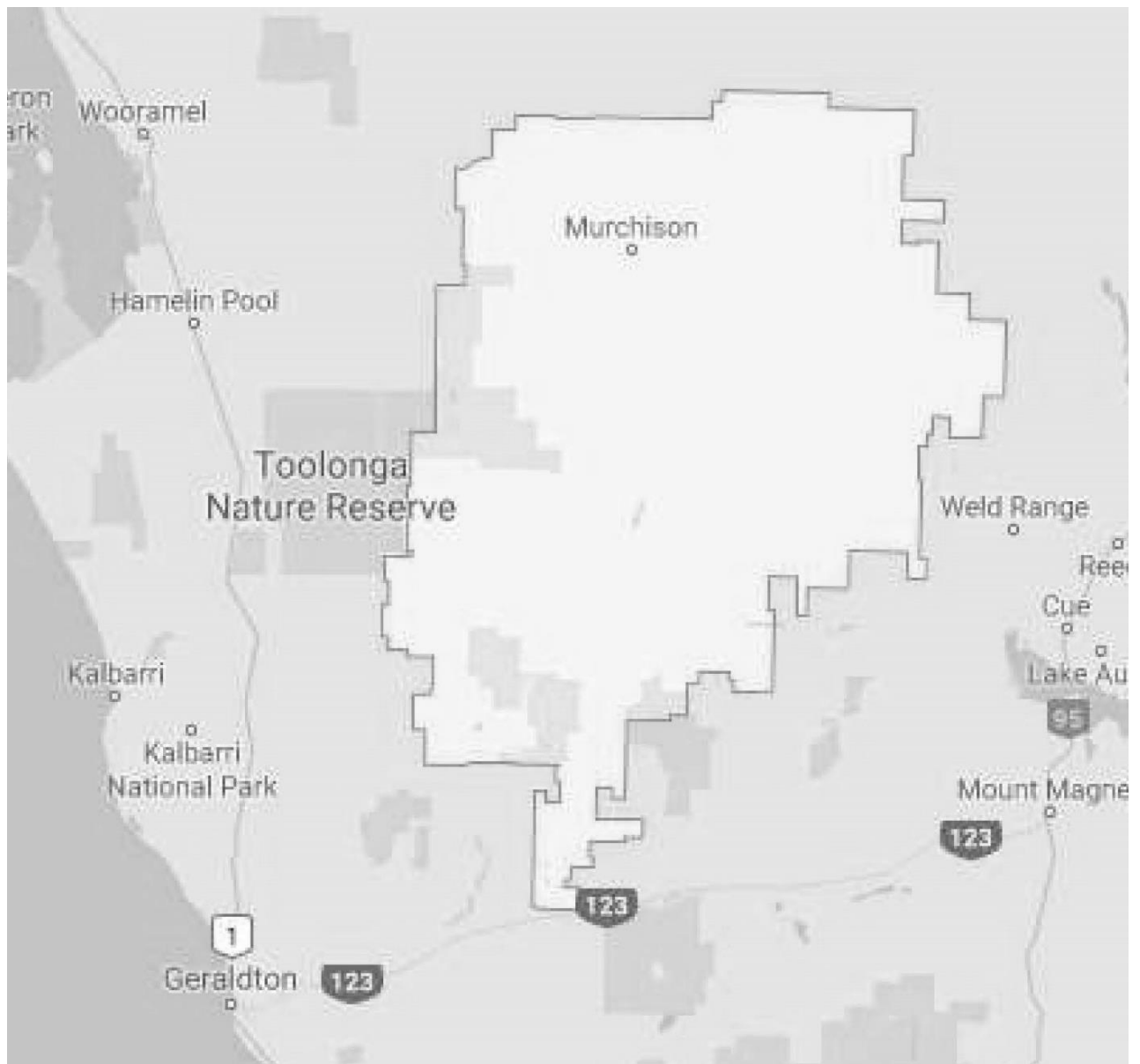




Murchison Shire Annual Report
for the year ending 30 June 2024

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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 2023-24 Annual Report was finalised and adopted by Council at its Ordinary Meeting on 13 December 2024.



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	75	Length of sealed roads	142km
Employees	19	Length of unsealed roads	1,806 km
Local Government Classifications	WA - Band 4	Australian - Rural Remote Extra Small (RTX)	

Overview

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 and 200 km north of Mullewa on the Carnarvon Mullewa Road.

The Shire of Murchison is one of the older local governments in Western Australia, having its origins in the Murchison District Roads Board, established 31st August 1875, and the Upper Murchison Roads Board established 12th 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 transferred 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 15th 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.

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.

Since taking on management of the Roadhouse as a Community “focused operation” all of the people that reside in the Settlement are either Shire employees or related to Shire employees. Electricity and water supplies are owned and run by the Council. It is the engine room for the entire operation of the Shire.

“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 continues to develop and expand, with some stations involved in station stays. The Murchison Oasis Caravan Park and motel units located at the Settlement provide facilities for tourists and contractors. There is also an increased number of mining/exploration companies within the Shire.

The Murchison Radio Astronomy site (MRO) has been developed by CSIRO on a portion of the Boolardy pastoral lease and is the location of the Australian component of the Square Kilometre Array, which is being developed as part of an international, ground breaking science project with state-of-the-art radio telescopes.



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:

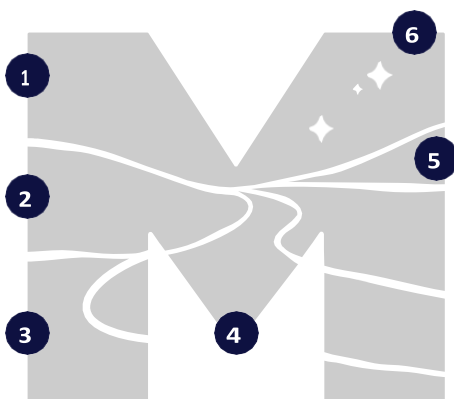


murchisonshire

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

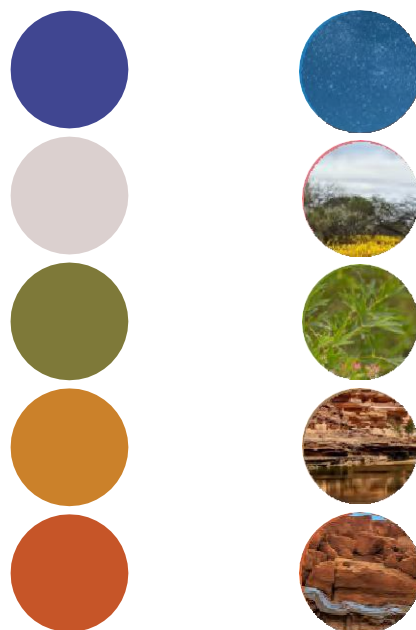
The strong, bold and confident typography that has been used for the key 'M' is accented with subtle rounded edges to give it a friendly feel.

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.



President's Report



Hello All,

Another year is behind us, and it was very heartening to get good mid-winter rains throughout the district in 2024.

The Shire has continued in attempting to make a reasonable fist of best directing our resources towards activities that

keep our community rolling along.

On September 8, 2023 a community picnic was held on the Carnarvon Mullewa Road to celebrate the completion of the sealing from the Murchison Settlement to where we join the City of Greater Geraldton. I mentioned on the day my sincere gratitude goes to all those that have worked towards this milestone.

Olive and Warren took up the Oasis Roadhouse and Caravan Park management and did a fine job while they were there but unfortunately had to head off earlier than they had hoped.

While not everyone is always happy, we continue to receive plenty of positive feedback about the service levels, standard of accommodation facilities and food at the roadhouse.

The SKAO project is now well and truly underway and during the year the Shire engaged several local contractors to assist with the constant road upgrades and maintenance that is required with the unprecedented volumes of traffic the project has created.

I would like to make special mention of the extra effort our Works Manager William (supported by Colleen) has put in to try and maintain reasonable road conditions for our locals to enjoy while juggling pressures from many different entities, all with their specific demands.

The fibre optic cable connection was just beginning to be installed at the very end of this financial year which is really good news.

The Shire welcomes Bec, Adam and Sydney Fogarty who have come down from their last home in Port Hedland to join us here in the Murchison. They have fronted up with great attitude and energy and we look forward to them being part of our community.

Thank you very much to the whole Shire crew, I certainly appreciate your efforts in contributing to the Shire's operations and day to day activities while living in the Settlement. Thanks also to my fellow Councillors for your support throughout the year.

Until next time.

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.



*Cr Rossco Foulkes-Taylor - Yuin Station
President*

Term Expires Oct 2027

Member Audit Committee, Murchison Community Fund Management Committee, Local Emergency Management Committee, Plant Working Group, Settlement Drinking Water Working Group, Settlement Power Supply Working Group, SKA Stakeholder Meeting Representative, Murchison Regional Road Group and WALGA Zone Delegate



*Cr Andrew Whitmarsh - Byro Station
Deputy President*

Term Expires Oct 2027

Member Audit Committee, Plant Working Group, Wild Dog Control Working Group, Murchison Settlement Redevelopment Working Group, SKA Stakeholder Meeting Representative and WALGA Zone Delegate



*Cr Quentin Fowler - Mt Narryer Station
Member*

Term Expires Oct 2027

Member Audit Committee, Settlement Drinking Water Working Group.



*Cr Emma Foulkes-Taylor - Yuin Station
Member*

Term Expires Oct 2025

Member Murchison Settlement Redevelopment Working Group, Museum Working Group, SKA Stakeholder Meeting Representative and Murchison GEO Region Working Group, Camp Oven Muster Festival Working Group, WALGA Zone Delegate, Monologue Editor and Council Document Editor. Cr Emma Foulkes-Taylor has also been separately appointed as a Local Government Representative on the Mid-West Development Commission.



*Cr Greydon Mead - Bullardoo Station
Member*

Term Expires Oct 2025

Member Plant Working Group, Settlement Power Supply Working Group, Wild Dog Working Group and Information Bay Working Group



*Cr Michelle Fowler - Mt Narryer Station
Member*

Term Expires Oct 2025

Member Murchison Settlement Redevelopment Working Group, Museum Working Group

Councillor Meeting Attendance

There were 11 Ordinary Meetings, and 2 Electors Meeting of Council held between 1 July 2023 and 30 June 2024. A breakdown of Councillors' presence at meetings is detailed in the following table

Councillor		Term	Ordinary Meeting	Electors Meeting	Total
Cr Rossco Foulkes-Taylor	President	Full Year	11-11	2-2	13-13
Cr Andrew Whitmarsh	Deputy President	Full Year	11-11	2-2	13-13
Cr Quentin Fowler	Member	Full Year	10-11	2-2	12-13
Cr Emma Foulkes Taylor	Member	Full Year	11-11	2-2	13-13
Cr Greydon Mead	Member	Full Year	10-11	1-2	11-13
Cr Michelle Fowler	Member	Full Year	10-11	2-2	12-13

Other meetings attended also included Audit Committee, Local Emergency Management Committee and various Working Groups. External meetings included Regional Road Group and Murchison sub-Regional Road Group, SKA Stakeholders, Murchison GeoRegion Working Group and WALGA Zone Meeting (Cue Parliament).

Governance & Civic

Council formally deliberates on a large array of governance matters in its role in governing the Shire and meeting its statutory obligations. Councillors also attend various civic functions as per the following highlights:

Following consolidation of its 2005 Policy Manual in 2022-23 Council reviewed and updated Policies 3.1 Staff Matters, 4.1 Financial Operations and introduced a new policy, 5.8 Local Loyalty Scheme, on a 12-month trial, primarily in relation to the operation of the Roadhouse.

From time-to-time Council is requested to provide input into general governance improvements. During the year submissions were made to WALGA and the State Government relating to reforms associated with meeting procedures. A submission to the Commonwealth's House of Representative Standing Committee on Regional Development, Infrastructure and Local Government Sustainability Inquiry was also made.

Other important advocacy support included expressing the Shire's support for Mid-West Ports endeavours to be granted an upgrade in the Biosecurity (First Point of Entry) Approval status for the Geraldton Port.

Council continues to work well in the region and during the year endorsed the Murchison Regional Strategy document as prepared by the Murchison Executive Group of CEOs to promote sustainable development and economic growth in the Murchison Region. Council has also been an integral part of establishing the Murchison GeoRegion and was pleased to be able to endorse the Murchison Geo Region and Geopark Incorporated Constitution, thereby paving the way for an independent body to advance this important work.

Locally, Council finalised its support for CSIRO's request to close unused road reserves within Boolardy Station and adopted the revised Murchison Local Emergency Management Arrangements 2024-2029 and Recovery Plan.

Council also endorsed the overall suggestion to conduct a Camp Oven Muster Festival in August 2024 and that this be managed as a community – shire event through a Council Working Group established for such purpose.

Council again supported a request, previously from Shelly Fowler and now under the umbrella of the Murchison Arts Council, to provide matching funds, up to \$500, to aid in fundraising for the Cancer Council's 'Biggest Morning Tea' fundraising event. The event was a huge success. Future event donations will now form part of Council's budget.

At the July 2023 Annual Meeting of Electors, the matter of pricing of fuel was raised in General Business where it was resolved that, "Council be requested to investigate the price of fuel charged at the Roadhouse with such review including comparisons with other outlets in the region." This was subsequently done, with the current pricing policy retained and a new tender, and subsequent contract for the supply of fuels, to include a community access component was subsequently identified and formalised.

In July 2023 Council hosted a visit from the Hon. Peter Foster MLC for Mining and Pastoral who attended to open up dialogue of various issues of interest, as well as formally announce \$250,000 of funding from Lottery West for the Community Splash Pad component of the Settlement's Pool and Splashpad Project.



Lottery West Funding Presentation at Splashpad Project Site

Council was actively involved and attended in a number of civic functions during the year including; the 2023 Annual Christmas Tree celebrations, 2024 Anzac Service and accompanying Museum and Community Garden Working Bee, and the official opening of the Wooleen Station Café.

On Friday 8 September 2023 Council held a Community Picnic to celebrate the sealing of the Carnarvon-Mullewa Road between the Murchison Settlement and the Southern Shire Boundary. In 2022-23 the last section was completed, finalising the cumulation of 20 years' work to construct and seal 133.42km from 7.2km north of the Murchison Settlement to the Shire's southern boundary with the City of Greater Geraldton. The Shire is very proud of this achievement, with 35.42km having been constructed and sealed since 2021.



Chief Executive Officer's Report

Staff

The Shire is fortunate to have dedicated and committed 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

Governance

Chief Executive Officer Mr Bill Boehm

Corporate Services

Community Officer Mrs Rebecca Fogarty from 15.04.24

Finance Officers Ms Sydney Fogarty from 15.04.24
Ms Robyne Hosking until 06.03.24

Administration Officer Ms Vicki Dumbris

Financial Accountant Mr Travis Bate (RSM) Contractor

Roadhouse

Roadhouse Managers Mr Warren Tomlinson from 16.04.24
Ms Martina Olive from 15.04.24
Mr Nick Drew until 03.07.24

Roadhouse Officer Ms Eyrl Phillips until 03.07.24

Various Casual Mr Joop van der Neut

Customer Services Ms Julia Sijpersma

Officers and Cleaning Ms Gwen Didden

Staff used during the Mr Jack Galecio

year including. Ms Winnie Lin

Ms Angela Pardoe

Ms Annabel Goetze

across a large array of areas and, where necessary due to our small size, utilise a range of external contract resources.

We once again take this opportunity to thank all members of staff and contractors for their service.

Works

Works Manager Mr William Herold

Executive Manager DCEO Mrs Lisa Keen

Mechanics Mr Michael Keen from 05.01.24

Mr Stuart Broad until 01.11.23

Plant Operators Mr Mark Jones

Mr Glen Pinnegar

Mr Ivor Dumbris

Mr Michael Hodder

Mr Brian Wundenberg from 11.09.23

Mr Michael Keen until 05.01.24

Mr Neil Combe until 28.08.23

Mr Brent Cowmeadow until 28.08.23

Mr Barry Panting 11.09.23 to 06.12.23

Mr Adam Fogarty from 15.04.24

Mr Gary Pardoe 11.09.23 to 23.01.24

Mr Des O'Brien until 01.08.23

Gardeners

Other Contract Staff

Environmental Health / Phil Swain Consulting
Building Officer

Ranger Mr Peter Smith
Canine Control



The backbone of the Shire's operation involves the management, maintenance, repair, construction and reconstruction of a vast Council Road Network. Council's small construction crew (5) and maintenance crew (2) are supplemented by various contractors.

Settlement Redevelopment

A program to review the extent of projects required in and around the Murchison Settlement for future years saw UDLA engaged in 2020-21 to undertake a Masterplan for the Settlement when Council formally adopted the Murchison Settlement Masterplan in 2021-22.



An extension to UDLA's work led to the development of concepts to develop in and around the Roadhouse.



This project was further developed and advanced through the Murchison Vast Sky Business Case, which was formally adopted during 2022-23.



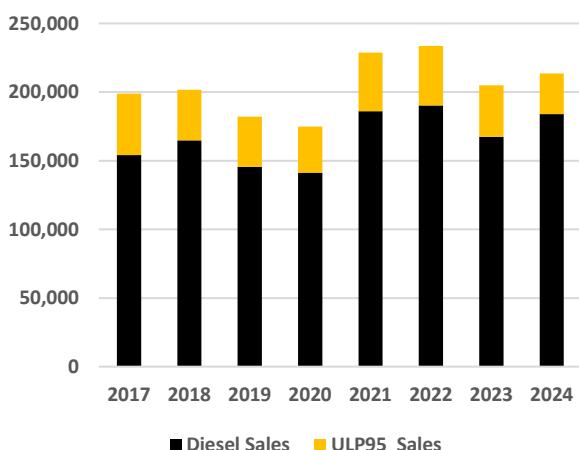
Murchison Oasis Roadhouse

2023-24 saw the third full year operation since assuming control of the Murchison Oasis Roadhouse and Caravan Park. New Roadhouse Managers Warren Tomlinson and Martina Olive took over from previous staff (Nick Drew and Eyrl Philips) and have continued to advance the operation as a community business under the shire's operations, ably assisted by a raft of casuals. Public feedback continues to be positive.



Historically diesel and unleaded ULP95 fuel has also been sold from the roadhouse utilising a 24hr operated swipe card facility.

Roadhouse Fuel Sold (litres)



Road Maintenance

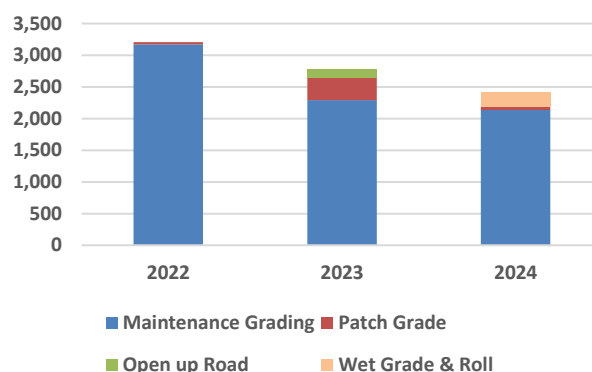
Council's Road network comprises some 1,948.17 km of formed, formed and surfaced and sealed roads, categorised by road hierarchy function as follows.

Category	Description	Length (km)
Cat A	Regional Distributor	279.87
Cat A	Local Distributor	828.42
Cat A	Local Feeder	215.18
Cat A	Local Access	331.83
Cat E	Local Station Access Only	292.87

Each category has its own level of strategic importance which, among other things, influence road maintenance practices.

Along with other road maintenance activities, regular maintenance grading and patching works are undertaken throughout the year, programmed according to the condition at the time and traffic generated, more or less in accordance with the relevant road category. During the year roads received maintenance grading either once or twice according to circumstances at the time. In 2023-24 additional contractor grading on the SKA Route was also undertaken

Road Maintenance Type (km)



Over the past few years Flood Damage Repairs associated with declared disaster events has seen significant fluctuations in the levels of road maintenance expenditure and revenue.

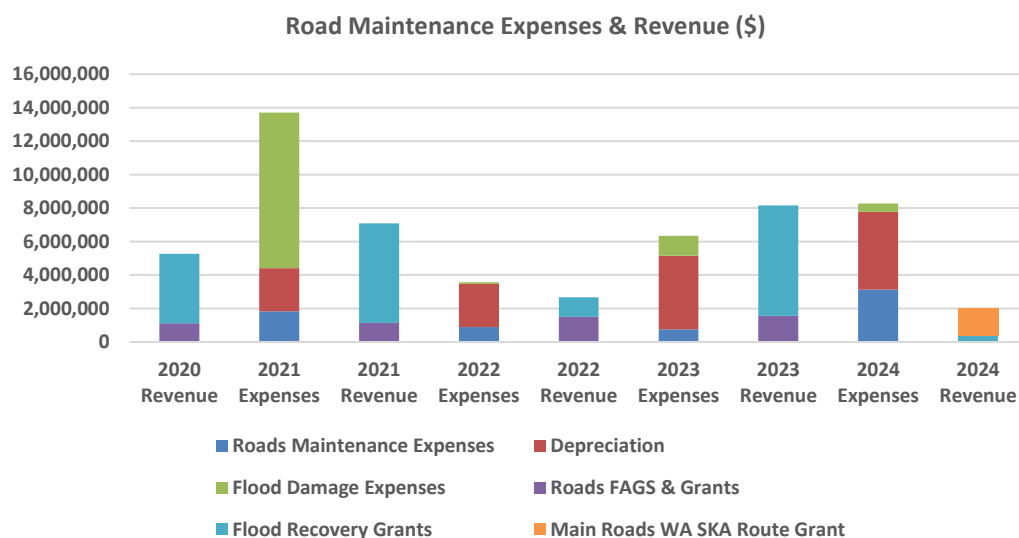
As shown in the following table, the time associated from the event being declared, obtaining an agreed scope of works and approved costing from the Department of Fire and Emergency Services (DFES) invariably means that there are significant delays in undertaking flood restoration works. Unfortunately, this situation has not improved over recent years, a situation which effects many local governments.

More often than not, repair work for each event is spread over a number of years. In addition, extra works outside of this program are usually added at Council's cost to take advantage of contractors being on site.

A minimum local government funding contribution, which varies for each event, applies.

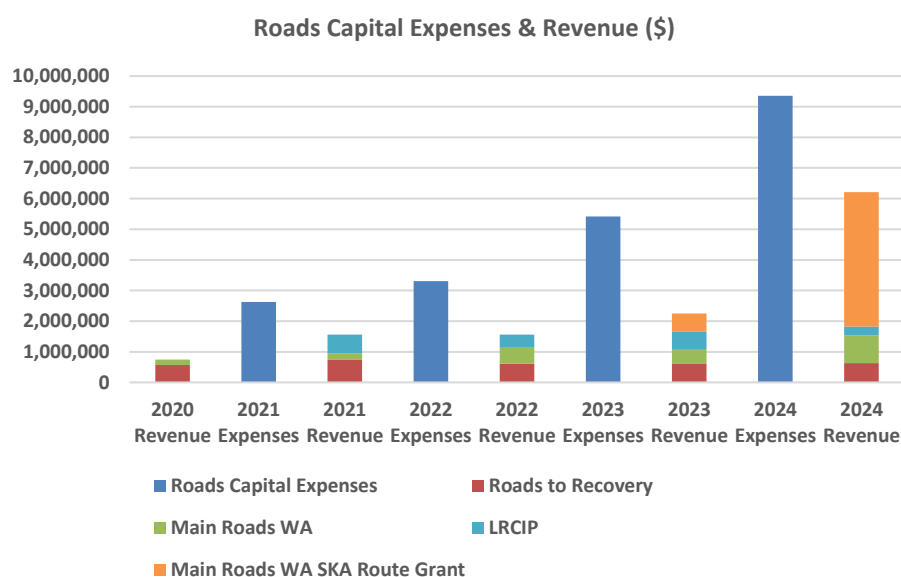
Flood Event			Cost Estimate	Years of Repair Work
AGRN863	Flood 6	11-14 April 2019	\$10,646,961	2020, 2021
AGRN899	Flood 7	4-9 Feb 2020 Tropical Cyclone Damien	\$398,024	2020, 2021
AGRN951	Flood 8	28 Jan-8 Feb 2021 Tropical Low	\$9,404,762	2021, 2022, 2023
AGRN974	Flood 9	29 - 31 May 2021 Rain Event	\$1,387,523	2022, 2023
AGRN1021	Flood 10	26 Mar – 3 April 2022	\$2,604,383	2022, 2023, 2024, 2025??
AGRN1062	Flood 11	Mar-April 2023	to be finalised in early 2024-25	2023, 2024, 2025??

These actions significantly impacted on Council's normal level of road maintenance operations. Depreciation, a non-cash expense, is also shown.



Road Construction

As indicated below, the extent of road construction activity is greatly influenced by the level of external funding provided. This includes Roads to Recovery and Main Roads WA funding, the latter of which has increased as Council has been able to increase the number of approved projects. In addition, since 2021/22 as part of a stimulus response to the COVID 19 Pandemic, the Commonwealth has provided additional roads funding under their Local Roads Community Infrastructure Program. In 2023-24 Council continued with road construction works on behalf of Main Roads WA on the SKA Route (Carnarvon-Mullewa, Twin Peaks-Wooleen, section of the Meeberrie-Mt Wittenoom, Boolardy-Kalli and sections of the Beringarra-Pindar and Boolardy-Kalli Roads).



This is also reflected in the \$9,354,885 in capital roadworks undertaken during year broadly comprising the following

Work Type	Km	Work Type	Km	Work Type	Km
Gravel Resheets Repairs	48.388	Sealed Upgrade	10.622	Reseals	3.063

Road	Location	Works	Funding
Beringarra-Pindar	288.05 – 309.50	Reshape resheet various floodway sections	Revenue, Grants
Beringarra-Pindar	Wreath Flowers	Completion of creation of dual one-way carriageways	Revenue
Beringarra-Pindar	SKA Route Sections	Reshape resheet various sections	Grants
Boolardy-Kalli	SKA Route Sections	Reshape resheet various sections	Grants
Boolardy-Wooleen	SKA Route Sections	Reshape resheet various sections	Grants
Meeberrie-Wooleen	SKA Route Sections	Reshape resheet various sections	Grants
Carnarvon-Mullewa	82.62 – 88.05	Resheet including floodways	Revenue
Carnarvon-Mullewa	208.68 – 241.74	Reconstruct widen and two coat seal narrow sections	Revenue, Grants
Carnarvon-Mullewa	208.68 – 241.74	Reseal various wide sections	Revenue
Carnarvon-Mullewa	154.04 – 208.68	Commence reconstruct & widen various narrow sections	Revenue, Grants
Twin Peaks-Wooleen	SKA Route Sections	Reshape resheet various sections	Grants
Various	Various	Grids Replacement	Revenue

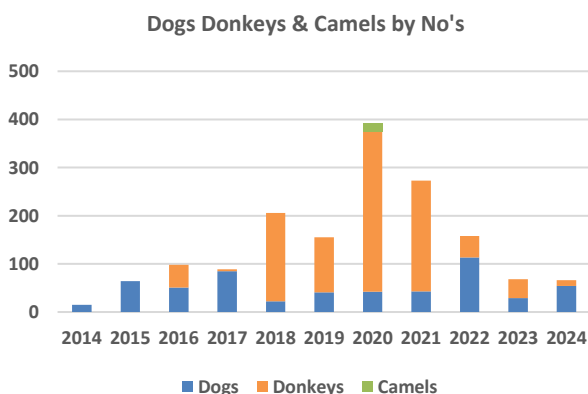


Vermin Control - Dog & Cat Management

Since 2014 the Shire has operated a Vermin Control Bounty Scheme to assist in the control of Wild Dogs, Donkeys and Camels. This scheme is a Shire initiative in addition to other State Government actions.

Prices for scalps are as follows: Wild Dogs \$100, Donkeys \$20 and Camels \$10.

Numbers recorded since the scheme's inception are shown as follows:



During 2022-23 year, following general review as to the effectiveness of this and other wild dog control work undertaken, it was recognised that whilst some additional financial support for local doggers could be seen as cost shifting, it was considered important to assist them in undertaking this essential work which involves significant effort, local experience and knowledge to eradicate what is a very difficult to find and destructive problem species.

An ex-gratia incentive payment of \$30 per day to local doggers operating within the Murchison Shire, capped at 160 days per annum rather than a variation in the per head bounty fee, was considered the most appropriate form of assistance and has been maintained during 2023-24.

Plant and Equipment

Replacement purchases of a Cat roller, Toyota Prado, Toyota Hilux, CF Moto UForce 600, 3x Genelite LG15Y-1 generators and IPS GS020-PTY generator.

Improved Water Supply

Work towards improving the quality of the water supply for Settlement residents and visitors continued, with a tender being called for and contract awarded to Murchison Gas and Plumbing for plumbing works. Works include a new ring main, pump equipment and connection to new bores, and ultimately to existing buildings. Works commenced in 2022-23 and are expected to be completed in 2024-25.

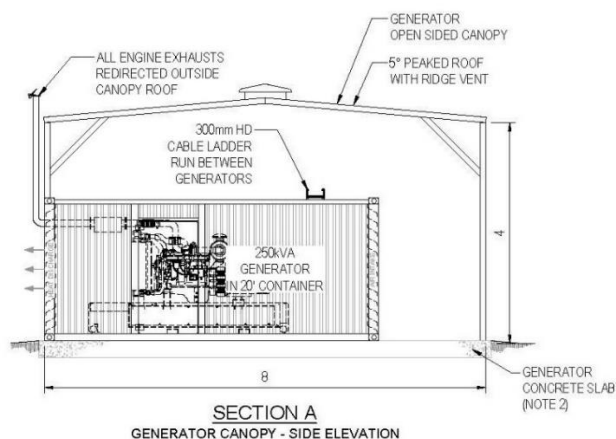
Meanwhile, following a successful funding application under the State Government's Infrastructure Development Program, works to provision a chlorinator to provide potable water are scheduled for 2024-25.



Settlement Power

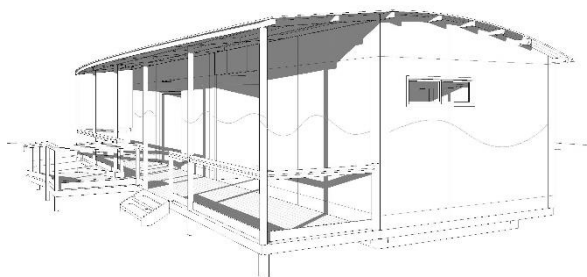
Work continued towards upgrading our Settlement power. During the summer period the existing generator capacity continued to be placed under significant stress. Whilst Council continues to work towards greening our power supply, a new generator was programmed for 2019-20, and subsequently installed in 2021-22.

Designs and specifications for a major upgrade to our power supply have been completed. Works are scheduled to commence in 2024-25 and be completed in 2025-26 following a successful funding application under the State Government's Infrastructure Development Fund.



Settlement Caravan Park Ablution Block

Tenders were called for a second ablution block for the Caravan Park. MI Global from Geraldton were successful and are scheduled to complete works in early 2024-25.



Settlement Pool & Splashpad

During the year \$250,000 funding from Lottery West for the Community Splash Pad component of the Settlement's Pool and Splashpad Project was secured. Additional funding of \$602,446 from the Commonwealth's Local Roads Community Infrastructure Fund was also obtained. As a result tenders were called, with Water Features by Design from Perth being successful. During the latter part of 2023-24-year design works and documentation were completed, with the pool an adjunct to the Settlement Caravan Park. Both projects are scheduled for completion in late 2024.



Community Economic Development

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, one newsletter was produced and distributed with regular monthly updates commencing in early 2024-25. The Murchison Polocrosse Tournament was again successfully held. This and the Shire's Christmas Tree and Anzac Day celebrations in December and April, continue to be the main stay of shire/community events held.

In February 2024 Council endorsed the suggestion to conduct a Camp Oven Muster Festival in August 2024 as a community – shire event. At the end of 2023-24 the Council Working Group established for this purpose was,

at the end of 2023-24, well advanced in undertaking this task including on the ground delivery.



The event program included camp oven cooking, wood carving and turning, wildflower walks, bush tucker taste and talk, construction and flying of kites, family games, community long table dinner, campfire sing-along, stargazing, astrophotography, line dancing, Murchison market, bush poetry, billy boiling, morning smoko and working dog demonstration with Q&A.

Potential for enhanced economic outcomes from the Community Garden have led to the potential upgrade and licensing of the kitchen in the Settlement Sports Club and further afield, potentially to residential kitchens within the Shire. The point-of-sale upgrades in the Roadhouse have created the operational viability for locally made produce to be sold through the roadhouse, thus supporting the development of cottage industry.

Plans to Collaborate with Art on the Move to establish an annual residency program were also put in place, with the aim to champion artists and galleries for the essential role they play in enriching Australian cultural life, creating opportunities for education, reflection, and exchange with advancement expected in late 2024.

During the stocktake of assets we uncovered collections of works, from banners to photos that require restoration. This includes hand painted banners from as far back as 2006. After some cleaning and repairs we intend to hang them on the banner poles on the main street.

Bill Boehm - Chief Executive Officer



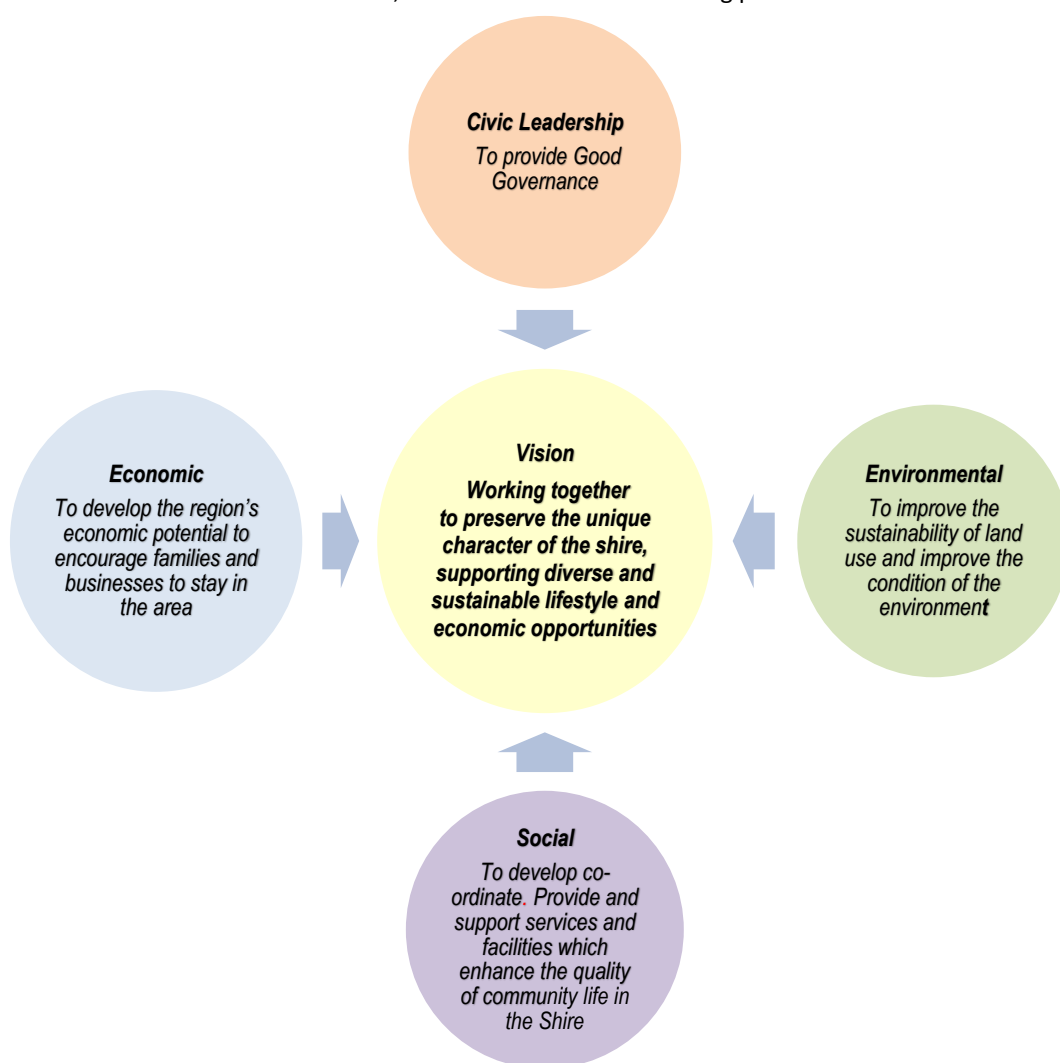
Strategic Community Plan

The Local Government Act and associated Regulations require a Local Government to ensure that a Strategic Community Plan is made for its district to:

- ~ 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, initially the Shire of Murchison developed a ten-year Strategic Community Plan, a 15-year Long Term Financial Plan and a four-year Corporate Business Plan. In 2023 the Corporate Business Plan was significantly updated ahead of the 2023-24 Budget. In 2023-24 a 20-year Asset Management Plan and Long-Term Financial Plan was adopted alongside the 4-year indicative budget, with the aim that all four documents would be updated annually.

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.



Since 2017 work has continued to develop the scope of works and deliver a range of Capital Works identified in the then Corporate Business Plan. However, various significant changes have occurred over recent years, with a range of strategic actions associated with the redevelopment of the Murchison Settlement including: the Murchison Settlement Masterplan, Murchison Settlement Roadhouse Precinct Detailed Concept Design and Murchison Vast Sky Experience Business Case as outlined in page 11 of this Annual Report. This has led to some minor tweaks to the Community Strategic Plan. Meanwhile, actions undertaken in relation to the Corporate Business Plan are shown in the following table:

Corporate Business Plan - Strategies & Actions Outline as aligned with the Strategic Community Plan 2016-17 – 2026-27

Strategy		Action No	Actions	Desired Trends & Comments
	Economic well-being			
	To develop the region's economic potential to encourage families and businesses to stay in the area			
	Outcome 1.1 Maintenance and upgrade of road network			<i>Aim for improved road safety and increased seal widening on the Carnarvon-Mullewa Road</i>
	1.1.1 To develop, maintain and improve an efficient road system to support the transport requirements associated with the pastoral and mining industries and tourism	1.1.1.1	Lobbying State and Federal Governments to adequately fund roads	Additional Road funding from the Commonwealth's Local Roads Community Infrastructure Program to supplement Roads to Recovery Funding) which is part of a 5-year program. Main Roads WA funding has effectively doubled from previous years due to submissions presented. In 2023-24 three projects have been funded with funding from works associated with two of the four 2024-25 projects also being included in 2023-24
		1.1.1.2	Maintaining an effective working relationship with Main Roads WA	Member of Main Roads Mid-West Regional Roads Group and Murchison Subgroup. CEO is a member of Main Roads WA Technical Working Group
		1.1.1.3	Continue road improvement program	Refer Roads Construction Section (pg14) Overall Gravel Resheets Repairs 48.388km, Sealed Upgrade 10.622km Reseals 3.063km Beringarra-Pindar 288.05 – 309.50 Reshape resheet various floodway sections Beringarra-Pindar Wreath Flowers Completion of creation of dual one-way carriageways Beringarra-Pindar SKA Route Sections Reshape resheet various sections Boolardy-Kalli SKA Route Sections Reshape resheet various sections Boolardy-Wooleen SKA Route Sections Reshape resheet various sections Meeberrie-Wooleen SKA Route Sections Reshape resheet various sections Carnarvon-Mullewa 82.62 – 88.05 Resheet including floodways Carnarvon-Mullewa 208.68 – 241.74 Reconstruct widen and two coat seal narrow sections Carnarvon-Mullewa 208.68 – 241.74 Reseal various wide sections Carnarvon-Mullewa 154.04 – 208.68 Commence reconstruct & widen various narrow sections Twin Peaks-Wooleen SKA Route Sections Reshape resheet various sections Grids Replacement at various locations New Entrance Signs previously installed in 2020-21
		1.1.1.4	Install safety signage at entry points to the Shire, including 'drive to conditions', UHF frequencies, 'no mobile service', carry enough water	

Strategy	Action No	Actions	Desired Trends & Comments
Outcome 1.2 Tourism Development			<i>Increase visitor numbers and longer duration of stay</i>
1.2.1 To promote and support a sustainable tourism industry in the Shire of Murchison	1.2.1.1	Construction / development of an Interpretive Centre in the Murchison Settlement	Part of Murchison Vast Sky Business Case which requires substantial funding for it to proceed
	1.2.1.2	Expansion of Murchison Settlement Caravan Park's accommodation facilities and construction of a camp kitchen	Refer Settlement Caravan Park Ablution Block Section (pg16). Tenders called for a new Caravan Park Ablution Block in December 2021, but no responses were received. Further follow up work has led to this project commencing in 2023-24 with the appointment of MI Global from Geraldton who have part completed the project
Outcome 1.3 Economic development			<i>Water and Electricity Supply upgraded</i>
1.3.1 Retain existing industries and encourage the establishment of new industries to broaden the region's economic base through the provision of residential and industrial land / buildings in Murchison Settlement	1.3.1.1	Explore options for the provision of land for residential and industrial development options in the Murchison Settlement	To be reviewed at a later date.
	1.3.1.2	Dissemination of information on employment and training opportunities within Shire and other organisations to the community	As part of standard practice Shire jobs are advertised including via local community email.
	1.3.1.3	Provide training and employment opportunities for the local community	Ongoing as opportunities arise. In 2023-24 training associated with the community garden was also undertaken.




Environmental well-being

To improve the sustainability of land use and improve the condition of the environment

Outcome 2.1 Waste Management

2.1.1 Develop and implement programs to reduce and control littering Develop and implement programs to encourage community ownership of the road side litter issue	2.1.1.1	Develop and implement programs to encourage community ownership of the road side litter issue	<i>Reduction in waste going to landfill</i> Ongoing as opportunities arise
	2.1.1.2	Better community engagement, signage encouraging 'respect for country' and encouraging people to take litter with them or leave it at rubbish facilities within the settlement.	Ongoing as opportunities arise
	2.1.1.3	Provision of more bins at the roadhouse and caravan park to deal with this	Ongoing review on an as required basis

Strategy		Action No	Actions	Desired Trends & Comments
			Outcome 2.2 Energy efficiency	Policy developed. Application incorporated into operational practices
2.2.1	Develop a policy to assess energy efficiency of appliances and other assets as part of the acquisition process	2.2.1.1	Develop a policy for assessing energy efficiency as part of the acquisition process for appliances and other assets	Reviewed and updated on an ongoing basis
		2.2.1.2	Replacement of existing appliances and other assets with more energy efficient models as part of the infrastructure maintenance and upgrade program	Ongoing brief with budgeted purchases
			Outcome 2.3 Environmental initiatives	As below
2.3.1	To protect and rehabilitate the Shires natural environment and support the pastoral industry	2.3.1.1	Continued support for community groups	Ongoing. Settlement Freight subsidy Contract. Annual Christmas Tree celebrations, ANZAC Day and Murchison Polocrosse support. Funding support for Biggest Morning Tea Cancer Fund Raising Event and Meekatharra School of the Air Parents and Citizens, Association (MSOTA)
		2.3.1.2	Develop a strategy for managing drainage in relation to flood and storm water on roads with other stakeholders	Policy developed. Incorporated into road design and road maintenance practices. Works Manager attended and presented roads for hydration methodology at a Cue Meeting of the Murchison Executive Group
		2.3.1.3	Pursue funding opportunities for control of noxious weeds and declared animals	Ongoing
		2.3.1.4	Continued support for community groups controlling noxious weeds and declared animals	Ongoing including for CRBA and Local Vermin Control Bounty Scheme. Additional financial support for local Doggers commenced in 2022-23 and maintained in 2023-24
		2.3.1.5	Continuation of Bunding and remediation of old Roads and Borrow Bits	Kalli-Roderick Road remediation deferred till 2024-25.
		2.3.1.6	Prepare an evidence-based report to support off reserve remediation work including downstream dispersal.	-
		2.3.1.7	Small scale support for vermin control	As per 2.3.1.4

Strategy		Action No	Actions	Desired Trends & Comments	
	Social well-being				
	To develop, co-ordinate, provide and support services and facilities which enhance the quality of community life in the Shire				
	Outcome 3.1 Infrastructure upgrade and improvement			<i>As below</i>	
	3.1.1	Maintain and improve infrastructure within the Shire to support social and economic activities (buildings and other infrastructure)	3.1.1.1	Explore and pursue funding opportunities to support the Shire’s capital works and maintenance programs	Council contribution to the Mid-West Development Commission’s Business Case Work for the Murchison Settlement by way of the Murchison SKA Interpretive Experience Planning Project and Murchison Roads Planning and Design Planning Project. Funding towards Community Pool and Splashpad secured.
			3.1.1.2	Follow up plans and ideas of disbanded cemetery committee	Ongoing
3.1.1.3			Complete development of the cemetery	Cemetery Niche wall completed in 2022-23	
3.1.1.4			Refurbish Community Centre	Part of Murchison Redevelopment Works Program.	
Outcome 3.2 Emergency services			<i>As below</i>		
3.2.1	Supply resources for, and co-ordinate delivery of, emergency services within the Shire	3.2.2.1	Bush fire brigade training	Ongoing	
		3.2.2.2	St John Ambulance First Aid training to be held at Murchison Settlement	Ongoing	
		3.2.2.3	Further development of the Local Emergency Management Operations	Ongoing. Adopted the revised Murchison Local Emergency Management Arrangements 2024-2029 and Recovery Plan	
		3.2.2.4	Bushfire Brigade Fast Attack purchase	Funding Application lodged but funding not successful	
Outcome 3.3 Provision of health service information			<i>As below</i>		
3.3.1	Shire to act as a reference point for the provision of health and well-being information for local residents	3.3.1.1	Gather information on health services provided in neighbouring communities and develop methodologies for communicating to the local community	Ongoing	
		3.3.1.2	Establish a central information hub advising contact details and resources for services available in surrounding districts	Ongoing maintenance of Community mailing list	
Outcome 3.4 Provision of Education Support			<i>As below</i>		
3.4.1	Provide support for access to educational opportunities.	3.4.1.1	Continue support of School of the Air and ICPA	Ongoing	
		3.4.1.2	Explore opportunities for inclusion of educational facilities in any upgrade of the Community Centre	Part of Murchison Redevelopment Works Program.	

Strategy



Civic Leadership well-being

To provide good governance to the Murchison Shire

Action No

Actions

Desired Trends & Comments

Outcome 4.1 Workforce planning

4.1.1	Development of a Workforce Plan to ensure human resources can be optimised to achieve the Shire's strategic objectives	4.1.1.1	Seek funding for development of a Community Development Officer position to implement actions to achieve Council's strategic objectives
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As below

Position incorporated into Shire Staff as matter of ongoing operation. New replacement commenced in April 2024.

Outcome 4.2 Regional collaboration

4.2.1	Work collaboratively with neighbouring shires, state and federal government and private enterprise to ensure the efficient and effective use of the Shire's scarce resources	4.2.1.1	Identify opportunities where collaboration can achieve greater outcomes for the local community than the Shire could achieve acting in isolation
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As below

Ongoing. Includes councillor representation on the WALGA Murchison Country Zone and CEO representation on the Murchison Executive Group. Partnering with the Mid West Development Commission on Murchison Vast Sky project. Financial support for a regional tourism marketing effort with other Shires associated with the Murchison Executive Group. Member and financial supporter of Murchison GeoRegion.

Outcome 4.3 Financial planning and management

4.3.1	To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management	4.3.1.1	Identify opportunities where collaboration can achieve greater outcomes for the local community than the Shire could achieve acting in isolation
		4.3.1.2	Adopt an asset management and replacement strategy that minimises the net cost of replacing assets
		4.3.1.3	Assess all potential funding sources, particularly grants to enable the maximisation of community benefit from matching cash contributions by Council

As below

Ongoing.

Major review undertaken in 2022-23 with new plan adopted in August 2023. Annual updates thereafter.

Ongoing

Outcome 4.4 Strategic planning

4.4.1	Ongoing reviews of the Community Strategic Plan	4.4.1.1	A full review of the Strategic Community Plan will be scheduled for four years from when it is adopted
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Full review of Community Strategic Plan completed

A full review is anticipated some time in 2024-25. In the meantime, some minor tweaks to the Community Strategic Plan have been made within the current framework have been made annually as part of the review of the Corporate Business Plan.

Strategy		Action No	Actions	Desired Trends & Comments
Outcome 4.5 Asset management				As below
4.5.1	Meet the required level of service in the most cost-effective manner for present and future Residents.	4.5.1.1	Maintain an Asset Management Plan	Major review undertaken in 2022-23 with new plan adopted in August 2023. Annual updates thereafter.
Outcome 4.6 Communications Strategies with the Community including the more involvement with Pia Wadjarri & CSIRO				As below
4.6.1	Increase communication between the Council and all sectors of the community (both ways)	4.6.1.1	Publication and distribution of the Shires bi-monthly newsletter (the Monologue)	Ongoing with one newsletter produced and distributed during the year.
		4.6.1.2	Hosting Community Meetings and Forums	Ongoing
		4.6.1.3	Email communications on developing issues	Ongoing
		4.6.1.4	Shire councillors and staff to attend CSIRO Stakeholder meetings	Ongoing
		4.6.1.5	CSIRO & SKAO representatives to be provide with opportunities to address Council at Council Meetings	Standing invitation to CSIRO & SKAO. During 2023-24 representatives from CSIRO and SKAO attended as follows. August 2023 Meeting . SKAO. February 2024 Meeting . CSIRO & SKAO
		4.6.1.6	Shire representatives’ regular attendance at Pia functions.	CEO regularly attends Pia Wadjarri School Council Meetings
4.6.2	Assist and support -the Pia Wadjarri Community with cultural development opportunities	4.6.2.1	Support local workshops and cultural development opportunities where there is alignment with local community development actions	Ongoing



Statutory Reporting Requirements

The following are statutory reporting requirements for inclusion into Council's Annual Report

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 2023-24.

National Competition Policy

Council operations in 2023-24 did not fall within the requirements of the National Competition Policy

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 2024.

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*, the number of employees other than the CEO who have an annual salary of \$130,000 per annum or more is shown as follows.

Salary Band	Number of Employees	
	2024	2023
\$140,000 to \$149,999	1	1

The CEO's remuneration comprised \$196,802 (salary, superannuation, allowances & fees) and \$33,758 (non-cash benefits).

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 2023-24 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 and 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 was submitted to the State Records Office. It is expected that

a significant amount of catch-up work will be required to implement the plan.

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 with 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 and later in July 2021 after community consultation.

The Disability Access and inclusion Plan 2021–2025 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 2023-24 are as follows:

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.

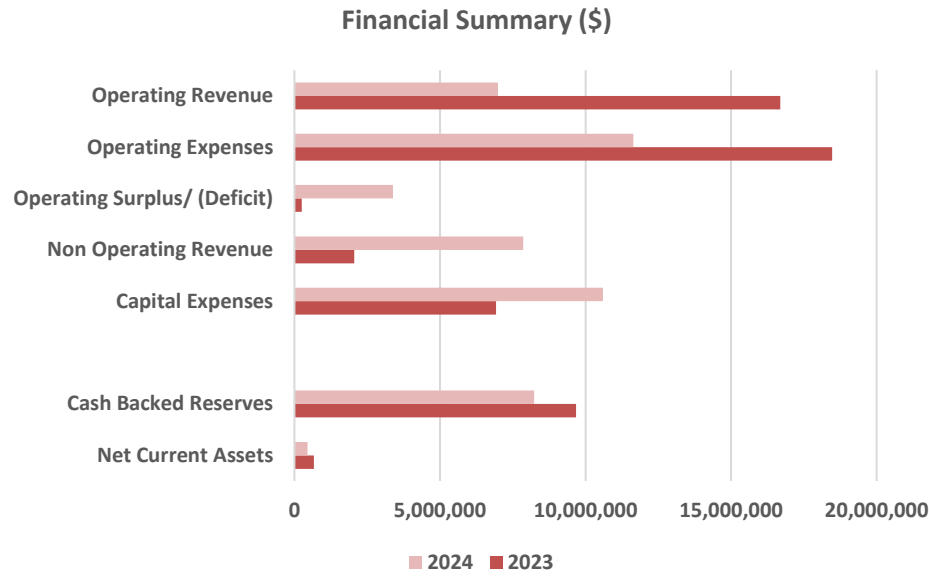
People with disability are encouraged to apply for any employment with the Shire.

Financial Overview

Financial Summary

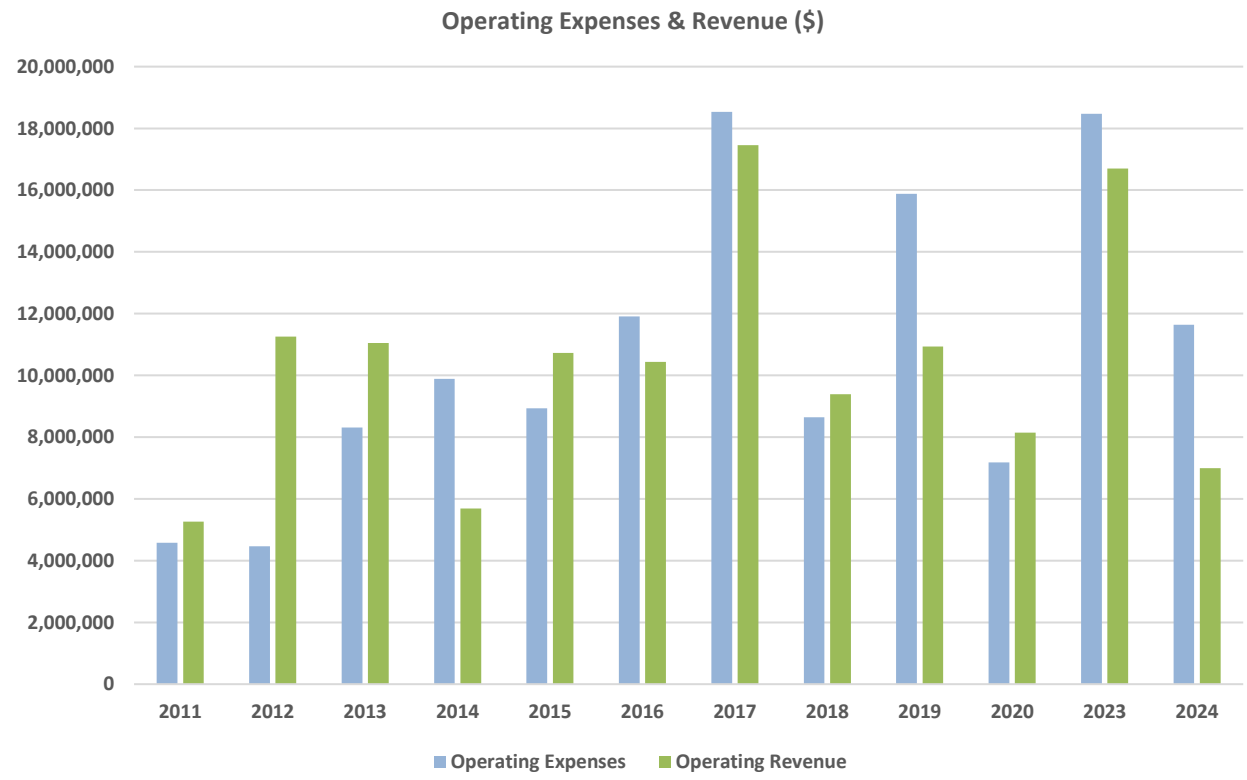
A summary of Council’s financial performance is shown as follows:

Depending on the circumstances during the year the financial performance may vary widely. 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 various events as previously described.

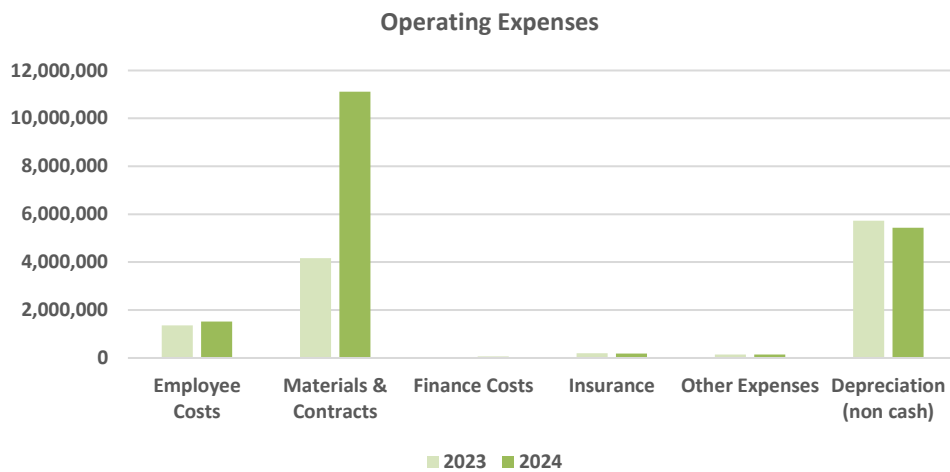
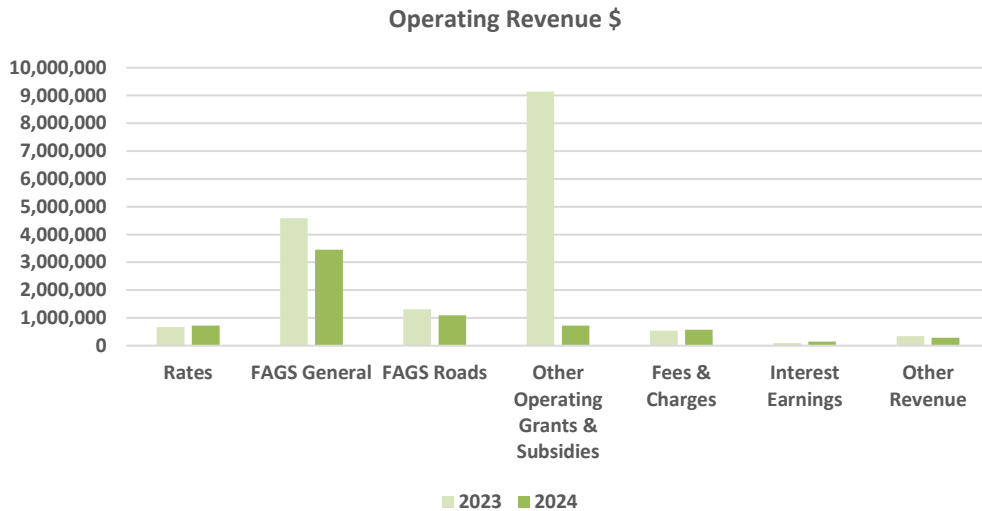


Operating Revenue & Expenses

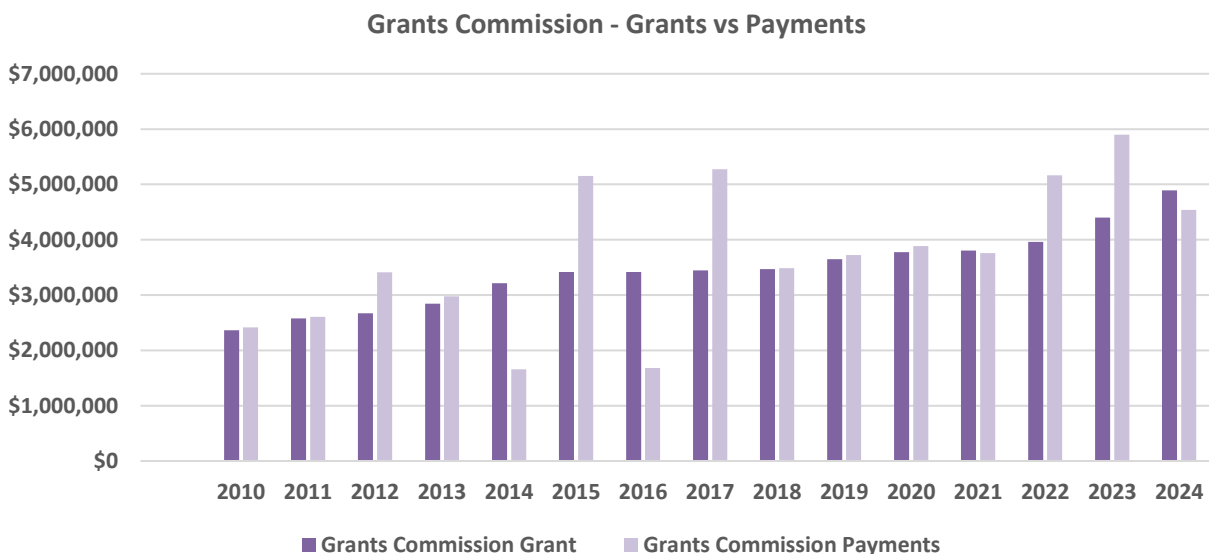
A summary of operating revenue and expenses (including depreciation which is non-cash) over several years is shown below.



Summary categorisation of operating revenue and expenses is shown as follows:

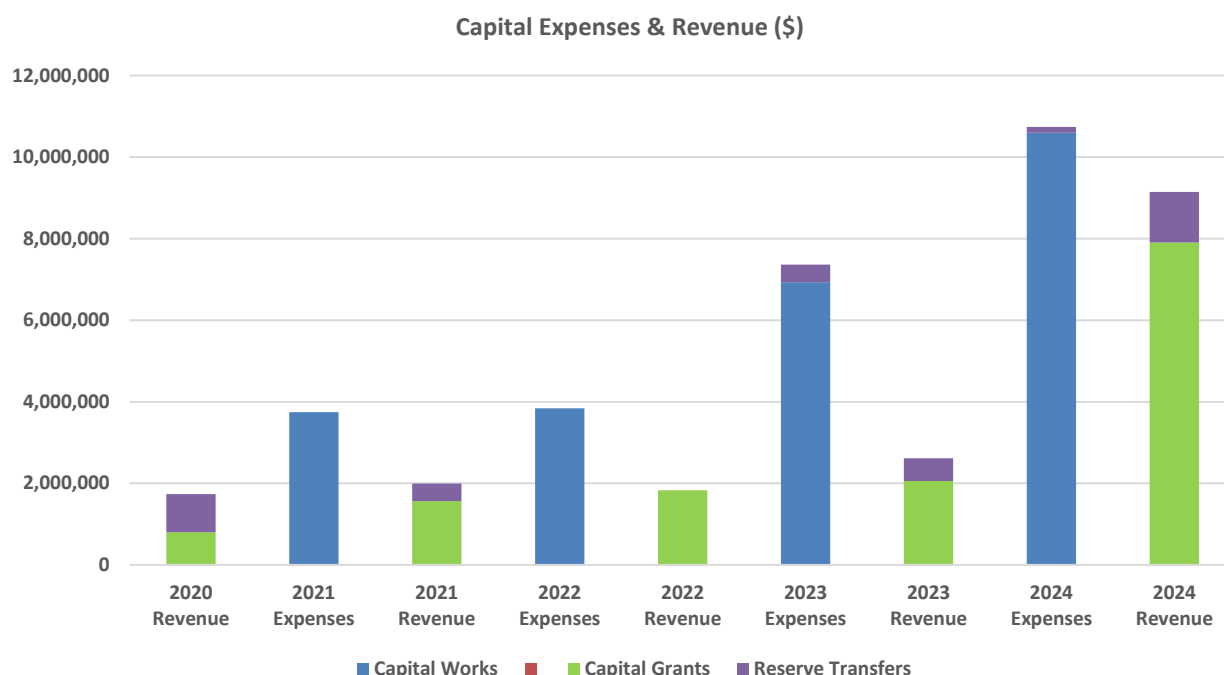


Summary of Grants Commission Payments shows the variation between the actual grant for each year compared to when payments are received. This distortion comes about by an advance commonwealth payment for the following financial year being received in June of the previous financial year. This distorts the real Net Current Assets position. As a means to minimise the impact, over the past two years the advance payment has been placed into a Grants Commission Reserve in June and then taken out in July.



Capital Expenses & Revenue

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 Federal and State Grants Commission (Financial Assistance (FAGs) and Road Grants), e.g. 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 include 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 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 this time with a more relevant and updated version, which will form part of the 2023-24 Annual Report being adopted in August 2023.

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.

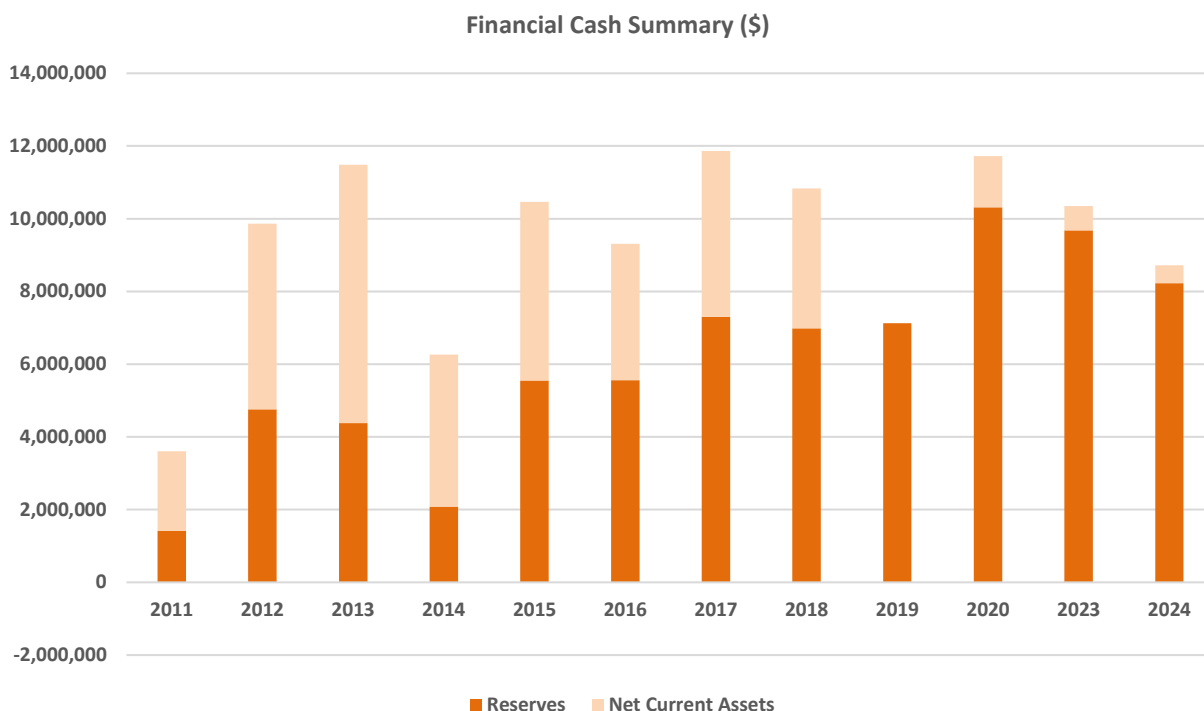
In 2019 WALGA commissioned an independent review of the current legislated financial indicators and have adopted a modified set with significantly different components.

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 Council's 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, notwithstanding an increase in the quantum of works undertaken.



Regardless of the figures, questions may 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 a long-term sealing program and plant replacement through an adaptive model.

This is part of the adjacent continuous improvement approach that Council continues to embark on.

This saw an updated Corporate Business Plan adopted in June 2023, with a fit for purpose Asset Management Plan adopted in August 2023 and which will be updated annually.



Financial Report

Council's Financial Report for the year ending 30 June 2024 report comprises of:

- Statement by Chief Executive Officer
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Financial Activity
- Notes to and Forming Part of the Annual Report
- Independent Auditors Report

SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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

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

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

**SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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

STATEMENT BY CEO

The accompanying financial report of the Shire of Murchison has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

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

Signed on the 28th day of November 2024



CEO

William James Boehm

**ARMADA
AUDITED**



SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),23	722,646	3,261,265	671,803
Grants, subsidies and contributions	2(a)	5,264,949	5,510,435	15,047,853
Fees and charges	2(a)	572,665	586,958	545,285
Interest revenue	2(a)	144,639	88,100	88,779
Other revenue	2(a)	286,474	372,851	341,137
		6,991,373	9,819,609	16,694,857
Expenses				
Employee costs	2(b)	(1,366,495)	(1,362,949)	(1,525,756)
Materials and contracts		(4,167,168)	(7,821,231)	(11,116,646)
Depreciation		(5,735,641)	(5,400,127)	(5,441,519)
Finance costs		(36,231)	(44,738)	(53,047)
Insurance		(197,357)	(188,949)	(185,182)
Other expenditure	2(b)	(140,775)	(160,373)	(147,392)
		(11,643,667)	(14,978,367)	(18,469,542)
		(4,652,294)	(5,158,758)	(1,774,685)
Capital grants, subsidies and contributions	2(a)	7,864,111	5,800,331	2,059,431
Profit on asset disposals		71,504	-	-
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	419	-	922
Impairment of Buildings and improvements	8(a)	-	-	(37,060)
		7,936,034	5,800,331	2,023,293
Net result for the period		3,283,740	641,573	248,608
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	-	-	-
Total other comprehensive income for the period	15	-	-	-
Total comprehensive income for the period		3,283,740	641,573	248,608

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



SHIRE OF MURCHISON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	8,523,979	10,542,527
Trade and other receivables	5	3,461,071	385,542
Inventories	6	220,515	230,472
Other assets	7	120,489	1,752,976
TOTAL CURRENT ASSETS		12,326,054	12,911,517
NON-CURRENT ASSETS			
Other financial assets	4(a)	20,792	20,373
Property, plant and equipment	8	13,176,284	13,172,850
Infrastructure	9	96,340,734	91,592,586
TOTAL NON-CURRENT ASSETS		109,537,810	104,785,809
TOTAL ASSETS		121,863,864	117,697,326
CURRENT LIABILITIES			
Trade and other payables	11	1,490,892	1,521,473
Other liabilities	12	2,161,932	1,044,818
Borrowings	13	197,445	194,552
Employee related provisions	14	196,861	246,429
TOTAL CURRENT LIABILITIES		4,047,130	3,007,272
NON-CURRENT LIABILITIES			
Borrowings	13	1,341,307	1,533,838
Employee related provisions	14	95,558	60,087
TOTAL NON-CURRENT LIABILITIES		1,436,865	1,593,925
TOTAL LIABILITIES		5,483,995	4,601,197
NET ASSETS		116,379,869	113,096,129
EQUITY			
Retained surplus		28,735,504	24,005,077
Reserve accounts	26	8,229,297	9,675,984
Revaluation surplus	15	79,415,068	79,415,068
TOTAL EQUITY		116,379,869	113,096,129

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 2024**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		23,116,002	10,316,451	79,415,068	112,847,521
Comprehensive income for the period					
Net result for the period		248,608	-	-	248,608
Other comprehensive income for the period	15	-	-	-	-
Total comprehensive income for the period		248,608	-	-	248,608
Transfers from reserve accounts	26	5,781,902	(5,781,902)	-	-
Transfers to reserve accounts	26	(5,141,435)	5,141,435	-	-
Balance as at 30 June 2023		24,005,077	9,675,984	79,415,068	113,096,129
Comprehensive income for the period					
Net result for the period		3,283,740	-	-	3,283,740
Other comprehensive income for the period	15	-	-	-	-
Total comprehensive income for the period		3,283,740	-	-	3,283,740
Transfers from reserve accounts	26	5,919,356	(5,919,356)	-	-
Transfers to reserve accounts	26	(4,472,669)	4,472,669	-	-
Balance as at 30 June 2024		28,735,504	8,229,297	79,415,068	116,379,869

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 2024

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		715,498	768,663
Grants, subsidies and contributions		1,936,591	14,934,444
Fees and charges		571,527	537,087
Interest revenue		144,639	88,779
Other revenue		286,474	341,137
		3,654,729	16,670,110
Payments			
Employee costs		(1,386,007)	(1,502,778)
Materials and contracts		(3,683,334)	(12,212,746)
Finance costs		(36,231)	(53,047)
Insurance paid		(197,357)	(185,182)
Goods and services tax paid		(239,125)	(155,036)
Other expenditure		(139,578)	(147,392)
		(5,681,632)	(14,256,181)
Net cash provided by (used in) operating activities	16(b)	(2,026,903)	2,413,929
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(1,243,966)	(1,516,963)
Payments for construction of infrastructure	9(a)	(9,354,887)	(5,412,000)
Capital grants, subsidies and contributions		10,613,712	2,727,075
Proceeds for financial assets at amortised cost		-	3,422,952
Proceeds from sale of property, plant & equipment		183,134	-
Net cash provided by (used in) investing activities		197,993	(778,936)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(189,638)	(202,165)
Net cash (used in) financing activities		(189,638)	(202,165)
Net increase (decrease) in cash held		(2,018,548)	1,432,828
Cash at beginning of year		10,542,527	9,109,699
Cash and cash equivalents at the end of the year	16(a)	8,523,979	10,542,527

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



**SHIRE OF MURCHISON
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	722,646	3,261,265	671,803
Rates excluding general rates	23	-	-	-
Grants, subsidies and contributions		5,264,949	5,510,435	15,047,853
Fees and charges		572,665	586,958	545,285
Interest revenue		144,639	88,100	88,779
Other revenue		286,474	372,851	341,137
Profit on asset disposals		71,504	-	-
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	419	-	922
		<u>7,063,296</u>	<u>9,819,609</u>	<u>16,695,779</u>
Expenditure from operating activities				
Employee costs		(1,366,495)	(1,362,949)	(1,525,756)
Materials and contracts		(4,167,168)	(7,821,231)	(11,116,646)
Depreciation		(5,735,641)	(5,400,127)	(5,441,519)
Finance costs		(36,231)	(44,738)	(53,047)
Insurance		(197,357)	(188,949)	(185,182)
Other expenditure		(140,775)	(160,373)	(147,392)
Loss on revaluation of non-current assets		-	-	(37,060)
		<u>(11,643,667)</u>	<u>(14,978,367)</u>	<u>(18,506,602)</u>
Non cash amounts excluded from operating activities	24(a)	5,649,621	5,400,127	5,507,989
Amount attributable to operating activities		<u>1,069,250</u>	<u>241,369</u>	<u>3,697,166</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		7,864,111	5,800,331	2,059,431
Proceeds from disposal of assets		183,134	100,000	-
		<u>8,047,245</u>	<u>5,900,331</u>	<u>2,059,431</u>
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(1,243,966)	(1,202,000)	(1,516,963)
Purchase and construction of infrastructure	9(a)	(9,354,887)	(8,581,117)	(5,412,000)
		<u>(10,598,853)</u>	<u>(9,783,117)</u>	<u>(6,928,963)</u>
Non-cash amounts excluded from investing activities	24(a)	-	-	-
Amount attributable to investing activities		<u>(2,551,608)</u>	<u>(3,882,786)</u>	<u>(4,869,532)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	26	5,919,356	6,327,983	5,781,902
		<u>5,919,356</u>	<u>6,327,983</u>	<u>5,781,902</u>
Outflows from financing activities				
Repayment of borrowings	25(a)	(189,638)	(189,033)	(202,165)
Transfers to reserve accounts	26	(4,472,669)	(2,972,301)	(5,141,435)
		<u>(4,662,307)</u>	<u>(3,161,334)</u>	<u>(5,343,600)</u>
Non-cash amounts excluded from financing activities	24(a)	-	-	-
Amount attributable to financing activities		<u>1,257,049</u>	<u>3,166,649</u>	<u>438,302</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(b)	669,242	508,088	1,403,306
Amount attributable to operating activities		1,069,250	241,369	3,697,166
Amount attributable to investing activities		(2,551,608)	(3,882,786)	(4,869,532)
Amount attributable to financing activities		1,257,049	3,166,649	438,302
Surplus or deficit after imposition of general rates	24(b)	<u>443,933</u>	<u>33,320</u>	<u>669,242</u>

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



**SHIRE OF MURCHISON
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF MURCHISON

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls;

and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment* which would have required the Shire to assess at each reporting date whether the varying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Impairment losses of non-financial assets - note 8
- Measurement of employee benefits - note 14

Fair value hierarchy information can be found in note 22

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 27 of the financial report.

Initial application of accounting standards

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

- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

New accounting standards for application in future years

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

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

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

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	722,646	-	722,646
Grants, subsidies and contributions	5,264,949	-	-	-	5,264,949
Fees and charges	572,665	-	-	-	572,665
Interest revenue	-	-	3,735	140,904	144,639
Other revenue	286,474	-	-	-	286,474
Capital grants, subsidies and contributions	-	7,864,111	-	-	7,864,111
Total	6,124,088	7,864,111	726,381	140,904	14,855,484

For the year ended 30 June 2023

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

(a) Revenue (Continued)

Note	2024 Actual	2023 Actual
	\$	\$
Interest revenue		
Interest on reserve account	139,080	82,596
Rate instalment and penalty interest	3,735	3,980
Other interest revenue	1,824	2,203
	144,639	88,779

The 2024 original budget estimate in relation to:
Trade and other receivables overdue interest was \$0.

Fees and charges relating to rates receivable

Charges on instalment plan	1,716	132
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The 2024 original budget estimate in relation to:
Charges on instalment plan was \$330.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	45,000	44,700
- Other services – grant acquittals	4,500	-
	49,500	44,700

Employee Costs

Employee benefit costs	1,261,885	1,445,954
Other employee costs	104,610	79,802
	1,366,495	1,525,756

Finance costs

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	36,231	53,047
	36,231	53,047

Other expenditure

Impairment losses (writeback) on rates and statutory receivables	(2,235)	(8,198)
Impairment losses (writeback) on trade receivables	1,197	-
Sundry expenses	141,813	155,590
	140,775	147,392

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	5,333,635	7,071,102
Term deposits	3,582,292	3,471,425
Bank overdraft	(391,948)	-
Total cash and cash equivalents	8,523,979	10,542,527
Held as		
- Unrestricted cash and cash equivalents	2,588,043	1,574,701
- Restricted cash and cash equivalents*	5,935,936	8,967,826
	8,523,979	10,542,527

*Restricted cash and cash equivalents excludes the Grant Commission reserve balance of \$4,334,804 at 30 June 2024 as there is no statutory requirement to restrict these funds. \$4,332,788 was received for the Financial Assistance grant on 30 June 2024 and transferred to the Grant Commission reserve. These funds were subsequently transferred from the Grant Commission reserve on 1 July 2024.

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance
Movement attributable to fair value increment
Financial assets at fair value through profit and loss [describe]
Local Government House Trust
Units in Local Government House Trust - closing balance

Note	2024	2023
	\$	\$
	20,792	20,373
	20,792	20,373
	20,373	19,451
	419	922
	20,792	20,373

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

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 22 (i)) due to the observable market rates).

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

Financial assets at fair value through profit or loss

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

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

5. TRADE AND OTHER RECEIVABLES

Note	2024	2023	
	\$	\$	
Current			
Rates and statutory receivables	22,125	60,272	
Trade receivables	3,446,103	87,289	
Other receivables	-	31,653	
GST receivable	-	214,623	
Allowance for credit losses of rates and statutory receivables	(5,960)	(8,295)	2,335
Allowance for credit losses of trade receivables	(1,197)	-	
	3,461,071	385,542	

Disclosure of opening and closing balances related to contracts with customers

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

Note	30 June 2024 Actual	30 June 2023 Actual	1 July 2022 Actual
	\$	\$	\$
Trade and other receivables from contracts with customers	3,446,103	87,289	1,517
Contract assets	7 120,489	1,752,976	182,020
Allowance for credit losses of trade receivables	5 (1,197)	-	-
Total trade and other receivables from contracts with customers	3,565,395	1,840,265	183,537

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

6. INVENTORIES

Note	2024	2023
	\$	\$
Current		
Fuel and materials	220,515	230,472
	220,515	230,472
The following movements in inventories occurred during the year:		
Balance at beginning of year	230,472	139,174
Inventories expensed during the year	(1,048,037)	(946,190)
Additions to inventory	1,038,080	1,037,488
Balance at end of year	220,515	230,472

MATERIAL ACCOUNTING POLICIES

General

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

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

7. OTHER ASSETS

	2024	2023
	\$	\$
Other assets - current		
Contract assets	120,489	1,752,976
	120,489	1,752,976

MATERIAL ACCOUNTING POLICIES

Contract assets

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

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Buildings and improvements not subject to operating lease		Plant and equipment		
	Total Buildings and improvements		Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$
Balance at 1 July 2022	9,850,835	9,850,835	40,876	2,878,770	12,770,481
Additions	587,082	587,082	30,025	899,856	1,516,963
Impairment (losses)	(37,060)	(37,060)	-	-	(37,060)
Depreciation	(629,276)	(629,276)	(9,840)	(438,418)	(1,077,534)
Balance at 30 June 2023	9,771,581	9,771,581	61,061	3,340,208	13,172,850
Comprises:					
Gross balance amount at 30 June 2023	13,943,811	13,943,811	82,994	5,345,016	19,371,821
Accumulated depreciation at 30 June 2023	(4,172,230)	(4,172,230)	(21,933)	(2,004,808)	(6,198,971)
Balance at 30 June 2023	9,771,581	9,771,581	61,061	3,340,208	13,172,850
Additions	633,811	633,811	40,845	569,310	1,243,966
Disposals	-	-	-	(111,630)	(111,630)
Depreciation	(629,530)	(629,530)	(12,113)	(487,259)	(1,128,902)
Balance at 30 June 2024	9,775,862	9,775,862	89,793	3,310,629	13,176,284
Comprises:					
Gross balance amount at 30 June 2024	14,577,622	14,577,622	123,839	5,572,566	20,274,027
Accumulated depreciation at 30 June 2024	(4,801,760)	(4,801,760)	(34,046)	(2,261,937)	(7,097,743)
Balance at 30 June 2024	9,775,862	9,775,862	89,793	3,310,629	13,176,284

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Buildings and improvements not subject to operating lease					
Buildings and improvements not subject to operating lease	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2022	Improvements to land using residual values and remaining useful life assessments inputs.
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
(ii) Cost					
Furniture and equipment		Cost	Cost		Purchase cost
Plant and equipment		Cost	Cost		Purchase cost

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - bridges	Total Infrastructure
	\$	\$	\$
Balance at 1 July 2022	88,739,812	1,804,759	90,544,571
Additions	5,412,000	-	5,412,000
Depreciation	(4,305,757)	(58,228)	(4,363,985)
Balance at 30 June 2023	89,846,055	1,746,531	91,592,586
Comprises:			
Gross balance at 30 June 2023	134,718,253	4,658,230	139,376,483
Accumulated depreciation at 30 June 2023	(44,872,198)	(2,911,699)	(47,783,897)
Balance at 30 June 2023	89,846,055	1,746,531	91,592,586
Additions	9,354,887	-	9,354,887
Depreciation	(4,548,511)	(58,228)	(4,606,739)
Balance at 30 June 2024	94,652,431	1,688,303	96,340,734
Comprises:			
Gross balance at 30 June 2024	144,073,140	4,658,230	148,731,370
Accumulated depreciation at 30 June 2024	(49,420,709)	(2,969,927)	(52,390,636)
Balance at 30 June 2024	94,652,431	1,688,303	96,340,734

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition residual value and remaining useful life assessments.
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Management Valuation	June 2022	Construction costs and current condition residual value 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 2024

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the 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. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 *Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued 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 land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

11. TRADE AND OTHER PAYABLES

Current

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

2024	2023
\$	\$
394,291	234,549
36,848	82,143
60,402	47,726
32,212	50,303
514,989	511,211
141,793	595,541
310,357	-
1,490,892	1,521,473

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

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

Prepaid rates

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

12. OTHER LIABILITIES

Current

Capital grant/contributions liabilities

Reconciliation of changes in capital grant/contribution liabilities

Opening balance

Additions

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

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year

	2024	2023
	\$	\$
	2,161,932	1,044,818
	2,161,932	1,044,818
	1,044,818	377,174
	2,161,932	1,044,818
	(1,044,818)	(377,174)
	2,161,932	1,044,818
	2,161,932	1,044,818
	2,161,932	1,044,818

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

MATERIAL ACCOUNTING POLICIES

Capital grant/contribution liabilities

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

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

13. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Long term borrowings		197,445	1,341,307	1,538,752	194,552	1,533,838	1,728,390
Total secured borrowings	25(a)	197,445	1,341,307	1,538,752	194,552	1,533,838	1,728,390

Secured liabilities and assets pledged as security

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

The Shire of Murchison has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierachy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Details of individual borrowings required by regulations are provided at Note 25.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

2024	2023
\$	\$
130,056	134,720
41,127	79,566
171,183	214,286
25,678	32,143
25,678	32,143
196,861	246,429
84,332	52,964
84,332	52,964
11,226	7,123
11,226	7,123
95,558	60,087
292,419	306,516

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

SHIRE OF MURCHISON
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024

15. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Buildings and improvements	7,861,593	-	7,861,593	7,861,593	-	7,861,593
Infrastructure - roads	71,553,475	-	71,553,475	71,553,475	-	71,553,475
	79,415,068	-	79,415,068	79,415,068	-	79,415,068

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2024 Actual \$	2023 Actual \$
Cash and cash equivalents	3	8,523,979	10,542,527
Restrictions			
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	5,935,936	8,967,826
		5,935,936	8,967,826
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts*	26	3,894,493	9,675,984
Contract assets	7	(120,489)	(1,752,976)
Capital grant liabilities	12	2,161,932	1,044,818
Total restricted financial assets		5,935,936	8,967,826

*Restricted reserve accounts excludes the Grant Commission reserve balance of \$4,334,804 at 30 June 2024 as there is no statutory requirement to restrict these funds. \$4,332,788 was received for the Financial Assistance grant on 30 June 2024 and transferred to the Grant Commission reserve. These funds were subsequently transferred from the Grant Commission reserve on 1 July 2024.

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

Net result	3,283,740	248,608
Non-cash items:		
Adjustments to fair value of financial assets at fair value through profit or loss	(419)	(922)
Depreciation/amortisation	5,735,641	5,441,519
(Profit)/loss on sale of asset	(71,504)	-
Impairment of building and improvements	-	37,060
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(3,075,529)	(258,378)
(Increase)/decrease in other assets	1,632,487	(1,570,956)
(Increase)/decrease in inventories	9,957	(91,298)
Increase/(decrease) in trade and other payables	(30,581)	641,411
Increase/(decrease) in employee related provisions	(14,097)	26,316
Increase/(decrease) in other liabilities	1,117,114	667,644
Capital grants, subsidies and contributions	(10,613,712)	(2,727,075)
Net cash provided by/(used in) operating activities	(2,026,903)	2,413,929

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	2,500,000	100,000
Bank overdraft at balance date	-	-
Credit card limit	5,000	5,000
Credit card balance at balance date	(2,074)	(1,891)
Total amount of credit unused	2,502,926	103,109

Loan facilities

Loan facilities - current	197,445	194,552
Loan facilities - non-current	1,341,307	1,533,838
Total facilities in use at balance date	1,538,752	1,728,390

Unused loan facilities at balance date	NIL	NIL
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SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

17. CONTINGENT LIABILITIES

The Shire of Murchison was in compliance with the *Contaminated Sites Act 2003* section 11 listed sites

- Murchison settlement tip; and
- Murchison works depot

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

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

18. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	1,746,441	3,909,892
- plant & equipment purchases	-	281,166
	1,746,441	4,191,058
Payable:		
- not later than one year	1,746,441	4,191,058

The capital expenditure projects outstanding at the end of the current reporting period represent construction of a pool and splash pad, water supply and an ablution facility. The prior year commitments were for construction of roads, water supply and power supply and plant purchases.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

19. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	16,032	16,032	14,032
President's meeting attendance fees	14,835	14,835	14,613
President's annual allowance for ICT expenses	2,215	2,215	2,000
President's travel and accommodation expenses	1,991	3,250	6,642
	35,073	36,332	37,287
Deputy President's annual allowance	4,008	4,008	3,508
Deputy President's meeting attendance fees	9,890	9,890	9,742
Deputy President's annual allowance for ICT expenses	2,215	2,215	2,000
Deputy President's travel and accommodation expenses	2,020	3,250	2,020
	18,133	19,363	17,270
All other council member's meeting attendance fees	39,560	39,560	38,968
All other council member's annual allowance for ICT expenses	8,860	8,860	8,000
All other council member's travel and accommodation expenses	7,354	13,000	11,177
	55,774	61,420	58,145
19(b)	108,980	117,115	112,702

(b) Key Management Personnel (KMP) Compensation

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

Short-term employee benefits	447,598	435,108
Post-employment benefits	63,699	52,699
Employee - other long-term benefits	56,240	14,145
Council member costs	108,980	112,702
19(a)	676,517	614,654

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

19. RELATED PARTY TRANSACTIONS

Transactions with related parties

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

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

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

	2024 Actual	2023 Actual
	\$	\$
Purchase of goods and services	2,736,698	733,176
Amounts payable to related parties:		
Trade and other payables	100,665	-

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 Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 19(a) and 19(b).

ii. Other Related Parties

In 2023, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The contract involved roadworks in the Shire, and amounted to \$2,460,581 in the current year (2023: \$589,626).

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

The contract involved plumbing works, and amounted to \$175,907 in the current year (2023: \$Nil).

In 2023, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The contract involved roadworks in the Shire, and amounted to \$100,210 in the current year (2023: \$141,350).

In 2023, a company controlled by a related party of a council member, provided water sampling on terms and conditions equivalent to those that prevail in arm's length transactions under the Shire's procurement process.

No services were provided in the current year (2023: \$2,200)

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

iii. Entities subject to significant influence by the Shire

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

20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Shire.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

21. JOINT ARRANGEMENTS

Share of joint operations

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

Statement of Financial Position

	2024 Actual	2023 Actual
	\$	\$
Buildings	96,273	96,723
Less: Accumulated depreciation	(29,751)	(25,900)
Total assets	66,522	70,823
Total equity	66,522	70,823

Statement of Comprehensive Income

Employee costs	(15,245)	(19,405)
Materials and contracts	(46,482)	(229,354)
Insurance	(15,910)	(14,823)
Depreciation	(3,850)	(3,850)
Profit/(loss) for the period	(81,487)	(267,432)
Other comprehensive income	-	-
Total comprehensive income for the period	(81,487)	(267,432)

Statement of Cash Flows

Employee costs	(15,245)	(19,405)
Materials and contracts	(46,482)	(229,354)
Insurance	(15,910)	(14,823)
Net cash provided by (used in) operating activities	(77,637)	(263,582)

MATERIAL ACCOUNTING POLICIES

Joint operations

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

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

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

22. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

23. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
Rate Description		Basis of valuation									
UV Pastoral		0.08894	22	1,232,910	109,655	(833)	108,822	109,656	-	109,656	59,956
UV Mining		0.16941	25	10,744,029	1,820,146	(1,490,193)	329,953	2,832,029	-	2,832,029	400,840
UV Prospecting and exploration		0.16941	59	1,754,200	297,179	(36,508)	260,671	297,180	-	297,180	184,607
Total general rates			106	13,731,139	2,226,980	(1,527,534)	699,446	3,238,865	-	3,238,865	645,403
Minimum payment											
UV Pastoral		800	6	19,103	4,800	-	4,800	4,800	-	4,800	4,800
UV Mining		800	5	77,957	4,000	-	4,000	3,200	-	3,200	-
UV Prospecting and exploration		800	18	43,145	14,400	-	14,400	14,400	-	14,400	21,600
Total minimum payments			29	140,205	23,200	-	23,200	22,400	-	22,400	26,400
Total general rates and minimum payments			135	13,871,344	2,250,180	(1,527,534)	722,646	3,261,265	-	3,261,265	671,803
Discounts							-			-	-
Concessions							-			-	-
Total Rates							722,646			3,261,265	671,803
Rate instalment interest							-			-	-
Rate overdue interest							3,735			5,500	3,980

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

*Rateable Value at time of raising of rate.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 Budget (30 June 2024 Carried Forward)	2023/24 (1 July 2023 Brought Forward)	2022/23 (30 June 2023 Carried Forward)
Note	2023/24 (30 June 2024 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 Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	(71,504)	-	-	-
Less: Movement in receivables for employee related provisions			4,016	4,016
Less: Movement in liabilities associated with restricted cash	(49,568)	-	58,654	58,654
Less: Fair value adjustments to financial assets at fair value through profit or loss	(419)	-	(922)	(922)
Add: Loss on revaluation of fixed assets	8(a) -	-	37,060	37,060
Add: Depreciation	10(a) 5,735,641	5,400,127	5,441,519	5,441,519
Non-cash movements in non-current assets and liabilities:				
Employee benefit provisions	35,471	-	(32,338)	(32,338)
Non-cash amounts excluded from operating activities	5,649,621	5,400,127	5,507,989	5,507,989
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	26 (8,229,297)	(6,319,336)	(9,675,984)	(9,675,984)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13 197,445	189,033	194,552	194,552
- Employee benefit provisions	196,861	183,760	246,429	246,429
- Disposal of assets TBA	-	6,519	-	-
Total adjustments to net current assets	(7,834,991)	(5,940,024)	(9,235,003)	(9,235,003)
Net current assets used in the Statement of Financial Activity				
Total current assets	12,326,054	8,180,691	12,911,517	12,911,517
Less: Total current liabilities	(4,047,130)	(2,207,347)	(3,007,272)	(3,007,272)
Less: Total adjustments to net current assets	(7,834,991)	(5,940,024)	(9,235,003)	(9,235,003)
Surplus or deficit after imposition of general rates	443,933	33,320	669,242	669,242

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

25. BORROWINGS

(a) Borrowings

													Budget			
Actual																
		Principal at	New Loans	Principal	Actual Interest	Actual Interest	Principal at	New Loans	Principal	Actual Interest	Actual Interest	Principal at	Principal at 1	New Loans	Principal	Principal at
Purpose	Note	1 July 2022	During 2022-23	Repayments	Expense During	Repayments	30 June 2023	During 2023-24	Repayments	Expense During	Repayments	30 June 2024	July 2023	During 2023-24	Repayments	30 June 2024
		\$	\$	\$	2023-23	During 2022-23	\$	\$	\$	2023-24	During 2023-24	\$	\$	\$	\$	\$
Plant		15,745	-	(14,650)	150	(1,245)	-	-	-	-	-	-	-	-	-	-
Roadworks in 2020-21		1,914,810	-	(185,598)	52,897	(53,719)	1,728,390	-	(189,033)	36,231	(36,836)	1,538,752	1,722,871	-	(189,033)	1,533,838
Total Borrowings	13	1,930,555	-	(200,248)	53,047	(54,964)	1,728,390	-	(189,033)	36,231	(36,836)	1,538,752	1,722,871	-	(189,033)	1,533,838

All other loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
Plant	1	WATC^	3.33%	14-Sep-22	\$ -	\$ -	(150)
Roadworks in 2020-21	2	WATC^	1.84%	28-Oct-31	(36,231)	(30,870)	(52,897)
Total Finance Cost Payments					(36,231)	(30,870)	(53,047)

* WA Treasury Corporation

(b) New Borrowings - 2023/24

There were no new borrowings for the Year Ended 30 June 2024.

(c) Unspent Borrowings

The Shire had no unspent borrowings at 30 June 2024.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

26. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	164,991	1,958	-	166,949	164,992	25,844	-	190,836	139,147	25,844	-	164,991
(b) Plant replacement reserve	1,251,758	-	(443,000)	808,758	1,251,758	-	(443,000)	808,758	1,372,758	296,000	(417,000)	1,251,758
(c) Building reserve	505,853	6,005	-	511,858	505,853	5,325	-	511,178	499,635	6,218	-	505,853
(d) Beringarra- Cue road reserve	1,441,587	110,868	-	1,552,455	1,441,587	10,000	-	1,451,587	3,457,924	48,477	(2,064,814)	1,441,587
(e) CSIRO Beringarra-Pindar road reserve	178,214	2,115	-	180,329	178,213	1,875	-	180,088	176,024	2,190	-	178,214
(f) Flood damage repairs reserve	5,969	-	-	5,969	5,969	75,000	-	80,969	105,969	-	(100,000)	5,969
(g) Settlement assets reserve	581,775	6,708	(191,372)	397,111	581,416	308,961	(600,000)	290,377	522,857	58,918	-	581,775
(h) Road asset reserve	858,912	-	(600,000)	258,912	858,912	-	(600,000)	258,912	858,912	-	-	858,912
(i) Grants Commission reserve	4,685,590	4,334,198	(4,684,984)	4,334,804	4,684,983	-	(4,684,983)	-	3,183,225	4,702,453	(3,200,088)	4,685,590
(j) Community Economic Development reserve	1,335	13	-	1,348	1,335	6,720	-	8,055	-	1,335	-	1,335
(k) Carnarvon-Mullewa Mining Related	-	-	-	-	-	7,500	-	7,500	-	-	-	-
(l) Asset Management Reserve	-	10,804	-	10,804	-	2,531,076	-	2,531,076	-	-	-	-
	9,675,984	4,472,669	(5,919,356)	8,229,297	9,675,018	2,972,301	(6,327,983)	6,319,336	10,316,451	5,141,435	(5,781,902)	9,675,984

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	To be used to fund annual and long service leave requirements.
(b) Plant replacement reserve	To be used for the purchase of plant.
(c) Building reserve	To be used for the construction\renovation of administration centre and works depot.
(d) Beringarra- Cue road reserve	To be used to maintain the road in a post Jack Hills mine closure environment by converting the road from bitumen to gravel and performing other associated works as required.
(e) CSIRO Beringarra-Pindar road reserve	To be used to fund additional maintenance work required for CSIRO traffic.
(f) Flood damage repairs reserve	To be used towards DRFWA funded flood damage works.
(g) Settlement assets reserve	To be used to fund and maintain new and upgraded buildings, facilities and infrastructure within the Murchison Settlement.
(h) Road asset reserve	To be used to fund work for the construction and reconstruction of Councils Road Infrastructure.
(i) Grants Commission reserve	To ensure that any Grants Commission funds received are only applied to income and expenses in the financial year in which they apply.
(j) Community Economic Development reserve	To be used to fund actions and activities that support and increase progress in the development of the Shire community and Shire based organisations economically, socially and culturally.
(k) Carnarvon-Mullewa Mining Related	To be used to fund works for the construction and reconstruction of the Carnarvon-Mullewa Road as associated with Mining related traffic.
(l) Asset Management Reserve	To be used to fund works associated with the short and long-term management of Council's Infrastructure Assets.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

27. TRUST FUNDS

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



Auditor General

INDEPENDENT AUDITOR'S REPORT 2024 Shire of Murchison

To the Council of the Shire of Murchison

Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 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 below.

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

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

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

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

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

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

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

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

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

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Murchison for the year ended 30 June 2024 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Carly Meagher
Acting Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
28 November 2024



murchisonshire

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