
Non cash amounts excluded from operating activities	3,414,211	3,174,643	2,996,112	2,996,112

(b) Surplus/(deficit) after imposition of general rates

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Less: Reserves - cash/financial asset backed	4	(6,989,920)	(5,707,646)	(7,303,108)	(7,303,108)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	13(a)	1,137	164	1,550,526	1,550,526
- Employee benefit provisions	14	85,266	75,493	64,471	64,471
Total adjustments to net current assets		(6,903,517)	(5,631,989)	(5,688,111)	(5,688,111)

Net current assets used in the Rate Setting Statement

Total current assets		11,888,201	6,611,428	13,263,621	13,263,621
Less: Total current liabilities		(1,140,776)	(979,439)	(3,013,322)	(3,013,322)
Less: Total adjustments to net current assets		(6,903,517)	(5,631,989)	(5,688,111)	(5,688,111)
Net current assets used in the Rate Setting Statement		3,843,908	0	4,562,188	4,562,188

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

(a) Interest rate risk

Cash and cash equivalents

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2020					
Cash and cash equivalents	1.13%	4,858,506	2,382,792	2,475,714	0
Financial assets at amortised cost - term deposits	1.06%	6,645,418	6,645,418	0	0
2019					
Cash and cash equivalents	1.79%	7,688,103	6,378,812	1,309,291	0
Financial assets at amortised cost - term deposits	2.06%	2,250,000	2,250,000	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2020	2019
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	48,585	95,243

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 13(b).

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020	\$	\$	\$	\$	\$
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0%
Gross carrying amount	155,072	48,016	3,240	0	206,328
30 June 2019					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	657	49,318	3,240	0	53,215

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020	\$	\$	\$	\$	\$
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	77,505	95	0	2,454	80,054
30 June 2019					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	593,272	385	0	2,254	595,911

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2020					
Payables	1,054,373	0	0	1,054,373	1,054,373
Borrowings	1,705	8,524	11,081	21,310	17,315
	1,056,078	8,524	11,081	1,075,683	1,071,688
2019					
Payables	1,398,325	0	0	1,398,325	1,398,325
Borrowings	1,552,848	8,524	12,796	1,574,168	1,567,841
	2,951,173	8,524	12,796	2,972,493	2,966,166

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There are no events occurring after the end of the reporting period which require reporting.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

25. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. The change in accounting policy had no impact on existing balances at the date of initial adoption (1 July 2019).

(b) AASB 1058: Income of Not-For-Profit Entities

The Shire adopted AASB 1058 Income of Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. The change in accounting policy had no impact on existing balances at the date of initial application (1 July 2019).

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance gave rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 no prepaid rates existed.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. The Shire held no leases on 1 July 2019 or 30 June 2020.

26. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, *Local Government (Financial Management) Regulation 16* was deleted and *Local Government (Financial Management) Regulation 17A* was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. The Shire had no recognised value attributable to crown land assets as 1 July 2019.

Also, following changes to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of the change. The associated revaluation surplus at 1 July 2019 has been reclassified to retained surplus.

(b) Changes in equity due to change in accounting policies

The impact on the Shire's opening revaluation surplus resulting from *Local Government (Financial Management) Regulation 16* being deleted and the amendments to *Local Government (Financial Management) Regulation 17A* as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Revaluation surplus - 30 June 2019			58,741,185
Adjustment to revaluation surplus from deletion of FM Reg 16	11	0	
Adjustment to revaluation surplus from deletion of FM Reg 17A	11	(1,506,304)	(1,506,304)
Revaluation surplus - 1 July 2019			57,234,881

SHIRE OF MURCHISON
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27. 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 statements 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) 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.

i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised 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.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

SHIRE OF MURCHISON
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FOR THE YEAR ENDED 30 JUNE 2020

28. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide the decision-making framework to facilitate allocation of limited resources.	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 To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.	Supervision of various by-laws, fire prevention and animal control.
HEALTH To provide an operational framework for environmental and community 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 To provide services to disadvantaged persons, the elderly, children and youth.	Support of education facilities within the Shire and of any external resources necessary to assist with education programmes for all residents.
HOUSING To provide and maintain staff housing.	Provision and maintenance of staff housing.
COMMUNITY AMENITIES To provide services required by the community.	Maintain a refuse site for the settlement.
RECREATION AND CULTURE To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Provide a library and museum and operation thereof. Maintain recreation centre, sports field, parks, gardens and other recreational facilities.
TRANSPORT To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, drainage works and traffic signs. Maintenance of the settlement airstrip.
ECONOMIC SERVICES To help promote the Shire and its economic wellbeing.	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 To monitor and control Shires overheads operating account.	Private works operations, plant repairs and operation costs.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

29. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	4.64	1.79	13.42
Asset consumption ratio	0.77	0.96	1.00
Asset renewal funding ratio	0.30	0.32	0.35
Asset sustainability ratio	1.08	0.54	1.47
Debt service cover ratio	0.89	0.24	0.65
Operating surplus ratio	0.59	(0.58)	(1.23)
Own source revenue coverage ratio	0.12	0.06	0.07

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Murchison

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Murchison (Shire) which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer (CEO).

In my opinion the annual financial report of the Shire of Murchison:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position 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, 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 of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Notes 1 and 10 to the annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's annual financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The CEO of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of the annual financial report that is free from material misstatement, whether due to fraud or error. In preparing the annual 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 and 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 Responsibility for the Audit of the Financial Report

The objectives of my audit are to obtain reasonable assurance about whether the annual 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 annual 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 annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates significant adverse trends in the financial position of the Shire:
 - a) The Asset Renewal Funding, Debt Service Cover and Own Source Revenue Coverage Ratios have been below the Department of Local Government, Sport and Cultural Industries' standard for the last three years.
The financial ratios are reported in Note 29 of the annual financial report.
- (ii) The following material matters indicating non-compliance with Part 6 of the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law were identified during the course of my audit:
 - a) Changes made to the supplier and employee masterfiles were not independently reviewed and authorised. This increased the risk of unauthorised changes to key information, although our audit sampling did not identify any such changes.
 - b) Reconciliations for property, plant and equipment and infrastructure were not prepared and reviewed in a timely manner.
 - c) Reasonable steps were not taken to prevent the theft or loss of portable and attractive assets, as required by Regulation 17B of the Local Government (Financial Management) Regulations 1996, as a register for these assets under \$5,000 was not maintained.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.

- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The annual financial report of the Shire for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that annual financial report. The financial ratios for 2018 in Note 29 of the audited annual financial report were included in the supplementary information and/or audited annual financial report for that year.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Shire of Murchison for the year ended 30 June 2020 included 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited annual financial report to confirm the information contained in this website version of the annual financial report.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 August 2021