

Annual Report

2023-2024



Shire of
Wyalkatchem



Acknowledgement of Country

The Shire of Wyalkatchem acknowledges the traditional owners of the land, the Ballardong people of the Noongar nation, and pay our respects to all members of Aboriginal communities and to Elders past, present and emerging.

We recognise the culture of the Noongar people and the unique contribution they make to the region and Australia.

*Showcasing Wyalkatchem:
The front cover captures our main street, Railway Terrace and the iconic Diuris brumalis - Winter Donkey Orchid.*



Contents

Annual Report	1
2023-2024	1
Acknowledgement of Country	2
Shire of Wyalkatchem	4
Purpose of the Annual Report	5
President's Report	6
Chief Executive Officer's Report	10
Councillors	12
Organisational Structure	13
Planning for the Future	14
Strategic Community Plan	15
Statutory Requirements	19
Annual Financial Report	24



Shire of Wyalkatchem

The Shire of Wyalkatchem is located 194km north- east of Perth. The Shire covers an area of 1,595 square kilometres with the main resident centre being the town of Wyalkatchem.

Agriculture accounts for 60% of business in Wyalkatchem, which is reflected in the employment profile of the Shire, with 35% of all employed persons in the Shire working in this industry.

The Shire has an estimated resident population of 470 (ABS census 2021).

Shire of Wyalkatchem Statistics

 Distance from Perth	194k
 Area	1,595 km²
 Length of Roads	792.3 km
 Population	470 (ABS 2021)
 Number of Electors	345
 Number of Dwellings	314
 Total Rates Levied	\$1,503,391
 Total Revenue	\$6,053,362
 Number of Employees	18 FTE

Web: www.wyalkatchem.wa.go

Purpose of the Annual Report

The Western Australian Local Government Act 1995 requires every local government to produce an Annual Report by 31 December each year. In addition, the Annual Report:

- Is an essential tool to inform the community and key stakeholders about achievements, challenges and future plans;
- Promotes greater community awareness of the Shire's programs and services which contribute to a high quality of life for residents, visitors and stakeholders;
- Demonstrates the Shire's performance against the long-term vision of the Strategic Community Plan, projects and priorities detailed within the Shire's Corporate Business Plan;
- Provides information on about the Shire's organisational performance; and
- Illustrates the Shire's commitment to accountable and transparent government.

Shire of Wyalkatchem

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PO Box 224 Wyalkatchem WA 6485

This Annual Report can also be viewed on the Shire's website at www.wyalkatchem.wa.gov.au





President's Report

For the Period: 1 July 2023 to 30 June 2024

It is with immense pride and gratitude that I present the President's Report for the Shire of Wyalkatchem for the financial year ending 30 June 2024. This year has been a testament to our shared vision, dedication, and collaborative efforts, as we achieved significant milestones that continue to enhance the quality of life, foster growth, and build a sustainable future for our community.

Acknowledgments

I extend my heartfelt appreciation to the Shire staff for their outstanding hard work and commitment throughout the year. Their dedication ensures the smooth functioning of our Shire and the delivery of key initiatives.

We farewelled **Chief Executive Officer Peter Klein** in December 2023 after three years of service. We wish Peter every success in his new role as CEO of the Shire of Katanning.

The October 2023 Local Government Elections saw the departure of outgoing Councillors **Mr. Quentin Davies**, **Ms. Emma Holdsworth**, and **Mr. Stephen Gamble**. We thank them for their time, dedication, and invaluable contributions to the Shire during their terms of office. In particular, we recognise Quentin Davies's 18 years of service from 2005 to 2023, including his long-standing role as Shire President from 2013 to 2023.

Their contributions, leadership, and steadfast commitment to the community leave a lasting legacy. Their efforts were formally acknowledged at the *Welcome to Wyalkatchem* civic event, where speeches and presentations were made to celebrate their achievements.

We warmly welcome our newly elected Councillors, **Cr Justin Begley**, **Cr Rod Lawson Kerr**, and **Cr Tracy Dickson**, who bring fresh perspectives, renewed energy, and a commitment to advancing the priorities of our community.

Together, we look forward to addressing challenges and seizing new opportunities for growth.

In February 2024, we appointed **Sabine Taylor** as our new Chief Executive Officer. Sabine's extensive leadership experience and dedication to community service have already had a positive impact, with her proactive approach fostering productive collaboration between Council, staff, and the community. Her leadership will be instrumental in driving strategic initiatives over the coming years.

Community Awards

The Shire takes great pride in recognising individuals and groups who have gone above and beyond to enrich our community. These awards were formally presented at the Welcome to Wyalkatchem civic event held on **5th March 2024**, a celebration of community spirit, dedication, and volunteerism:

- 2024 Community Citizen of the Year: Robert Holdsworth was honoured for his unwavering support of community members, offering assistance, advice, and transport to those in need. Robert's tireless contributions have made a tangible difference in the lives of so many, earning him the admiration of the entire community. Whether offering counsel, providing transport, or ensuring others can access support services, Robert consistently puts the needs of others before his own.

- 2024 Senior Community Citizen of the Year: Trevor Webb received this award for his exceptional efforts as the Curator of the Wyalkatchem CBH Agricultural Museum and his leadership of work camp projects. Trevor's dedication includes managing numerous restoration projects across the Shire, such as work at the Wyalkatchem and Koorda District Hospitals, RSL initiatives, and White Dam Water Catchment enhancement. As Museum Curator since 2016, Trevor has catalogued over 1,500 exhibits, researched and created signs for over 100 machines, and planned major upgrades such as Paul's Shed and Graham's Shed—nearly 1,000 square metres of covered display space.
- 2024 Active Citizenship Award: The Shear for Liz Day for Breast Cancer Research Centre, WA was recognised for raising significant funds over 10 years while fostering community spirit. Organised annually by Cardiff Merino Stud, this event has grown into a major community celebration, uniting local businesses, sponsors, and residents. With substantial funds raised for breast cancer research, the event reflects the generosity and passion of our community. Quentin Davies accepted the award on behalf of the organisers.

These awards reflect the values of dedication, service, and collaboration that define Wyalkatchem and the people who make it a better place.

Regional Partnerships

The Shire of Wyalkatchem remains an active member of the North Eastern Wheatbelt Regional Organisation of Councils (NEWROC), alongside our partner Shires of Dowerin, Koorda, Trayning, Mount Marshall, Nungarin, and Mukinbudin. Together, we are committed to fostering regional growth and resilience through collaborative initiatives, including:

- Advocacy on key issues such as the live sheep trade, education, strategy, and telecommunications. These issues are critical for our regional economy and the livelihoods of many families.
- Research into regional landfills to improve environmental sustainability and reduce costs.
- Support for housing, industrial land development, and power stabilisation projects to ensure we are well-prepared for future growth and investment opportunities.
- Initiatives like regional economic development strategies, Town Teams, and workforce development that encourage local collaboration and innovation.

NEWROC also continues to advocate for improved infrastructure to support the growth of member communities.

Infrastructure and Works

This year saw the successful delivery of numerous infrastructure projects aimed at enhancing accessibility, improving public spaces, and supporting community needs. Key highlights include:

- Festive Christmas Decorations (December 2023) in the main street, bringing seasonal cheer to the heart of Wyalkatchem.
- Shire Office ACROD Car Park Bay Ramp (May 2024) to improve access for all residents.
- Asphalt Works on Honour Avenue (June 2024), a vital upgrade to enhance road safety and aesthetics.
- Post Office Ramp Completion (June 2024) to ensure ease of access for postal services.
- Tip Fencing Upgrades near the Cemetery (June 2024) to improve waste management and aesthetics.
- Completion and Landscaping of Ashelford Park (June 2024), creating a beautiful community space for residents and visitors to enjoy.



Community Events and Development

The Shire delivered a wide range of events and programs to bring the community together, celebrate our shared identity, and promote active participation. Notable events included:

- Rodeo (26th August 2023) – The second annual Wyalkatchem Rodeo.
- Halloween Kids Activity (31st October 2023)
- Christmas Decoration Workshop (19th December 2023)
- Christmas Kids Colouring Competition (22nd December 2023)
- Age-friendly Community Survey (21st December 2023)
- Christmas Lights Competition (Business and Residential) (7th December 2023)
- Town-wide Bunny Hunt (Easter) (25th – 28th March 2024)
- Australia Day Breakfast (26th January 2024)
- Clean Up Australia Day (10th March 2024)

- Seniors Mystery Bus Trip (17th April 2024)
- Youth Table Tennis Fridays (Starting 19th April 2024)
- ANZAC Day Service (25th April 2024)
- Car Show & Filming with CarExpert (5th April 2024)
- Planting with Wyalkatchem District High School at Ashelford Park (5th June 2024)
- Ashelford Park Tidy Towns Event (22nd June 2024)
- Pool BBQ & Party (End of Season) (26th January 2024)
- Strategic Planning Workshops (May 2024)

Looking Ahead

As we reflect on a successful year, the Shire remains focused on delivering key priorities in the year ahead. These include advancing housing and accommodation opportunities, improving infrastructure, fostering economic development, and building stronger partnerships with regional stakeholders. We will also continue to advocate for vital issues that impact our community, such as education, health services, and telecommunications.

Conclusion

In closing, I extend my sincere gratitude to my fellow Councillors, Shire staff, volunteers, and residents for their unwavering dedication, support, and shared commitment to building a thriving and resilient Wyalkatchem.

Together, we are shaping a future that we can all be proud of, ensuring that Wyalkatchem remains a vibrant, welcoming, and prosperous place for generations to come.

Thank you.

President Owen Garner
Shire of Wyalkatchem

“

As we reflect on a successful year, the Shire remains focused on delivering key priorities in the year ahead. These include advancing housing and accommodation opportunities, improving infrastructure, fostering economic development, and building stronger partnerships with regional stakeholders.”





Chief Executive Officer's Report

Throughout the 2023/2024 financial year, the Shire of Wyalkatchem has remained steadfast in its commitment to delivering the community's vision, "to be a socially interactive and inclusive community that embraces our rural character and sense of community."

To this end, we commenced a comprehensive review of the strategies outlined in our current strategic plan in December 2023. This review evaluated the relevance of existing strategies and projects in light of significant changes affecting the Shire, including:

- Ongoing population decline;
- A steady increase in the median age of residents;
- Declining school enrolments;
- Challenges in retaining young people;
- Volunteer fatigue;
- Rising costs associated with general practitioner services;
- Loss of key retail businesses (e.g., bank, butcher) and sporting clubs;
- A tightening housing and accommodation market.

The community has strongly expressed its desire for greater engagement with the Council to discuss current and future needs, emphasising the importance of collaborative decision-making. The Shire is committed to listening to the needs and expectations of its residents and working together to secure a dynamic and thriving future for the Shire of Wyalkatchem.

In addition to strategic projects, Shire continues to deliver a wide range of essential services and activities. These include operating the medical centre and swimming pool, supporting community and sporting groups, and constructing and maintaining critical infrastructure such as roads, pathways, parks, and the waste facility.

We also maintain a strong focus on governance and financial management to ensure the efficient use of resources.

Financial Performance

In 2023/2024, the Shire levied total rates of \$1,503,391, contributing to a total revenue of \$6,053,362. Residential rates were maintained at \$533 per annum (equivalent to \$10.25 per week), while rural rates were set at \$593 per annum (equivalent to \$11.49 per week). These rates remain comparatively low, reflecting our commitment to delivering value for money to ratepayers.

Grant funding continues to play a critical role in renewing and upgrading our assets. Reliable funding sources include Federal Financial Assistance Grants, the Roads to Recovery program, and Main Roads funding through direct grants and Regional Road Group Projects. Capital grants, subsidies, and contributions received for asset replacement and renewal over the past three years were as follows:

- 2023/2024: \$970,990
- 2022/2023: \$1,128,947
- 2021/2022: \$1,166,232

Acknowledgments

I am pleased to report that Shire received an unqualified Audit Report for the year, which underscores the exceptional work of our Corporate Services team. This achievement reflects our commitment to maintaining high standards of financial management and accountability.

I wish to extend my sincere gratitude to the Councillors of the Shire of Wyalkatchem for their support and dedication.

I also acknowledge the remarkable efforts of our Shire staff, whose hard work and professionalism ensure the effective delivery of services and the continued development of our community. Their dedication is instrumental in making Wyalkatchem a desirable place for residents, businesses, and tourists alike.

As we look to the future, Shire remains committed to fostering community engagement, delivering high-quality services, and pursuing opportunities that enhance the prosperity and well-being of Wyalkatchem. Together, we will build on the progress achieved in 2023/2024 to create a sustainable and vibrant future for all.

Sabine Taylor
Chief Executive Officer



Councillors



Shire President
Cr Owen Garner
Term Expires 2025
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Shire Deputy President
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Cr Justin Begley
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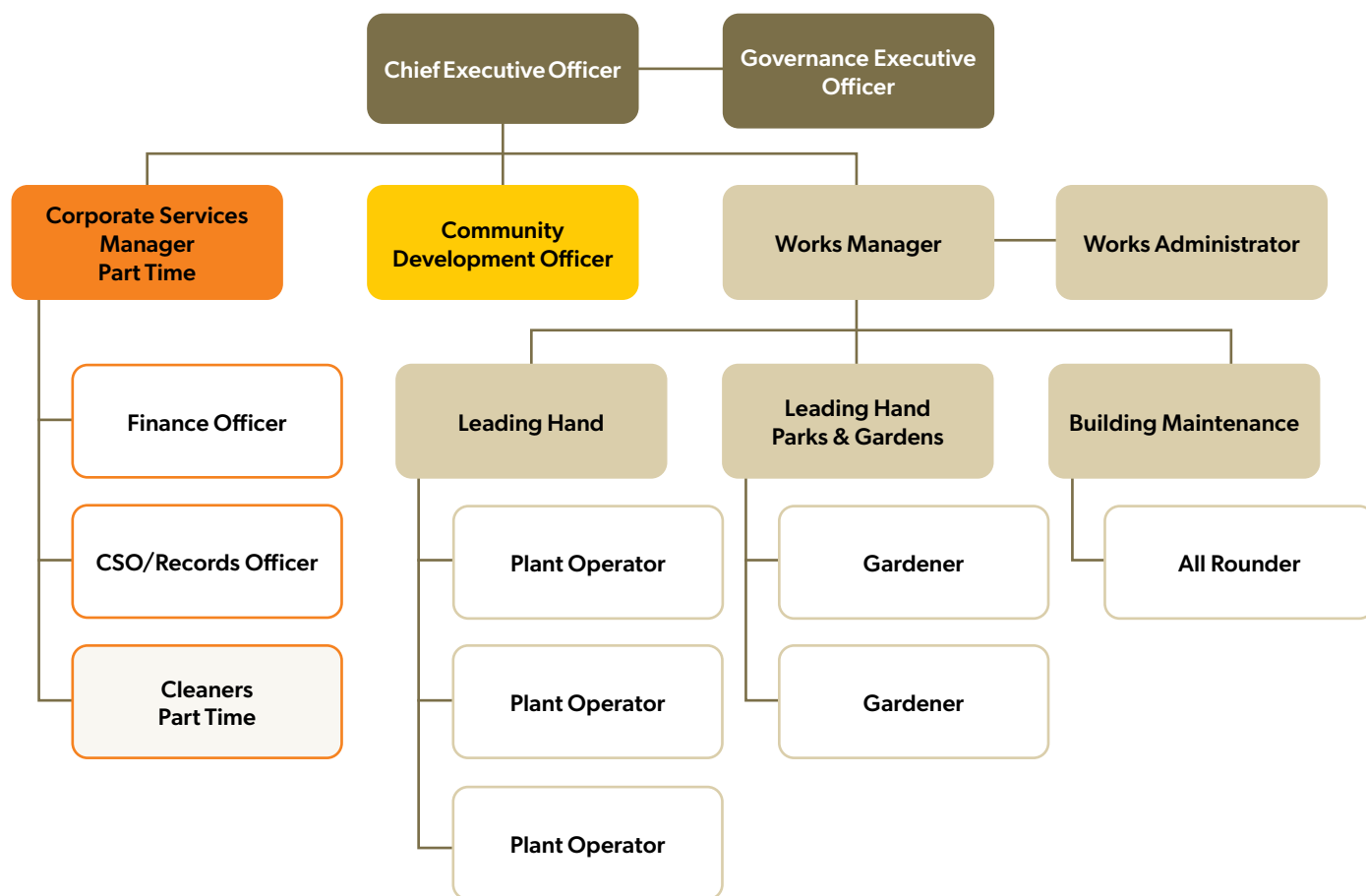
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Organisational Structure

as at 30 June 2024



Planning for the Future

Integrated Planning and Reporting Framework

All Western Australian local governments are required to prepare a Plan for the Future for their district under Section 5.56(1) of the *Local Government Act 1995*. The Plan for the Future comprises the following two key strategic documents¹, which a local government is required to have regard for when forming its annual budget.

Strategic Community Plan – adopted 18/02/2021 – Council’s principal 10-year strategy and planning tool. It is the principal guiding document for the remainder of the Shire’s strategic planning as community engagement is central to this Strategic Community Plan. The Plan will be reviewed in 2024.

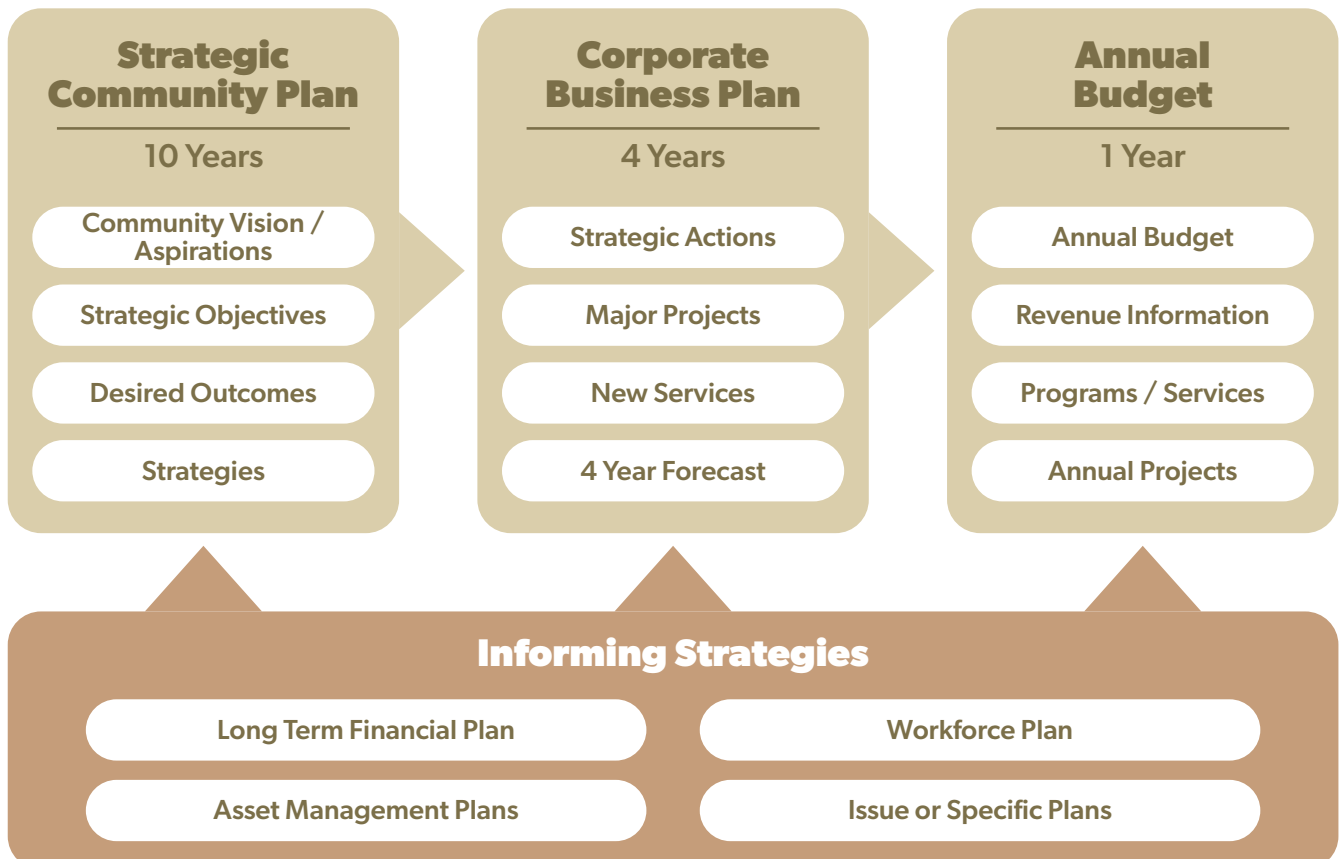
Corporate Business Plan – Council’s four-year planning document. The core components of this Corporate Business Plan include a four-year delivery program, aligned to the Strategic Community Plan and accompanied by 4-year financial projections. This plan will be reviewed following the review of the Strategic Community Plan.

Development of the Strategic Community Plan and Corporate Business Plan is undertaken in accordance with the Integrated Planning and Reporting Framework and Guidelines.

An essential element of the Integrated Planning and Reporting process is to enable community members and stakeholders to participate in shaping the future of the community and in identifying issues and solutions. It is designed to articulate the community’s vision, aspirations, outcomes and priorities for the future of the district.

Importantly, the Strategic Community Plan and Corporate Business Plan are informed by several other key plans and processes. The connection between the community and the Shire’s strategic plans, annual budget and corporate documents developed to guide the Shire in delivering services to the community are shown in the diagram below.

Diagram: The Integrated Planning Structure



Strategic Community Plan

Based on consultation with community and Councillor's, the plan sets out the vision for the Shire of Wyalkatchem and captures the community's aspirations and values.

Our Vision:

"To be a socially interactive and inclusive community that embraces our rural character and sense of community."

Our Aspirations:

- An inclusive and engaged community that is healthy, safe and active
- A diverse and strengthening local economy
- Natural and built environments supporting a connected community
- Accountable, effective and engaged leaders



What is the Strategic Community Plan?

The Strategic Community Plan is the Shire's long-term plan for the future. It helps Council to ensure that local government service delivery is consistent with and supports the community's aspirations for the Shire.

A strategic objective has been developed for each of four identified key areas of community interest, being:

Economic

Environmental

Community

Leadership

Desired outcomes have been determined to achieve each of the objectives after considering the Shire's current and future resources, demographic trends and internal and external influences.

The Strategic Community Plan guides decision making through the Corporate Business Plan and Annual Budget. It helps to determine priorities for the delivery of services, projects and programs.

All local governments within Western Australia are required to plan their services using this Framework. The Strategic Community Plan, Corporate Business Plan and Annual Budget form part of the core section of the Shire's Integrated Planning and Reporting Framework. The Shire's Asset Management Plan, Long Term Financial Plan and Workforce Plan are Informing Strategy documents which support the Framework.

GOAL 01

A safe and healthy community

GOAL 07

We have vibrant, active public open spaces and buildings with high levels of utilisation and functionality

GOAL 02

An active, engaged and social community

GOAL 08

Our built environment responds to the accessibility and connectivity needs of all

GOAL 03

A community for all ages

GOAL 09

Sustainable management of resources

GOAL 04

Increase visitors to our region

GOAL 10

Transparent, accountable and effective governance

GOAL 05

Growth in business opportunity

GOAL 11

Community and customer service focus

GOAL 06

Essential services and infrastructure are available to support the community and local economy

GOAL 12

Form strategic partnerships and advocate for the community

The community's aspirations will be achieved by identifying and delivering strategies that are developed to achieve one or more of the above goals.

How the Strategic Community Plan will be used

The Strategic Community Plan outlines how the Shire will, over the long term, work towards a brighter future for the Shire of Wyalkatchem community as it seeks to achieve its vision inspired by the community's aspirations.

Looking to the future, the Strategic Community Plan will influence how the Shire uses its resources to deliver services to the community. The Strategic Community Plan forms the primary driver for all other planning undertaken by the Shire.

The Shire of Wyalkatchem intends to use the Strategic Community Plan in several ways, including:

- Guide Council priority setting and decision making;
- Be a mechanism for the ongoing integration of local planning initiatives;
- Inform the decision making of other agencies and organisations, including community and State Government;
- Provide a rationale to pursue grants and other resources by demonstrating how specific projects align with the aspirations of our community, within the strategic direction of the Shire;
- Inform potential investors and developers of our community's key priorities, and the way we intend to grow and develop;
- Engage local businesses, community groups and residents in various ways to contribute to the Shire's future; and
- Provide a framework for monitoring progress against our vision.

Community Strategic Plan Informs Corporate Business Plan

In conjunction with the adoption of a reviewed Community Strategic Plan, council will also prepare a Corporate Business Plan being a four-year program on delivery of priorities within the Community Strategic Plan. The Corporate Business Plan will provide strategic direction on the actions required to achieve the Community Strategic Plan. This document will underpin Council's short to medium term direction.

Council will also be developing other informing strategies such as Long-Term Financial Plans, Asset Management Plans and Workforce plans. These documents have a direct link in ensuring that Council has the resources available to achieve its strategic direction and will undergo a full review in the latter half of 2024.

Corporate Business Plan

Council's Corporate Business Plan was updated during 2020/21 to align with the newly adopted Strategic Community Plan, as well as informing the 2023/2024 budget.

Council will review the Corporate Business Plan following the review of the Community Strategic Plan review in 2024.

Other Planning Documents

In addition to reviewing Council's Strategic Community Plan and Corporate Business plan, Council is actively progressing a number of informing strategies including, but not limited to: Long Term Financial Plan; Asset Management Plan and Workforce Plan. The development of these documents will occur in 2024 – 2025 and will align to the reviewed plans.

Our Shire has achieved the following since our last major Strategic Community Plan (2020):

 <p>Pillar: Community</p>	<ul style="list-style-type: none"> • Provision of a Medical Centre • Provision of a GP • Aerodrome and runway maintained for RFDS access • CEACA independent living units • Delivery and support of community events e.g., Australia Day, Wyalkatchem Rodeo, Arts Show • Adoption of the Acknowledgement and Welcome to Country Policy • Playground upgrade • Support for the family day care service
 <p>Pillar: Economy</p>	<ul style="list-style-type: none"> • Wyalkatchem Caravan Park re-opened • Railway Terrace asphalt works • Active members of NEWTRAVEL and Pioneer Pathway • Local business group established • Support of Café reopening • Planning Scheme Amendment No 9 – sheds in rural areas • Planning Scheme Amendment No 4 – grouped dwellings • Additional Crisp Wireless tower at Yorkrakine
 <p>Pillar: Environment</p>	<ul style="list-style-type: none"> • Recreation Reserve Lighting upgrade • Museum Display Shed constructed • Cunderdin Rd widened and shoulder reconditioning • Thurston Street Stormwater drainage upgraded • Wyalkatchem North Rd road widening, culverts and reseal • Tammin Wyalkatchem Rd pavement, shoulder sealing • Davies Rd reconstruct pavement • Elsegood Rd reconstruct pavement • McNee Rd, Wallambin Rd re-sheet • Membership of the Cities Power Partnership • Household battery recycling in place • Lady Novar renovations • Korrelocking Cemetery No 2 improvements • Heritage Register reviewed
 <p>Pillar: Civic Leadership</p>	<ul style="list-style-type: none"> • Working with Auditors and implementing recommendations • Increase in letter drops • Annual General Meeting of Electors • NEWROC Economic Impact Assessment on Live Sheep by Sea Trade • NEWROC Economic Impact Assessment on power and telecommunication outages

Statutory Requirements

It is a requirement that the Shire of Wyalkatchem include information regarding the following documents in its Annual Report.



Disability Access and Inclusion Plan

Under the *Disability Services Act 1993* (amended 2024), all Western Australian Local Governments are required to develop and implement a Disability Access and Inclusion Plan (DAIP), addressing seven desired outcomes, to be reviewed on an annual basis and reported on to the Disability Services Commission (DSC) by 31 July each year.

Council has an endorsed DAIP which was reviewed in 2024. Council is required to report on our present activities as they relate to the seven desired DAIP outcomes.

The seven desired outcomes that provide a framework for strategies aimed at improving access and inclusion for people with disabilities. The following strategies are incorporated in Councils implementation plan, subsequent budget and other strategic planning documents.

1. People with disability have equal opportunity to access all events organised by the Shire of Wyalkatchem.
2. People with disability have equal opportunity to access buildings and other Wyalkatchem Shire facilities.
3. People with disability receive the same level and quality of information from the Shire of Wyalkatchem 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 the Shire of Wyalkatchem as other people receive from the staff of that public authority.
5. People with disability have equal opportunity to lodge complaints to the Shire of Wyalkatchem.
6. People with disability have equal opportunity to access all public consultation events; and
7. People with disability have equal opportunity to obtain & maintain employment with the Shire of Wyalkatchem

The Shire of Wyalkatchem Disability Access and Inclusion Plan will be reviewed in FY2024/2025.

State Records Act

The *State Records Act 2000* requires the Shire to maintain and dispose of all records in the prescribed manner.

Principle 6 – Compliance: Government Organisations ensure their employees comply with the record keeping plan.

Rationale:

An organisation and its employees must comply with the organisations record keeping plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

Minimum Compliance Requirements:

The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisations record keeping system is evaluated not less than once every 5 years.
2. The organisation conducts a record keeping training program.
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.
4. The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.

The Shire has complied with all items.

Note on Item 1 – The Shire of Wyalkatchem is currently transitioning to an Electronic Records Keeping System. The implementation of the new system has a direct impact on Councils record keeping plan and the internal management of Council's records and as a result, the record keeping plan will require a major review on full implementation of the new electronic record management system, including procedures and guidance notes.

The Shire has not yet been able to achieve the implementation of the system in this financial year though significant effort was made with archiving and disposal of records.

Complaints Register

Section 5.121 of the *Local Government Act 1995* requires the Annual Report to contain details of the entries made in the Complaints Register regarding complaints made about elected members.

There were no complaints lodged against elected members in the year under review.

Freedom of Information

Part 5 of the *Freedom of Information Act 1992* requires an agency such as a local government to prepare and publish an information statement.

The Shire of Wyalkatchem has developed an information statement which can be inspected on the Shire's website or by contacting the Shire Office.

The Shire of Wyalkatchem did not receive any applications under the *Freedom of Information Act 1992* during the 2023- 2024 financial year.

Employee Remuneration Disclosure

Regulation 19B of the Local Government (Administration) Regulation 1996 requires the Shire to include the following information in its Annual Report:

- The number of employees of the Shire entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$130,000 or more for 2023/2024:

Salary Range

\$ From	\$ To	Number of Employees
130,000	139,999	1
140,000	149,999	0
150,000	160,000	0
Total		1

Public Interest Disclosures

The *Public Interest Disclosures 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 has complied with all obligations under the Act including:

- Appointing the Governance Executive Officer as the Public Interest Disclosure officer for the organisation and publishing an internal procedure relating to the Shire's obligation.

- Providing protection from detrimental action or the threat of detrimental action for an employee of the Shire who makes an appropriate disclosure of public interest information.

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing what was considered to be unnecessary protection of monopolies of markets where competition can be enhanced. It effects local governments as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to Council's responsibilities under to the National Competition Policy, the Shire reports as follows:

- No business enterprise of the Shire of Wyalkatchem has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

A further requirement of the National Competition Policy is that all Council Local Laws are reviewed every eight years to determine whether they are in conflict with competitive neutrality and comply with the *Local Government Act 1995*. All local laws were reviewed and are now pending the outcome from the Joint Standing Commission on Delegated Authority.

Capital grants received for renewal projects 2023/24

Capital grants, subsidies, and contributions received for asset replacement and renewal over the past three years were as follows:

- 2023/2024: \$970,990
- 2022/2023: \$1,128,947
- 2021/2022: \$1,166,232

Councillor Attendance Record FY 2023-2024

From July 2023 Until October Council election

Ordinary Council Meeting	JUL 23	AUG 23	SEP 23	OCT 23
Cr Quentin Davies <i>President</i>	✓	✓	✓	✓
Cr Owen Garner <i>Deputy President</i>	✓	✓	✓	✓
Cr Stephen Gamble	✓	✓	✓	✓
Cr Emma Holdsworth	✓	✓	✓	✓
Cr Christopher Loton	✗	✓	✓	✓
Cr Christy Petchell	✓	✓	✓	✓
Cr Mischa Stratford	✓	✓	✓	✓

From October Council Election Until 30 June 2024

Ordinary Council Meeting	NOV 23	DEC 23	FEB 24	MAR 24	APR 24	MAY 24	JUN 24
Cr Owen Garner <i>President</i>	✓	✓	✓	✓	✓	✓	✓
Cr Christy Petchell <i>Deputy President</i>	✓	✓	✓	✓	✓	✓	✓
Cr Justin Begley	✓	✓	✓	✓	✓	✓	✓
Cr Tracy Dickson	✓	✓	✓	✓	✓	✓	✓
Cr Rod Lawson Kerr	✓	✓	✓	✗	✓	✓	✓
Cr Christopher Loton	✓	✓	✓	✓	✓	✓	✓
Cr Mischa Stratford	✓	✓	✓	✓	✓	✓	✓

From July 2023 Until October Council election

Special Council Meeting	OCT 23
Cr Owen Garner <i>President</i>	✓
Cr Christy Petchell <i>Deputy President</i>	✓
Cr Mischa Stratford	✓
Cr Justin Begley	✓
Cr Tracy Dickson	✓
Cr Rod Lawson Kerr	✓
Cr Christopher Loton	✓

From October Council Election Until 30 June 2024

Special Council Meeting	JAN 24	MAR 24	JUN 24
Cr Owen Garner <i>President</i>	✓	✓	✓
Cr Christy Petchell <i>Deputy President</i>	✓	✓	✓
Cr Justin Begley	✓	✓	✓
Cr Tracy Dickson	✓	✓	✓
Cr Rod Lawson Kerr	✗	✓	✓
Cr Christopher Loton	✓	✓	✓
Cr Mischa Stratford	✓	✓	✓

Annual Financial Report

Statement by Chief Executive Officer	25
Statement of Comprehensive Income	26
Statement of Financial Position	27
Statement of Changes in Equity	28
Statement of Cash Flows	29
Statement of Financial Activity	30
Index of Notes to the Financial Report	31
Notes to and forming part of the financial report	32
Independent Auditor's Report	61



STATEMENT BY CHIEF EXECUTIVE OFFICER

For the year ended 30 June 2024

SHIRE OF WYALKATCHEM 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 Wyalkatchem 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 21st day of November 2024



CEO

Sabine Taylor
Name of CEO



STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),23	1,458,462	1,458,642	1,409,058
Grants, subsidies and contributions	2(a)	2,433,941	284,322	2,954,981
Fees and charges	2(a)	306,102	211,683	270,788
Interest revenue	2(a)	223,888	14,450	161,732
Other revenue	2(a)	62	1,050	77
		4,422,455	1,970,147	4,796,636
Expenses				
Employee costs	2(b)	(1,508,161)	(1,505,318)	(1,419,223)
Materials and contracts		(1,837,005)	(1,584,764)	(1,394,934)
Utility charges		(173,680)	(195,123)	(175,131)
Depreciation	9(b)	(2,629,396)	(1,484,522)	(1,350,202)
Finance costs		(1,961)	(2,312)	(4,341)
Insurance		(176,564)	(170,847)	(155,323)
Other expenditure	2(b)	(51,550)	(51,681)	(50,103)
		(6,378,317)	(4,994,567)	(4,549,257)
		(1,955,862)	(3,024,420)	247,379
Capital grants, subsidies and contributions	2(a)	1,037,685	1,570,316	1,253,719
Profit on asset disposals		171,246	142,867	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		1,210,192	1,713,183	1,256,483
Net result for the period		(745,670)	(1,311,237)	1,503,862
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	0	0	4,308,287
Total other comprehensive income for the period		0	0	4,308,287
Total comprehensive income for the period		(745,670)	(1,311,237)	5,812,149

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



STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

SHIRE OF WYALKATCHEM FINANCIAL REPORT 2023-2024

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	5,680,858	2,581,554
Trade and other receivables	5	175,793	339,845
Other financial assets	4(a)	0	3,230,306
Inventories	6	1,566	5,168
TOTAL CURRENT ASSETS		5,858,217	6,156,873
NON-CURRENT ASSETS			
Trade and other receivables	5	34,854	29,739
Other financial assets	4(b)	62,378	61,117
Property, plant and equipment	7	13,275,208	13,446,168
Infrastructure	8	55,401,498	56,079,907
TOTAL NON-CURRENT ASSETS		68,773,938	69,616,931
TOTAL ASSETS		74,632,155	75,773,804
CURRENT LIABILITIES			
Trade and other payables	11	296,086	419,875
Other liabilities	12	0	236,238
Borrowings	13	0	53,126
Employee related provisions	14	97,560	88,414
TOTAL CURRENT LIABILITIES		393,646	797,653
NON-CURRENT LIABILITIES			
Employee related provisions	14	48,060	40,032
TOTAL NON-CURRENT LIABILITIES		48,060	40,032
TOTAL LIABILITIES		441,706	837,685
NET ASSETS		74,190,449	74,936,119
EQUITY			
Retained surplus		25,429,328	26,351,143
Reserve accounts	26	3,406,451	3,230,306
Revaluation surplus	15	45,354,670	45,354,670
TOTAL EQUITY		74,190,449	74,936,119

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



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		25,119,432	2,958,155	41,046,383	69,123,970
Comprehensive income for the period					
Net result for the period		1,503,862	0	0	1,503,862
Other comprehensive income for the period	15	0	0	4,308,287	4,308,287
Total comprehensive income for the period		1,503,862	0	4,308,287	5,812,149
Transfers from reserve accounts	26	22,500	(22,500)	0	0
Transfers to reserve accounts	26	(294,651)	294,651	0	0
Balance as at 30 June 2023		26,351,143	3,230,306	45,354,670	74,936,119
Comprehensive income for the period					
Net result for the period		(745,670)	0	0	(745,670)
Total comprehensive income for the period		(745,670)	0	0	(745,670)
Transfers from reserve accounts	26	167,715	(167,715)	0	0
Transfers to reserve accounts	26	(343,860)	343,860	0	0
Balance as at 30 June 2024		25,429,328	3,406,451	45,354,670	74,190,449

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



STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,454,549	1,400,394
Grants, subsidies and contributions		2,626,846	2,874,148
Fees and charges		306,102	270,788
Interest revenue		223,888	139,642
Goods and services tax received		248,977	66,182
Other revenue		62	77
		4,860,424	4,751,231
Payments			
Employee costs		(1,494,214)	(1,114,916)
Materials and contracts		(1,967,482)	(2,093,643)
Utility charges		(173,680)	(175,131)
Finance costs		(1,961)	(5,252)
Insurance paid		(176,564)	(155,323)
Goods and services tax paid		(265,515)	(216,416)
Other expenditure		(51,550)	(50,103)
		(4,130,966)	(3,810,784)
Net cash provided by operating activities		729,458	940,447
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	7(a)	(491,215)	(345,289)
Payments for construction of infrastructure	8(a)	(1,370,566)	(1,525,394)
Capital grants, subsidies and contributions		801,447	1,131,779
Proceeds for financial assets at amortised cost		3,230,306	(272,151)
Proceeds from sale of property, plant & equipment		253,000	0
Net cash provided by (used in) investing activities		2,422,972	(1,011,055)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(53,126)	(50,192)
Payments for principal portion of lease liabilities	25(b)	0	(1,723)
Net cash (used in) financing activities		(53,126)	(51,915)
Net increase (decrease) in cash held		3,099,304	(122,523)
Cash at beginning of year		2,581,554	2,704,077
Cash and cash equivalents at the end of the year		5,680,858	2,581,554

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



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	1,448,785	1,458,642	1,398,670
Rates excluding general rates	23	9,677	0	10,388
Grants, subsidies and contributions		2,433,941	284,322	2,954,981
Fees and charges		306,102	211,683	270,788
Interest revenue		223,888	14,450	161,732
Other revenue		62	1,050	77
Profit on asset disposals		171,246	142,867	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		4,594,962	2,113,014	4,799,400
Expenditure from operating activities				
Employee costs		(1,508,161)	(1,505,318)	(1,419,223)
Materials and contracts		(1,837,005)	(1,584,764)	(1,394,934)
Utility charges		(173,680)	(195,123)	(175,131)
Depreciation		(2,629,396)	(1,484,522)	(1,350,202)
Finance costs		(1,961)	(2,312)	(4,341)
Insurance		(176,564)	(170,847)	(155,323)
Other expenditure		(51,550)	(51,681)	(50,103)
		(6,378,317)	(4,994,567)	(4,549,257)
Non cash amounts excluded from operating activities	24(a)	2,459,802	1,341,655	1,356,007
Amount attributable to operating activities		676,447	(1,539,898)	1,606,150
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,037,685	1,570,316	1,253,719
Proceeds from disposal of assets		253,000	244,544	0
		1,290,685	1,814,860	1,253,719
Outflows from investing activities				
Purchase of property, plant and equipment	7(a)	(491,215)	(835,499)	(345,289)
Purchase and construction of infrastructure	8(a)	(1,370,566)	(1,908,646)	(1,525,394)
		(1,861,781)	(2,744,145)	(1,870,683)
Amount attributable to investing activities		(571,096)	(929,285)	(616,964)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	25(a)	0	165,000	0
Transfers from reserve accounts	26	167,715	472,408	22,500
		167,715	637,408	22,500
Outflows from financing activities				
Repayment of borrowings	25(a)	(53,126)	(62,897)	(50,192)
Payments for principal portion of lease liabilities	25(b)	0	0	(1,723)
Transfers to reserve accounts	26	(343,860)	(184,291)	(294,651)
		(396,986)	(247,188)	(346,566)
Amount attributable to financing activities		(229,271)	390,220	(324,066)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(b)	2,182,040	2,088,640	1,516,920
Amount attributable to operating activities		676,447	(1,539,898)	1,606,150
Amount attributable to investing activities		(571,096)	(929,285)	(616,964)
Amount attributable to financing activities		(229,271)	390,220	(324,066)
Surplus or deficit after imposition of general rates	24(b)	2,058,120	9,677	2,182,040

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



INDEX OF NOTES TO THE FINANCIAL REPORT

For the year ended 30 June 2024

Note 1	Basis of Preparation	32
Note 2	Revenue and Expenses	33
Note 3	Cash and Cash Equivalents	35
Note 4	Other Financial Assets	35
Note 5	Trade and Other Receivables	36
Note 6	Inventories	37
Note 7	Property, Plant and Equipment	38
Note 8	Infrastructure	40
Note 9	Fixed Assets	42
Note 10	Leases	44
Note 11	Trade and Other Payables	45
Note 12	Other Liabilities	46
Note 13	Borrowings	47
Note 14	Employee Related Provisions	48
Note 15	Revaluation Surplus	49
Note 16	Restrictions Over Financial Assets	50
Note 17	Undrawn Borrowing Facilities and Credit Standby Arrangements	50
Note 18	Contingent Liabilities	51
Note 19	Capital Commitments	51
Note 20	Related Party Transactions	52
Note 21	Events Occurring After the End of the Reporting Period	54
Note 22	Other Material Accounting Policies	55

Information required by legislation

Note 23	Rating Information	56
Note 24	Determination of Surplus or Deficit	57
Note 25	Borrowing and Lease Liabilities	58
Note 26	Reserve accounts	60



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 Wyalkatchem 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 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.

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 7
 - Infrastructure - note 8
- Expected credit losses on financial assets - note 5
- 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.

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.

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
Grants, subsidies and contributions	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
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,448,785	9,677	1,458,462
Grants, subsidies and contributions	2,433,941	0	0	0	2,433,941
Fees and charges	306,102	0	0	0	306,102
Interest revenue	0	0	0	223,888	223,888
Other revenue	0	0	0	62	62
Capital grants, subsidies and contributions	0	1,037,685	0	0	1,037,685
Total	2,740,043	1,037,685	1,448,785	233,627	5,460,140

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,409,058	0	1,409,058
Grants, subsidies and contributions	2,938,260	0	0	16,721	2,954,981
Fees and charges	270,788	0	0	0	270,788
Interest revenue	0	0	0	161,732	161,732
Other revenue	77	0	0	0	77
Capital grants, subsidies and contributions	0	1,253,719	0	0	1,253,719
Total	3,209,125	1,253,719	1,409,058	178,453	6,050,355

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Interest on reserve account	163,636	116,740
Trade and other receivables overdue interest	9,479	44,992
Other interest revenue	50,773	0
	223,888	161,732

The 2024 original budget estimate in relation to:
Trade and other receivables overdue interest was \$8,000.

Fees and charges relating to rates receivable

Charges on instalment plan	900	900
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The 2024 original budget estimate in relation to:
Charges on instalment plan was \$950.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	33,500	30,730
- Other services – grant acquittals	2,400	2,000
	35,900	32,730

Employee Costs

Employee benefit costs	1,408,780	1,258,787
Other employee costs	99,381	160,436
	1,508,161	1,419,223

Other expenditure

Sundry expenses	51,550	50,103
	51,550	50,103

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

Held as
- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

Note	2024	2023
	\$	\$
	2,274,407	2,581,554
	3,406,451	0
	5,680,858	2,581,554
	2,274,407	2,345,316
16	3,406,451	236,238
	5,680,858	2,581,554

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.

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

Note	2024	2023
	\$	\$
	0	3,230,306
	0	3,230,306
	0	3,230,306
	0	3,230,306
16	0	3,230,306
	0	3,230,306

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

	62,378	61,117
	62,378	61,117
	61,117	58,353
	1,261	2,764
	62,378	61,117

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables
Trade receivables
Other receivables
GST receivable
Allowance for credit losses of other receivables
Accrued Income

Note	2024	2023
	\$	\$
	80,262	64,205
	55,712	229,123
	47,700	47,700
	26,191	13,395
20(b)	(54,231)	(36,668)
	20,159	22,090
	175,793	339,845
	34,854	29,739
	34,854	29,739

Non-current

Pensioner's rates and statutory receivables

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

6. INVENTORIES

	Note	2024 \$	2023 \$
Current			
Fuel and materials		1,566	5,168
		1,566	5,168

The following movements in inventories occurred during the year:

Balance at beginning of year		5,168	1,375
Inventories expensed during the year		(115,616)	(40,600)
Additions to inventory		112,014	44,393
Balance at end of year		1,566	5,168

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

7. 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:

	Assets not subject to operating lease		Total Property			Plant and equipment		Total property, plant and equipment
	Land	Buildings - specialised	Land	Buildings - specialised	Total Property	Furniture and equipment	Plant and equipment	
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	487,085	12,233,773	487,085	12,233,773	12,720,858	19,094	888,060	13,628,012
Additions	6,709	184,650	6,709	184,650	191,359	0	153,930	345,289
Depreciation	0	(340,312)	0	(340,312)	(340,312)	(3,819)	(183,002)	(527,133)
Balance at 30 June 2023	493,794	12,078,111	493,794	12,078,111	12,571,905	15,275	858,988	13,446,168
Comprises:								
Gross balance amount at 30 June 2023	493,794	12,755,517	493,794	12,755,517	13,249,311	58,667	2,163,970	15,471,948
Accumulated depreciation at 30 June 2023	0	(677,406)	0	(677,406)	(677,406)	(43,392)	(1,304,982)	(2,025,780)
Balance at 30 June 2023	493,794	12,078,111	493,794	12,078,111	12,571,905	15,275	858,988	13,446,168
Additions	0	89,484	0	89,484	89,484	8,168	393,563	491,215
Disposals	0	0	0	0	0	0	(81,754)	(81,754)
Depreciation	0	(344,005)	0	(344,005)	(344,005)	(5,314)	(231,102)	(580,421)
Balance at 30 June 2024	493,794	11,823,590	493,794	11,823,590	12,317,384	18,129	939,695	13,275,208
Comprises:								
Gross balance amount at 30 June 2024	493,794	12,845,001	493,794	12,845,001	13,338,795	66,835	2,234,957	15,640,587
Accumulated depreciation at 30 June 2024	0	(1,021,411)	0	(1,021,411)	(1,021,411)	(48,706)	(1,295,262)	(2,365,379)
Balance at 30 June 2024	493,794	11,823,590	493,794	11,823,590	12,317,384	18,129	939,695	13,275,208

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

7. 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					
Land and buildings					
Land	2	Market approach using recent or estimated observable market data for similar properties	Independent valuation	June 2021	Price per hectare/market borrowing rate
Buildings - specialised	2 & 3	Cost approach using current replacement cost (Net Revaluation method)	Independent valuation	June 2021	Improvements to buildings using construction costs (Level 2) and current condition, residual values and remaining useful life assessments
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used 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	N/A	Cost	Not Applicable		N/A
Plant and equipment	N/A	Cost	Not Applicable		N/A

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

8. 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 - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - airport	Total infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	44,637,169	342,544	2,681,237	225,403	1,622,066	1,559,175	51,067,594
Additions	1,213,414	0	56,550	211,886	43,544	0	1,525,394
Revaluation increments / (decrements) transferred to revaluation surplus	(914,470)	110,273	3,906,161	842,898	367,137	(3,712)	4,308,287
Depreciation	(540,782)	(16,312)	(57,414)	(48,414)	(46,617)	(111,829)	(821,368)
Balance at 30 June 2023	44,395,331	436,505	6,586,534	1,231,773	1,986,130	1,443,634	56,079,907
Comprises:							
Gross balance at 30 June 2023	69,104,051	813,066	12,161,198	2,009,091	5,155,988	2,193,877	91,437,271
Accumulated depreciation at 30 June 2023	(24,708,720)	(376,561)	(5,574,664)	(777,318)	(3,169,858)	(750,243)	(35,357,364)
Balance at 30 June 2023	44,395,331	436,505	6,586,534	1,231,773	1,986,130	1,443,634	56,079,907
Additions	831,793	55,288	3,665	108,960	64,775	306,085	1,370,566
Depreciation	(1,307,968)	(32,523)	(243,224)	(237,033)	(113,068)	(115,159)	(2,048,975)
Balance at 30 June 2024	43,919,156	459,270	6,346,975	1,103,700	1,937,837	1,634,560	55,401,498
Comprises:							
Gross balance at 30 June 2024	69,935,844	868,355	12,164,863	1,920,911	5,417,901	2,499,962	92,807,836
Accumulated depreciation at 30 June 2024	(26,016,688)	(409,084)	(5,817,888)	(1,014,351)	(3,282,925)	(865,402)	(37,406,338)
Balance at 30 June 2024	43,919,156	459,271	6,346,975	906,560	2,134,976	1,634,560	55,401,498

Note: Depreciation for infrastructure - roads has significantly increased due to certain roads ageing faster than initially anticipated – as indicated in the revaluation completed in 2022/23. This resulted in the remaining useful life of some assets being reduced in the current year that leads to significantly higher depreciation compared to prior year.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

8. 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 current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - airport	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, 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 to determine the fair value of infrastructure using level 3 inputs.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

9. 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	12 to 50 years
Furniture and equipment	2 to 5 years
Plant and equipment	3 to 16 years
Infrastructure - roads	15 to 50 years
Infrastructure - drainage	50 years
Infrastructure - footpaths	25 years
Infrastructure - parks and ovals	6 to 12 years
Infrastructure - other	15 to 50 years
Infrastructure - kerbing	30 years

(b) Depreciation charged for the current and prior year is given in the table below:

	Note	2024 Actual	2023 Actual
Buildings - specialised	7(a)	344,005	340,312
Furniture and equipment	7(a)	5,314	3,819
Plant and equipment	7(a)	231,102	183,002
Infrastructure - roads	8(a)	1,307,968	540,782
Infrastructure - drainage	8(a)	243,224	57,414
Infrastructure - footpaths	8(a)	32,523	16,312
Infrastructure - parks and ovals	8(a)	237,033	48,414
Infrastructure - other	8(a)	113,068	46,617
Infrastructure - airport	8(a)	115,159	111,829
Right of use assets - furniture & equipment	10(a)	0	1,701
		<u>2,629,396</u>	<u>1,350,202</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

9. 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, 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

10. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

Balance at 1 July 2022

Depreciation

Balance at 30 June 2023

Gross balance amount at 30 June 2023

Accumulated depreciation at 30 June 2023

Balance at 30 June 2023

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Shire is the lessee:

Depreciation on right-of-use assets

Finance charge on lease liabilities

Total amount recognised in the statement of comprehensive income

Total cash outflow from leases

Note	Right-of-use assets - furniture and equipment \$	Right-of-use assets Total \$
	1,701	1,701
	(1,701)	(1,701)
	0	0
	11,826	11,826
	(11,826)	(11,826)
	0	0

	2024 Actual \$	2023 Actual \$
	0	(1,701)
25(b)	(288)	(7)
	(288)	(1,708)
	(288)	(1,730)
25(b)	0	0

MATERIAL ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 25(b).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 9 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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 interest on loans

2024	2023
\$	\$
198,535	336,888
31,930	14,671
34,804	36,508
20,417	21,940
10,400	8,909
0	959
296,086	419,875

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

12. OTHER LIABILITIES

	2024	2023
	\$	\$
Current		
Capital grant/contributions liabilities	0	236,238
	0	236,238
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	236,238	358,178
Additions	0	59,573
Revenue from capital grant/contributions held as a liability at the start of the period	(236,238)	(181,513)
	0	236,238

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 22(i)) due to the unobservable inputs, including own credit risk.

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		\$	\$	\$	\$	\$	\$
Bank loans		0	0	0	53,126	0	53,126
Total secured borrowings	25(a)	0	0	0	53,126	0	53,126

Secured liabilities and assets pledged as security
 Bank loans are secured by a floating charge over the assets of the Shire of Wyalkatchem.

The Shire of Wyalkatchem 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.

Risk

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

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
	\$	\$
Annual leave	79,132	76,748
Long service leave	3,801	0
	82,933	76,748
Employment on-costs	14,627	11,666
	14,627	11,666
Total current employee related provisions	97,560	88,414
Long service leave	43,602	36,769
	43,602	36,769
Employment on-costs	4,458	3,263
	4,458	3,263
Total non-current employee related provisions	48,060	40,032
Total employee related provisions	145,620	128,446

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

15. REVALUATION SURPLUS

	2024 Opening Balance	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Buildings - non-specialised	7,592,300	7,592,300	7,592,300	0	7,592,300
Revaluation surplus - Furniture and equipment	1,825	1,825	1,825	0	1,825
Revaluation surplus - Plant and equipment	77,020	77,020	77,020	0	77,020
Revaluation surplus - Infrastructure - roads	28,194,073	28,194,073	29,108,543	(914,470)	28,194,073
Revaluation surplus - Infrastructure - footpaths	343,459	343,459	233,186	110,273	343,459
Revaluation surplus - Infrastructure - drainage	6,178,276	6,178,276	2,272,115	3,906,161	6,178,276
Revaluation surplus - Infrastructure - parks and ovals	1,211,239	1,211,239	344,502	866,737	1,211,239
Revaluation surplus - Infrastructure - other	1,756,478	1,756,478	1,416,892	339,586	1,756,478
	45,354,670	45,354,670	41,046,383	4,308,287	45,354,670

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
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	3,406,451	236,238
- Financial assets at amortised cost	4	0	3,230,306
		3,406,451	3,466,544
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	26	3,406,451	3,230,306
Capital grant liabilities	12	0	236,238
Total restricted financial assets		3,406,451	3,466,544

17. UNDRAWN BORROWING FACILITIES AND CREDIT

STANDBY ARRANGEMENTS

Bank overdraft limit	250,000	250,000
Bank overdraft at balance date	0	0
Credit card limit	13,000	13,000
Credit card balance at balance date	(2,543)	(10,589)
Total amount of credit unused	260,457	252,411

Loan facilities

Loan facilities - current	0	53,126
Total facilities in use at balance date	0	53,126

Unused loan facilities at balance date	NIL	NIL
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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

18. CONTINGENT LIABILITIES

The Shire operates a single landfill in Cemetery Road, Wyalkatchem, which receives all of the kerbside and general waste generated by the community. This site was registered with the Department of Environment Protection, Water and Rivers Commission on 10 June 2003. The closest property to the landfill is 2.5km away.

The landfill site covers a total area of 35ha and the current use space is about 8,000m² with approximately 50,000m² available for future expansion.

At the current rate of waste disposal the site has a remaining life of 24 years.

The Shire is currently drafting its landfill closure plan which, once complete, will inform the scale of the Council's rehabilitation liability and annual allocation to its Waste Management Reserve.

The Shire is currently unaware of the extent of contamination, if any, at the site.

The Waste Management Reserve (Note 26) currently has a balance of \$117,104 with a further \$2,049 budgeted to be transferred into this reserve in financial year 2025.

19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	499,400	345,054
- plant & equipment purchases	0	193,463
	499,400	538,517
Payable:		
- not later than one year	499,400	538,517

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

20. 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	5,980	6,524	6,303
President's meeting attendance fees	5,135	5,135	4,961
President's other expenses	1,826	1,429	1,291
President's annual allowance for ICT expenses	583	583	563
President's travel and accommodation expenses	1,168	500	776
	<u>14,692</u>	<u>14,171</u>	<u>13,894</u>
Deputy President's annual allowance	1,632	1,631	1,576
Deputy President's meeting attendance fees	5,135	5,135	4,961
Deputy President's other expenses	2,841	1,429	1,491
Deputy President's annual allowance for ICT expenses	583	583	563
Deputy President's travel and accommodation expenses	880	500	399
	<u>11,071</u>	<u>9,278</u>	<u>8,990</u>
All other council member's meeting attendance fees	25,675	25,675	24,805
All other council member's All other council member expenses	10,763	7,145	4,218
All other council member's annual allowance for ICT expenses	2,915	2,915	2,815
All other council member's travel and accommodation expenses	1,862	2,500	1,962
	<u>41,215</u>	<u>38,235</u>	<u>33,820</u>
20(b)	<u>66,978</u>	<u>61,684</u>	<u>56,704</u>

(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	395,522	366,517
Post-employment benefits	48,126	42,081
Employee - other long-term benefits	6,884	5,975
Employee - termination benefits	25,421	0
Council member costs	<u>66,978</u>	<u>56,704</u>
20(a)	<u>542,931</u>	<u>471,277</u>

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

20. 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	70,673	53,355

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 20(a) and 20(b).
- ii. Other Related Parties
There were no such items requiring disclosure during the current or previous year
- iii. Entities subject to significant influence by the Shire
There were no such entities requiring disclosure during the current or previous year.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no material events after the reporting period which would affect the financial report of the Shire for the year ended 30 June 2024 or which would require a separate disclosure.

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 9.

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.

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 Description	Basis of valuation	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
				\$	\$	\$	\$	\$	\$	\$	\$
(i) General rates											
Wyalkatchem - Town	Gross rental valuation	0.117326	194	1,340,466	157,272	0	157,272	157,272	0	157,272	152,041
Rural	Unimproved valuation	0.010794	209	119,273,500	1,287,438	(250)	1,287,188	1,287,438	0	1,287,438	1,243,620
Mining	Unimproved valuation	0.010794	0	0	0	0	0	0	0	0	0
Total general rates			403	120,613,966	1,444,710	(250)	1,444,460	1,444,710	0	1,444,710	1,395,661
Minimum Payment											
\$											
Wyalkatchem - Town	Gross rental valuation	533	53	71,787	28,249	0	28,249	28,249	0	28,249	27,295
Rural	Unimproved valuation	593	16	521,600	10,674	0	10,674	10,674	0	10,674	10,314
Mining	Unimproved valuation	593	17	57,595	10,081	(1,094)	8,987	10,081	0	10,081	9,574
Total minimum payments			86	650,982	49,004	(1,094)	47,910	49,004	0	49,004	47,283
Total general rates and minimum payments			489	121,264,948	1,493,714	(1,344)	1,492,370	1,493,714	0	1,493,714	1,442,944
Ex-gratia Rates											
CBH					9,677	0	9,677	10,752	0	10,752	10,388
Total amount raised from rates (excluding general rates)			0	0	9,677	0	9,677	10,752	0	10,752	10,388
Discounts							(43,595)			(43,595)	(44,274)
Total Rates							1,458,452			1,458,452	1,409,058
Rate instalment interest							3,637				3,322
Rate overdue interest							5,842				3,779

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

24. DETERMINATION OF SURPLUS OR DEFICIT

	Note	2023/24 (30 June 2024 Carried Forward) \$	2023/24 Budget (30 June 2024 Carried Forward) \$	2022/23 (30 June 2023 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		(171,246)	(142,867)	0
Less: Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(1,261)	0	(2,764)
Add: Depreciation	9(a)	2,629,396	1,484,522	1,350,202
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		(5,115)	0	(5,107)
Employee benefit provisions		8,028	0	13,676
Non-cash amounts excluded from operating activities		2,459,802	1,341,655	1,356,007
(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	(3,406,451)	(2,942,189)	(3,230,306)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13	0	155,229	53,126
Total adjustments to net current assets		(3,406,451)	(2,786,960)	(3,177,180)
Net current assets used in the Statement of Financial Activity				
Total current assets		5,858,217	3,483,880	6,156,873
Less: Total current liabilities		(393,646)	(696,920)	(797,653)
Less: Total adjustments to net current assets		(3,406,451)	(2,786,960)	(3,177,180)
Surplus or deficit after imposition of general rates		2,058,120	0	2,182,040

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Borrowings		Actual							Budget			
Purpose	Note	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
43 & 45 Wilson Street		56,019	0	(27,061)	28,958	0	(26,958)	0	29,570	0	(28,958)	611
CRC Building		47,299	0	(23,131)	24,160	0	(24,160)	0	24,169	0	(24,167)	2
Grader		0	0	0	0	0	0	0	0	165,000	(9,771)	155,229
Total		103,318	0	(50,192)	53,120	0	(53,120)	0	53,739	165,000	(62,897)	155,842
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					
					\$	\$	\$					
43 & 45 Wilson Street	68	NAB	8.89%	23/02/2024	(806)	(1,506)	(2,750)					
CRC Building	73	WATC*	4.43%	2/04/2024	(548)	(806)	(1,584)					
Total					(1,352)	(2,312)	(4,334)					
Total Finance Cost Payments					(1,352)	(2,312)	(4,334)					

* WA Treasury Corporation

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2024

25. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease Liabilities

Purpose	Note	Actual								Budget			
		Principal at	New Leases	Principal	Principal at 30	New Leases	Principal	Principal at		Principal at 1	New Leases	Principal	Principal at
		1 July 2022	During 2022-23	Repayments	June 2023	During 2023-24	Repayments	30 June 2024		July 2023	During 2023-24	Repayments	30 June 2024
Fuji Photocopier		\$ 1,723	\$ 0	\$ (1,723)	\$ 0	\$ 0	\$ 0	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0
Total Lease Liabilities	10(b)	1,723	0	(1,723)	0	0	0	0		0	0	0	0
Lease Finance Cost Payments													
Purpose	Lease 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	Lease Term					
Fuji Photocopier	C5077C3721	Fuji Xerox	3.00%	Dec-22	\$ (258)	\$ 0	\$ (7)	60 months					
Total Finance Cost Payments					(258)	0	(7)						

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	20,640	1,058	0	21,698	20,640	38	0	20,678	20,000	640	0	20,640
(b) Building Reserve	331,555	16,994	0	348,549	647,644	179,494	(312,273)	514,865	321,275	10,280	0	331,555
(c) Waste Management Reserve	111,395	5,709	0	117,104	331,555	616	0	332,171	107,941	3,454	0	111,395
(d) Plant & Equipment Reserve	647,644	211,496	(167,715)	691,415	111,395	207	0	111,602	455,568	214,578	(22,500)	647,644
(e) Community Bus Reserve	85,826	4,399	0	90,225	85,826	159	0	85,985	83,165	2,661	0	85,826
(f) Government Joint Venture Housing Reserve	11	1	0	12	11	0	0	11	11	0	0	11
(g) Sport & Recreation Facilities Reserve	338,363	17,343	0	355,706	338,363	628	(160,135)	178,856	327,872	10,491	0	338,363
(h) Community Development Reserve	529,706	27,150	0	556,856	529,706	984	0	530,690	513,283	16,423	0	529,706
(i) Community Health Reserve	1,120,174	57,414	0	1,177,588	1,120,174	2,082	0	1,122,256	1,085,443	34,731	0	1,120,174
(j) Airport Development Reserve	44,830	2,298	0	47,128	44,830	83	0	44,913	43,440	1,390	0	44,830
(k) Depot Reserve	162	8	0	170	162	0	0	162	157	5	0	162
	3,230,306	343,860	(167,715)	3,406,451	3,230,306	164,291	(472,408)	2,942,189	2,958,155	294,651	(22,500)	3,230,306

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) Building Reserve	To be used for the continual upgrade and maintenance of council's buildings within the Shire of Wyalkatchem
(c) Waste Management Reserve	To be used for the continual upgrade and expansion of the Wyalkatchem Waste Disposal Site
(d) Plant & Equipment Reserve	To be used for the continual purchase of Major Plant Items
(e) Community Bus Reserve	To be used to fund the continual purchase of a community bus
(f) Government Joint Venture Housing Reserve	To be used for the long term maintenance and upgrades of the joint venture housing
(g) Sport & Recreation Facilities Reserve	To be used for the continual upgrade and/or maintenance of various Sport & Recreation facilities in Wyalkatchem
(h) Community Development Reserve	To be used for the continual upgrade and/or development of various community facilities in Wyalkatchem
(i) Community Health Reserve	To be used for the continual upgrade of medical facilities and funding of health services within the Shire of Wyalkatchem
(j) Airport Development Reserve	To be used for the long term maintenance, upgrades, development and/or expansion of the Wyalkatchem Airport
(k) Depot Reserve	To be used for the continual upgrade and expansion of the Wyalkatchem Depot

INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2024



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Wyalkatchem

To the Council of the Shire of Wyalkatchem

Opinion

I have audited the financial report of the Shire of Wyalkatchem (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.

INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2024

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.

INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2024

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Wyalkatchem 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.



Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
25 November 2024



**Shire of
Wyalkatchem**

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