



# Annual Report 2021/22



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# General Information

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## Administration Office

Office Hours: Monday – Friday, 9:00am – 4:00pm

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BENCUBBIN WA 6477

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BENCUBBIN WA 6477

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Website: [www.mtmarshall.wa.gov.au](http://www.mtmarshall.wa.gov.au)

Facebook: [www.facebook.com/ShireMtMarshall](https://www.facebook.com/ShireMtMarshall)

Twitter: <https://twitter.com/MtMarshallShire>

## Localities

Bencubbin, Beacon, Cleary, Gabbin, Welbungin and Wialki.

## Economy

The economic activity of the Shire is dominated by agriculture, including the growing of wheat, lupins, barley, peas, oats, canola and the breeding of sheep, pigs and cattle.

Local industries include retail, shearing, grain cleaning and servicing of farm machinery.

## Significant Local Events

- Australia Day Community Breakfast and Shire Citizen of the Year presentation, held in Bencubbin;
- Australia Day Community BBQ and Shire Citizen of the Year presentation held in Beacon;
- Mt Marshall & Districts Agricultural Show held annually in March.
- WAORRA Off Road Rally held annually on the June long weekend.

## Tourist Attractions

Marshall Rock; Pergandes Granite Sheep Yards; Datjoin Well; Billiburning Rock; Wildflower season including Guided Tours (August – September); Heritage Walk Trail (Bencubbin), Historic Walking Trail (Beacon), Sandalwood Interpretation Centre (Bencubbin), Mens Shed (Beacon).

## Statistics (2021/22)

Distance from Perth (km)	273
Area (sq km)	10,134
Length of Sealed Roads (km)	307
Length of Unsealed Roads (km)	1,440
Population	459
Number of Electors	323
Number of Dwellings	284
Total Rates Levied (\$)	1,574,425
Total Revenue (\$)	8,825,758
Number of Employees (FTE)	26

# Shire History

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## **The Sandalwood Shire**

In September and November 1836 the Surveyor General Captain John Septimus Roe led a forty-day expedition out to the unknown east of the settled districts of the Avon Valley. Mt Marshall and Lake McDermott were named after Captain Marshall McDermott, an early settler to the Swan River Colony. Captain Roe was loathe to give any native names as he considered them unpronounceable and impossible to spell.

In 1889 Surveyor HS King fixed Trigg Station at Mt Marshall. When the Wyalkatchem-Mt Marshall Railway Line was built, the siding was not named as there was already a Mt Marshall in Tasmania.

Sandalwooders and graziers were the early settlers in the Mt Marshall area. The first grazing lease was taken up in 1868. Sandalwood was removed from this area from the 1880's through to the 1920's. Permanent settlement and the development and clearing of the land for farms commenced around 1910.

The Mt Marshall Roads Board was formed in 1923.



# The Council

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The Shire of Mt Marshall Council has an elected body of seven Councillors. The Council: govern the affairs of the Shire; is responsible for the performance of the Shire's functions; oversee the allocation of the Shire's finances and resources; and determine the Shire's policies.

Council is committed to providing open and accountable government that meets the needs of the community and protects and improves the Shire's assets and resources.

The Chief Executive Officer has the responsibility for ensuring all decisions of Council comply with the Local Government Act, other relevant legislation and local laws. The Chief Executive Officer and staff undertake the tasks necessary to implement the decisions of the Council.

## Elections

Elections for Councillors are conducted in October every second year with the term of office being four years. Approximately one half of Council's membership vacates each election. An election was held in October with the next to be held in October 2023.

The President is elected by the members following each Local Government election, for a two year term.

## President

Cr Tony Sachse

## Deputy President

Cr Nick Gillett

## Elected Members

Name	Contact	Years of Service	Term Expires
Cr Megan BEAGLEY	T: 0429 861 023 <a href="mailto:crbeagley@mtmarshall.wa.gov.au">crbeagley@mtmarshall.wa.gov.au</a>	1	2025
Cr Tanya GIBSON	T: 0427 976 880 <a href="mailto:crgibson@mtmarshall.wa.gov.au">crgibson@mtmarshall.wa.gov.au</a>	2	2023
Cr Nick GILLETT	T: 0427 862 007 <a href="mailto:crgillett@mtmarshall.wa.gov.au">crgillett@mtmarshall.wa.gov.au</a>	5	2023
Cr Leeanne GOBBART	T: 0429 848 042 <a href="mailto:crgobbart@mtmarshall.wa.gov.au">crgobbart@mtmarshall.wa.gov.au</a>	4	2025
Cr Stuart PUTT	T: 0427 862 060 <a href="mailto:crputt@mtmarshall.wa.gov.au">crputt@mtmarshall.wa.gov.au</a>	4	2025
Cr Tony SACHSE	T: 0429 851 257 <a href="mailto:crsachse@mtmarshall.wa.gov.au">crsachse@mtmarshall.wa.gov.au</a>	6	2023
Cr Ian SANDERS	T: 0427 851 213 <a href="mailto:crsanders@mtmarshall.wa.gov.au">crsanders@mtmarshall.wa.gov.au</a>	4	2025

**Wards**

The Shire of Mt Marshall does not operate a ward structure ensuring all Councillors represent the whole of the shire instead of any particular ward which is considered outdated in modern local government environment.

**Council Meetings**

Ordinary meetings of Council are held on the third Tuesday of every month except January, and these meetings are open to the public. Meetings commence at the advertised times (generally 3:00pm) with a period of 15 minutes at the start of the meeting being set aside as public question time as required by the Local Government Act 1995.

**Electors' General Meeting**

An Electors' General Meeting is held each financial year typically in December with notification being provided in the local newspapers, shire notice boards and libraries.

**Committees**

The Shire of Mt Marshall has two standing committees: The Mt Marshall Audit Committee as required by the Local Government Act; and the Local Emergency Management Committee as required by the Emergency Management Act.

The Council has formally resolved to establish the following committees and working groups: Mt Marshall Safety Committee; Bush Fire Advisory Committee; Economic Development Grant Fund Committee; Facilities and Services Committee, Off Road Racing Working Group.

**Representation on External Organisations**

There are a number of external organisations on which the Shire is represented including: Great Eastern Zone of WALGA; North Eastern Wheatbelt Organisation of Councils (NEWROC); Wheatbelt North East Sub Regional Road Group; Rural Water Council; Kununoppin Medical Practice; Kununoppin Local Health Advisory Group; Mt Marshall Land Conservation District Committee and Central East Aged Care Alliance (CEACA).

# President's Report

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It gives me great pleasure to be able to table the Presidents Report for the financial year ended 30 June, 2022.

Local Government Ordinary Elections were held in October 2021 and all nominees were elected unopposed. All Councillors continued to provide considerable input and service to the Shire of Mt Marshall during the last financial year.

Despite the ever-changing State of Emergency, as a result of COVID-19, the Shire continued to provide leadership to the community, and I congratulate the Council and staff for their efforts.

The Council initiated Club Support Fund continued to be well received for small community sporting grants. The Economic Development Fund for both voluntary and commercial grants have also continued.

Day care services continued in both towns, as much as resources and lockdowns allowed, during the year. This service is much valued by community members and remains an integral component in the annual budget.

An agreement was reached with Water Corporation to enable the establishment of Waddouring Dam as a recreation and camping area for the community and visitors to the region.

Our events were well attended, starting with the 2022 Australia Day Events which took place with the Community Breakfast at the Aquatic Centre and the Community Barbeque at the Beacon Recreation Ground. Unfortunately, the 89<sup>th</sup> Mt Marshall and Districts Agricultural Show which was scheduled for March 2022, had to be postponed due to COVID-19.

The annual Community Fox Shoot and other various sporting and community events were able to take place during the year. Thank you to community members who have taken time to attend community and Council meetings, complete surveys and contacted the Shire to provide information and feedback.

The annual budget is a very comprehensive document with roads always the major line item. Other areas include footpaths, plant, cemeteries, halls/community centres/buildings, housing, and other projects. Of note was the installation of the new Beacon Bowling Green.

The Shire worked to deliver several infrastructure and community projects as a result of continued funding through programs such as the Federal Governments' Local Roads and Community Infrastructure Program. This program has allowed Council to deliver some very worthwhile and much needed projects, creating jobs and long-lasting benefits for our communities.

Excellent support has continued from the Western Australia Local Government Association (WALGA). The 2021 WALGA convention was attended by the CEO and Councillors. Having representation at the WALGA Great Eastern Country Zone (GECZ) has also been important for our Shire. Representation has also taken place at the North Eastern Regional Organisation of Councils (NEWROC).

Following community consultation and the preparation of the Strategic Community Plan and the Corporate Business Plan, it was resolved to set up a Facilities and Services Committee. It was further determined that in the first instance this group should be formed with members of the Beacon community with a view that future iterations would be Shire wide.

The Local Emergency Management Committee (LEMC) meetings have been well attended by all agencies. The LEMC has continued with planning, compliance and addressing emergency management in the Shire. Council acknowledges all the efforts of local bush fire and volunteer emergency service brigades and their volunteers. Thanks also to Damian Tomas - Chief Bush Fire Control Officer, Garry Huckstep - Deputy Bush Fire Control Officer, and all the Bush Fire Control Officers and their representation on the Bush Fire Advisory Committee.

In July 2021, the annual local emergency management exercise took place outside the Bencubbin Primary School. Also, in July 2021, the DFES Beacon Volunteer Emergency Services Unit (VESU) shed upgrade was officially opened by DFES Commissioner, Darren Klemm.

Agriculture continues to be the primary business within the Shire, and it's to be hoped that the excellent opening rains will result with a good season for 2022.

Finally, I want to thank all our wonderful volunteers throughout the Shire. The groups, organizations and agencies are too numerous to name individually in this report, however we are so well supported by all these wonderful people who are giving up their own time for the benefit of all of us. Thankyou.

Cr Tony Sachse  
President

# CEO's Report

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The 2021/22 financial year once again presented challenges to Shire Councillors and staff. There was a continued shortage of labour and materials due to the ongoing effects of the COVID-19 pandemic. Although additional funding continued to be provided by the Federal Government to all Local Governments as a boost in response to the pandemic – for which the Shire is extremely grateful – the delivery of projects on time and on budget continued to be a significant challenge.

Major projects which were completed during the year, over and above the road program which always accounts for the majority of the expenditure, included the opening of Waddouring Dam for the community and tourists to enjoy, repair and upgrade of the Beacon Bowling Green, expenditure on the Recreation Centre's and the Town Halls at Beacon, Bencubbin and Welbungin.

NEWROC continues to be a significant part of the Shire and continued close collaboration with our neighbours ensures that we are able to be part of projects and planning. The challenge of power fluctuations and outages has been one of the major areas of planning and political campaigning for solutions to these issues.

The Shire staff have continued to work extremely hard, often in very difficult situations. We have been understaffed for some time and those who are employed by the Shire continue to deliver and get through the work despite those staff shortages. I offer all of the staff at the Shire my thanks for their dedication and hard work.

In my final report prior to leaving my role as Chief Executive Officer (which I have held for almost six years) I take the opportunity to thank Shire President Cr Tony Sachse and all Councillors for their ongoing support of myself personally and the Shire administration – this support and collaborative approach allow for the provision of the best support and services for the benefit of the community. I wish every success to the new Chief Executive Officer who commences in December and my best wishes to the Shire and all of its community for the future.

John Nuttall  
Chief Executive Officer

# Annual Financial Report

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## **SHIRE OF MT MARSHALL**

### **FINANCIAL REPORT**

**FOR THE YEAR ENDED 30TH JUNE 2022**

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**SHIRE OF MT MARSHALL  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Mt Marshall for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Mt Marshall at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 12<sup>th</sup> day of April 2023

  
\_\_\_\_\_  
Chief Executive Officer

Ben McKay  
\_\_\_\_\_  
Name of Chief Executive Officer

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

	NOTE	2022 Actual \$	2022 Budget \$	Restated * 2021 Actual \$
<b>Revenue</b>				
Rates	27(a),2(a)	1,522,430	1,519,248	1,452,598
Operating grants, subsidies and contributions	2(a)	3,897,512	1,769,917	2,724,514
Fees and charges	26(c),2(a)	629,952	717,422	727,945
Interest earnings	2(a)	28,364	30,144	33,902
Other revenue	2(a)	304,208	87,724	181,235
		6,382,466	4,124,455	5,120,194
<b>Expenses</b>				
Employee costs		(1,446,082)	(1,739,250)	(1,595,377)
Materials and contracts		(2,059,909)	(1,530,935)	(1,279,999)
Utility charges		(253,740)	(115,900)	(243,628)
Depreciation	10(a)	(3,144,467)	(2,906,935)	(3,063,330)
Finance costs	2(b)	(44,456)	(40,058)	(41,927)
Insurance		(207,758)	(164,403)	(190,786)
Other expenditure	2(b)	(137,862)	(137,520)	(145,495)
		(7,294,274)	(6,635,001)	(6,560,542)
		(911,808)	(2,510,546)	(1,440,348)
Capital grants, subsidies and contributions	2(a)	1,599,751	2,935,614	1,795,873
Profit on asset disposals	10(d)	89,889	44,000	52,369
Loss on asset disposals	10(d)	(74,959)	(149,000)	(65,859)
Fair value adjustments to financial assets at fair value through profit or loss		3,997	0	2,586
		1,618,678	2,830,614	1,784,969
<b>Net result for the period</b>	26(b)	<b>706,870</b>	<b>320,068</b>	<b>344,621</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	350,222	0	0
<b>Total other comprehensive income for the period</b>	17	<b>350,222</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>1,057,092</b>	<b>320,068</b>	<b>344,621</b>

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

\* Refers to Note 32 'Correction of Prior Period Errors'

**SHIRE OF MT MARSHALL**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	NOTE	2022 \$	2021 Restated \$	1 July 2020 Restated * \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	3,165,353	2,627,918	3,595,948
Trade and other receivables	5	257,853	219,496	188,186
Other financial assets	4(a)	10,279	9,894	9,524
Inventories	6	16,417	5,582	14,385
Other assets	7	286,478	169,552	5,476
<b>TOTAL CURRENT ASSETS</b>		<b>3,736,380</b>	<b>3,032,442</b>	<b>3,813,519</b>
<b>NON-CURRENT ASSETS</b>				
Trade and other receivables	5	2,744	1,737	1,078
Other financial assets	4(b)	271,621	277,903	285,211
Property, plant and equipment	8	18,242,745	17,953,998	18,153,872
Infrastructure	9	91,675,945	91,536,262	90,217,920
Right-of-use assets	11(a)	113,624	130,861	148,098
<b>TOTAL NON-CURRENT ASSETS</b>		<b>110,306,679</b>	<b>109,900,761</b>	<b>108,806,179</b>
<b>TOTAL ASSETS</b>		<b>114,043,059</b>	<b>112,933,203</b>	<b>112,619,698</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	12	662,041	531,812	455,245
Other liabilities	13	1,398	17,418	5,129
Lease liabilities	11(b)	11,348	10,932	10,533
Borrowings	14	48,264	46,458	44,720
Employee related provisions	15	190,185	207,109	249,325
<b>TOTAL CURRENT LIABILITIES</b>		<b>913,236</b>	<b>813,729</b>	<b>764,952</b>
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities	11(b)	64,741	76,089	87,021
Borrowings	14	910,088	958,353	1,004,811
Employee related provisions	15	28,487	15,617	38,120
Other provisions	16	52,530	52,530	52,530
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,055,846</b>	<b>1,102,589</b>	<b>1,182,482</b>
<b>TOTAL LIABILITIES</b>		<b>1,969,082</b>	<b>1,916,318</b>	<b>1,947,434</b>
<b>NET ASSETS</b>		<b>112,073,977</b>	<b>111,016,885</b>	<b>110,672,264</b>
<b>EQUITY</b>				
Retained surplus		83,992,682	83,359,386	82,200,448
Reserve accounts	30	717,820	644,246	1,458,563
Revaluation surplus	17	27,363,475	27,013,253	27,013,253
<b>TOTAL EQUITY</b>		<b>112,073,977</b>	<b>111,016,885</b>	<b>110,672,264</b>

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

**SHIRE OF MT MARSHALL**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2020</b>		<b>82,120,454</b>	<b>1,458,563</b>	<b>28,420,044</b>	<b>110,672,264</b>
Correction of prior period error	32	79,994	0	(1,406,791)	(1,326,797)
<b>Restated balance at the beginning of the financial year</b>		<b>82,200,448</b>	<b>1,458,563</b>	<b>27,013,253</b>	<b>110,672,264</b>
Comprehensive income for the period					
Net result for the period		344,621	0	0	344,621
Total comprehensive income for the period		344,621	0	0	344,621
Transfers from reserves	30	819,996	(819,996)	0	0
Transfers to reserves	30	(5,679)	5,679	0	0
<b>Balance as at 30 June 2021</b>		<b>83,359,386</b>	<b>644,246</b>	<b>27,013,253</b>	<b>111,016,885</b>
Comprehensive income for the period					
Net result for the period		706,870	0	0	706,870
Other comprehensive income for the period	17	0	0	350,222	350,222
Total comprehensive income for the period		706,870	0	350,222	1,057,092
Transfers to reserves	30	(73,574)	73,574	0	0
<b>Balance as at 30 June 2022</b>		<b>83,992,682</b>	<b>717,820</b>	<b>27,363,475</b>	<b>112,073,977</b>

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

**SHIRE OF MT MARSHALL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		1,574,425	1,519,248	1,469,772
Operating grants, subsidies and contributions		3,746,117	1,769,917	2,758,503
Fees and charges		627,663	717,422	727,945
Interest received		28,364	30,144	33,902
Goods and services tax received		511,931	208,982	148,372
Other revenue		304,208	87,724	181,235
		6,792,708	4,333,437	5,319,729
<b>Payments</b>				
Employee costs		(1,460,150)	(1,739,250)	(1,678,341)
Materials and contracts		(2,047,104)	(1,530,935)	(1,200,609)
Utility charges		(253,740)	(115,900)	(243,628)
Finance costs		(41,389)	(40,058)	(42,229)
Insurance paid		(207,758)	(164,403)	(190,786)
Goods and services tax paid		(462,906)	(208,982)	(208,982)
Other expenditure		(140,151)	(137,520)	(145,495)
		(4,613,198)	(3,937,048)	(3,710,070)
<b>Net cash provided by (used in) operating activities</b>	18(b)	2,179,510	396,389	1,609,659
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	8(a)	(1,245,140)	(3,024,478)	(2,342,282)
Payments for construction of infrastructure	9(a)	(2,382,488)	(2,210,204)	(2,139,687)
Non-operating grants, subsidies and contributions		1,595,930	2,935,614	1,646,091
Proceeds from financial assets at amortised cost - self supporting loans		9,894	9,894	9,524
Proceeds from sale of property, plant & equipment	10(d)	437,120	390,000	303,918
<b>Net cash provided by (used in) investing activities</b>		(1,584,684)	(1,899,174)	(2,522,436)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	29(a)	(46,459)	(46,459)	(44,720)
Payments for principal portion of lease liabilities	29(c)	(10,932)	(10,933)	(10,533)
Proceeds from new borrowings	29(a)	0	150,000	0
<b>Net cash provided by (used in) financing activities</b>		(57,391)	92,608	(55,253)
<b>Net increase (decrease) in cash held</b>		537,435	(1,410,177)	(968,030)
Cash at beginning of year		2,627,918	2,627,918	3,595,948
<b>Cash and cash equivalents at the end of the year</b>	18(a)	3,165,353	1,217,741	2,627,918

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

**SHIRE OF MT MARSHALL  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2022**

			Restated *
	NOTE	2022 Actual \$	2022 Budget \$ 2021 Actual \$
<b>NET CURRENT ASSETS - At start of financial year - surplus/(deficit)</b>	28(b)	1,722,015	1,503,656 1,735,348
<b>OPERATING ACTIVITIES</b>			
<b>Revenue from operating activities (excluding general rate)</b>			
Rates (excluding general rate)	27(b)	53,022	52,724 54,478
Operating grants, subsidies and contributions		3,897,512	1,769,917 2,724,514
Fees and charges		629,952	717,422 727,945
Interest earnings		28,364	30,144 33,902
Other revenue		304,208	87,724 181,235
Profit on asset disposals	10(d)	89,889	44,000 52,369
Fair value adjustments to financial assets at fair value through profit or loss		3,997	0 2,586
		5,006,944	2,701,931 3,777,029
<b>Expenditure from operating activities</b>			
Employee costs		(1,446,082)	(1,739,250) (1,595,377)
Materials and contracts		(2,059,909)	(1,530,935) (1,279,999)
Utility charges		(253,740)	(115,900) (243,628)
Depreciation		(3,144,467)	(2,906,935) (3,063,330)
Finance costs		(44,456)	(40,058) (41,927)
Insurance		(207,758)	(164,403) (190,786)
Other expenditure		(137,862)	(137,520) (145,495)
Loss on asset disposals	10(d)	(74,959)	(149,000) (65,859)
		(7,369,233)	(6,784,001) (6,626,401)
Non-cash amounts excluded from operating activities	28(a)	3,137,646	3,012,714 3,051,509
<b>Amount attributable to operating activities</b>		775,357	(1,069,356) 202,137
<b>INVESTING ACTIVITIES</b>			
Non-operating grants, subsidies and contributions		1,599,751	2,935,614 1,795,873
Proceeds from disposal of assets	10(d)	437,120	390,000 303,918
Proceeds from financial assets at amortised cost - self supporting loans	29(a)	9,894	9,894 9,524
Purchase of property, plant and equipment	8(a)	(1,245,140)	(3,024,478) (2,342,282)
Purchase and construction of infrastructure	9(a)	(2,382,488)	(2,210,204) (2,139,687)
<b>Amount attributable to investing activities</b>		(1,580,863)	(1,899,174) (2,372,654)
<b>FINANCING ACTIVITIES</b>			
Repayment of borrowings	29(a)	(46,459)	(46,459) (44,720)
Proceeds from borrowings	29(a)	0	150,000 0
Payments for principal portion of lease liabilities	29(c)	(10,932)	(10,933) (10,533)
Transfers to reserves (restricted assets)	30	(73,574)	(94,258) (5,679)
Transfers from reserves (restricted assets)	30	0	0 819,996
<b>Amount attributable to financing activities</b>		(130,965)	(1,650) 759,064
<b>Surplus/(deficit) before imposition of general rates</b>		785,544	(1,466,524) 323,895
<b>Total amount raised from general rates</b>	27(a)	1,469,408	1,466,524 1,398,120
<b>Surplus/(deficit) after imposition of general rates</b>	28(b)	<b>2,254,952</b>	<b>0</b> <b>1,722,015</b>

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

**SHIRE OF MT MARSHALL**  
**FOR THE YEAR ENDED 30 JUNE 2022**  
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**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**1. BASIS OF PREPARATION**

The financial report comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

**Local Government Act 1995 Requirements**  
Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 31 of the financial report.

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation uncertainties made in relation to lease accounting

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
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	Output method based on goods

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**2. REVENUE AND EXPENSES (Continued)**

**Revenue Recognition (Continued)**

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

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

**For the year ended 30 June 2022**

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,522,430	0	1,522,430
Operating grants, subsidies and contributions	121,087	0	0	3,776,425	3,897,512
Fees and charges	5,884	0	0	624,068	629,952
Interest earnings	0	0	12,436	15,928	28,364
Other revenue	39,092	0	0	265,116	304,208
Non-operating grants, subsidies and contributions	0	1,599,751	0	0	1,599,751
<b>Total</b>	<b>166,063</b>	<b>1,599,751</b>	<b>1,534,866</b>	<b>4,681,537</b>	<b>7,982,217</b>

**For the year ended 30 June 2021**

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,452,598	0	1,452,598
Operating grants, subsidies and contributions	95,079	0	0	2,629,435	2,724,514
Fees and charges	8,974	0	0	718,971	727,945
Interest earnings	0	0	14,734	19,168	33,902
Other revenue	49,053	0	0	132,182	181,235
Non-operating grants, subsidies and contributions	0	1,795,873	0	0	1,795,873
<b>Total</b>	<b>153,106</b>	<b>1,795,873</b>	<b>1,467,332</b>	<b>3,499,756</b>	<b>6,916,067</b>

Note	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
<b>(a) Revenue (Continued)</b>			
<b>Interest earnings</b>			
Financial assets at amortised cost - self supporting loans	8,797	8,144	8,450
Interest on reserve funds	1,589	5,000	5,678
Rates instalment and penalty interest (refer Note 27(f))	11,086	12,000	12,898
Other interest earnings	6,892	5,000	6,876
	<b>28,364</b>	<b>30,144</b>	<b>33,902</b>
<b>(b) Expenses</b>			
<b>Auditors remuneration</b>			
- Audit of the Annual Financial Report	46,500	55,000	46,500
- Other services	1,800	0	1,800
	<b>48,300</b>	<b>55,000</b>	<b>48,300</b>
<b>Finance costs</b>			
Borrowings 29(a)	41,309	38,242	39,680
Lease liabilities 29(c)	3,147	1,816	2,247
	<b>44,456</b>	<b>40,058</b>	<b>41,927</b>
<b>Other expenditure</b>			
Impairment losses on rates receivables	0	1,500	0
Impairment losses on receivables from contracts with customers	(2,289)	0	2,013
Sundry expenses	140,151	136,020	143,482
	<b>137,862</b>	<b>137,520</b>	<b>145,495</b>

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**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	2022	2021
	\$	\$
	3,165,353	1,983,672
	0	644,246
18(a)	3,165,353	2,627,918
	2,442,857	1,952,349
18(a)	722,496	675,569
	3,165,353	2,627,918

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

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

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserves and unspent grants, subsidies and contributions.

Details of restrictions on financial assets can be found at Note 18.

**4. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Self supporting loans receivable

Held as  
- Unrestricted other financial assets at amortised cost

**(b) Non-current assets**

Financial assets at amortised cost  
Financial assets at fair value through profit and loss

**Financial assets at amortised cost**

Self supporting loans receivable

**Financial assets at fair value through profit and loss**

Units in Local Government House Trust

	2022	2021
	\$	\$
	10,279	9,894
	10,279	9,894
28(b)	10,279	9,894
	10,279	9,894
	10,279	9,894
	10,279	9,894
	193,817	204,096
	77,804	73,807
	271,621	277,903
	193,817	204,096
	193,817	204,096
	77,804	73,807
	77,804	73,807

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 29(a) as self supporting loans. Fair value of financial assets at fair value through profit and loss is determined from the net asset value of the units held in Trust at balance date as compiled by WALGA.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 25 (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 and loss**

The Shire classifies the following financial assets at fair value through profit and loss:

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

**Impairment and risk**

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**5. TRADE AND OTHER RECEIVABLES**

**Current**

Rates receivable	
Trade and other receivables	
GST receivable	
Receivables for employee related provisions	15
Allowance for credit losses of trade and other receivables	23(b)

Note	2022	2021
	\$	\$
	65,119	121,511
	150,664	14,342
	37,446	86,471
	5,163	0
	(539)	(2,828)
	257,853	219,496
	2,744	1,737
	2,744	1,737

**Non-current**

Pensioner's rates and ESL deferred
------------------------------------

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other receivables**

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

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

**Impairment and risk exposure**

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

**Classification and subsequent measurement**

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

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

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**6. INVENTORIES**

	Note	2022	2021
Current		\$	\$
Fuel and materials		16,417	5,582
		<u>16,417</u>	<u>5,582</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	5,582	14,385
Inventories expensed during the year	(173,330)	(8,803)
Additions to inventory	184,165	0
Balance at end of year	<u>16,417</u>	<u>5,582</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**7. OTHER ASSETS**

**Other assets - current**

Prepayments  
 Accrued income  
 Contract assets

2022	2021
\$	\$
6,690	9,407
2,094	5,144
277,694	155,001
286,478	169,552

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**Contract assets**

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

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**8. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Note	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Motor vehicles	Work in progress - PPE	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restated balance at 1 July 2020</b>		644,841	2,317,954	11,447,137	14,409,932	11,579	3,287,653	444,708	0	18,153,872
Additions		0	1,864,112	0	1,864,112	0	249,155	229,015	0	2,342,282
Disposals		0	0	0	0	0	(111,856)	(205,552)	0	(317,408)
Depreciation	10(a)	0	(115,530)	(339,544)	(455,074)	(3,860)	(465,615)	(52,096)	0	(976,645)
Transfers (to)/from infrastructure		0	(1,713,394)	465,291	(1,248,103)	0	0	0		(1,248,103)
<b>Balance at 30 June 2021</b>		644,841	2,353,142	11,572,884	14,570,867	7,719	2,959,337	416,075	0	17,953,998
<b>Comprises:</b>										
Gross balance amount at 30 June 2021		644,841	2,689,466	12,865,036	16,199,343	186,861	4,269,662	491,680	0	21,147,546
Accumulated depreciation at 30 June 2021		0	(336,324)	(1,292,152)	(1,628,476)	(179,142)	(1,310,325)	(75,605)	0	(3,193,548)
<b>Balance at 30 June 2021</b>		644,841	2,353,142	11,572,884	14,570,867	7,719	2,959,337	416,075	0	17,953,998
Additions		0	46,670	236,430	283,100	0	686,550	275,490	0	1,245,140
Disposals		(13,783)	(19,906)	(155)	(33,844)	0	(194,843)	(193,503)	0	(422,190)
Revaluation increments / (decrements) transferred to revaluation surplus		96,511	(124,095)	377,806	350,222	0	0	0	0	350,222
Depreciation	10(a)	0	(65,037)	(398,541)	(463,578)	(3,859)	(402,916)	(52,655)	0	(923,008)
Transfers (to)/from infrastructure		0	(252,896)	216,276	(36,620)	0	0	0	75,203	38,583
<b>Balance at 30 June 2022</b>		727,569	1,937,878	12,004,700	14,670,147	3,860	3,048,128	445,407	75,203	18,242,745
<b>Comprises:</b>										
Gross balance amount at 30 June 2022		727,569	1,937,878	12,004,700	14,670,147	186,861	4,615,450	527,316	75,203	20,074,977
Accumulated depreciation at 30 June 2022		0	0	0	0	(183,001)	(1,567,322)	(81,909)	0	(1,832,232)
<b>Balance at 30 June 2022</b>		727,569	1,937,878	12,004,700	14,670,147	3,860	3,048,128	445,407	75,203	18,242,745

**SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Carrying Value Measurements**

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per hectare
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per square metre
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>		Cost	Cost		Purchase Cost
<b>Plant and equipment</b>		Cost	Cost		Purchase Cost
<b>Motor vehicles</b>		Cost	Cost		Purchase Cost

SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Note	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - parks and ovals	Infrastructure - playground equipment	Infrastructure - airports	Infrastructure - other	Work in progress - infrastructure	Total Infrastructure
		\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		84,317,666	849,007	333,437	115,205	1,047,292	3,555,313	0	90,217,920
Additions		1,898,893	20,160	200,853	0	19,781	0	0	2,139,687
Depreciation	10(a)	(1,824,305)	(21,891)	(63,470)	(5,149)	(20,868)	(133,765)	0	(2,069,448)
Transfers (to)/from property, plant and equipment		0	0	0	0	0	1,248,103	0	1,248,103
Balance at 30 June 2021		84,392,254	847,276	470,820	110,056	1,046,205	4,669,651	0	91,536,262
Comprises:									
Gross balance at 30 June 2021		120,604,036	1,233,711	1,146,304	190,934	1,092,878	7,806,224	0	132,074,087
Accumulated depreciation at 30 June 2021		(36,211,782)	(386,435)	(675,484)	(80,878)	(46,673)	(3,136,573)	0	(40,537,825)
Balance at 30 June 2021		84,392,254	847,276	470,820	110,056	1,046,205	4,669,651	0	91,536,262
Additions		2,097,299	0	187,394	0	5,221	92,574	0	2,382,488
Depreciation	10(a)	(1,940,550)	(22,261)	(57,684)	(5,149)	(21,532)	(157,046)	0	(2,204,222)
Transfers (to)/from property, plant and equipment		0	0	(46,417)	7,140	(19,821)	9,098	11,417	(38,583)
Balance at 30 June 2022		84,549,003	825,015	554,113	112,047	1,010,073	4,614,277	11,417	91,675,945
Comprises:									
Gross balance at 30 June 2022		122,701,335	1,233,711	1,287,281	198,074	1,078,278	7,907,897	11,417	134,417,993
Accumulated depreciation at 30 June 2022		(38,152,332)	(408,696)	(733,168)	(86,027)	(68,205)	(3,293,620)	0	(42,742,048)
Balance at 30 June 2022		84,549,003	825,015	554,113	112,047	1,010,073	4,614,277	11,417	91,675,945

SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - parks and ovals	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - playground equipment	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - airports	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) 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.

**SHIRE OF MT MARSHALL**  
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**10. FIXED ASSETS**

**(a) Depreciation**

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non-specialised	8(a)	65,037	108,563	115,530
Buildings - specialised	8(a)	398,541	347,405	339,544
Furniture and equipment	8(a)	3,859	3,626	3,860
Plant and equipment	8(a)	402,916	437,537	465,615
Motor vehicles	8(a)	52,655	48,955	52,096
Infrastructure - roads	9(a)	1,940,550	1,714,292	1,824,305
Infrastructure - footpaths	9(a)	22,261	20,571	21,891
Infrastructure - parks and ovals	9(a)	57,684	59,642	63,470
Infrastructure - playground equipment	9(a)	5,149	4,838	5,149
Infrastructure - airports	9(a)	21,532	19,610	20,868
Infrastructure - other	9(a)	157,046	125,699	133,765
Right-of-use assets - land	11(a)	14,971	14,069	14,972
Right-of-use assets - furniture and equipment	11(a)	2,266	2,128	2,265
		<b>3,144,467</b>	<b>2,906,935</b>	<b>3,063,330</b>

**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	3 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	4 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 to 60 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	40 years
Road signs	15 years
Footpaths - slab	56 years
Sewerage piping	100 to 110 years
Water supply piping and drainage systems	20 to 120 years
Right of use (land)	Based on the remaining lease
Right of use (furniture and equipment)	Based on the remaining lease
Parks and ovals	8 to 30 years
Playground equipment	10 to 50 years
Airstrips	25 to 50 years
Other infrastructure	10 to 50 years

**(b) Temporarily Idle or retired from use assets**

The carrying value of assets held by the Shire which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	2022 \$	2021 \$
Furniture and equipment	0	14,999
Plant and equipment	1,800	0
	<b>1,800</b>	<b>14,999</b>

**(c) Fully Depreciated Assets in Use**

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

	2022 \$	2021 \$
Furniture and equipment	148,268	148,268
	<b>148,268</b>	<b>148,268</b>

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**10. FIXED ASSETS (Continued)**

**(d) Disposals of assets**

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	13,783	7,472	0	(6,311)	0	0	0	0	0	0	0	0
Buildings - non-specialised	19,906	7,966		(11,940)	79,000	50,000	0	(29,000)	0	0	0	0
Buildings - specialised	155	0		(155)	0	0	0	0	0	0	0	0
Plant and equipment	194,843	198,954	56,740	(52,629)	416,000	340,000	44,000	(120,000)	111,856	127,037	28,513	(13,332)
Motor vehicles	193,503	222,728	33,149	(3,924)	0	0	0	0	205,552	176,881	23,856	(52,527)
	422,190	437,120	89,889	(74,959)	495,000	390,000	44,000	(149,000)	317,408	303,918	52,369	(65,859)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Transport</b>				
2012 Volvo G930 motor grader	137,047	84,418	0	(52,629)
Side Tipper trailer	24,913	31,000	6,087	0
2008 Hino Fs1Elkd T/A tip truck	32,883	83,536	50,653	0
	194,843	198,954	56,740	(52,629)
<b>Motor Vehicles</b>				
<b>Governance</b>				
2022 Toyota Prado	56,314	59,091	2,777	0
2021 Toyotal Landcruiser 200	64,965	88,182	23,217	0
<b>Education and welfare</b>				
2019 Isuzu D Max	25,572	32,727	7,155	0
<b>Transport</b>				
Ford Ranger Xls dual cab	30,523	27,273	0	(3,250)
2017 Mitsubishi MQ Triton	16,129	15,455	0	(674)
	193,503	222,728	33,149	(3,924)
<b>Land</b>				
<b>Housing</b>				
8 Dunne Street, Beacon	3,783	0	0	(3,783)
<b>Economic services</b>				
Lot 233 (7) Baxter St, Bencubbin	10,000	7,472	0	(2,528)
	13,783	7,472	0	(6,311)
<b>Buildings</b>				
<b>Recreation and culture</b>				
1 Brown Street, Bencubbin	155	0	0	(155)
- Aquatic Centre Metal Shed				
<b>Housing</b>				
8 Dunne Street, Beacon	19,906	7,966	0	(11,940)
	20,061	7,966	0	(12,095)
	422,190	437,120	89,889	(74,959)

## **10. FIXED ASSETS (Continued)**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **Fixed assets**

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

#### **Initial recognition and measurement for assets held at cost**

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

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

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework.

#### **Revaluation**

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

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

#### **Revaluation (continued)**

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. 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.

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

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

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

#### **Amortisation**

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

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

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

**SHIRE OF MT MARSHALL**  
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**11. 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.	Note	Right-of-use assets - land \$	Right-of-use assets - furniture and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2020		139,793	8,305	148,098
Depreciation		(14,972)	(2,265)	(17,237)
Balance at 30 June 2021		124,821	6,040	130,861
Depreciation	10(a)	(14,971)	(2,266)	(17,237)
Balance at 30 June 2022		109,850	3,774	113,624

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

		2022 Actual \$	2021 Actual \$
Depreciation on right-of-use assets	10(a)	(17,237)	(17,237)
Interest expense on lease liabilities	29(c)	(3,147)	(2,247)
<b>Total amount recognised in the statement of comprehensive income</b>		<b>(20,384)</b>	<b>(19,484)</b>
Total cash outflow from leases		(14,079)	(12,780)

**(b) Lease Liabilities**

Current		11,348	10,932
Non-current		64,741	76,089
	29(c)	<b>76,089</b>	<b>87,021</b>

The Shire has 2 leases relating to landfill sites. The lease term for both leases is 5 years with an option of an additional 5 years.

The Shire has a lease relating to a photocopier. The lease term for this lease is 4 years.

The Shire has recognised a provision for the rehabilitation of the 2 landfill sites as part of the right of use assets (Refer Note 16). The right of use assets relating the rehabilitation of the landfill sites will be depreciated over a 10 year period, similar to the treatment for the right of use assets relating to the leases recognised above.

The measurement of lease liabilities does not include any future cash outflows associated with leases not yet commenced to which the Shire is committed.

**Secured liabilities and assets pledged as security**

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

**SIGNIFICANT 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 asset 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 29(c).

**Right-of-use assets - valuation measurement**

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the Statement of Financial Position). 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 10 under revaluation for details on the significant 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 amortised over the useful life of the underlying asset.

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**11. LEASES (Continued)**

**(c) Lessor - Property, Plant and Equipment Subject to Lease**

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

> 5 years

<b>2022</b>	<b>2021</b>
<b>Actual</b>	<b>Actual</b>
<b>\$</b>	<b>\$</b>
17,512	32,254
15,012	17,512
6,969	15,012
4,056	6,969
9,443	4,056
0	9,443
<b>52,992</b>	<b>85,246</b>
<b>32,254</b>	<b>47,942</b>

**Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease**

Rental income

The Shire leases houses to staff and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Shire is exposed to changes in the residual value at the end of the current leases, the Shire typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

**SIGNIFICANT ACCOUNTING POLICIES**

**The Shire as Lessor**

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 to allocate the consideration under the contract to each component.

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**12. TRADE AND OTHER PAYABLES**

**Current**

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

2022	2021
\$	\$
123,104	412,181
20,914	24,304
4,793	(616)
59,851	75,274
3,278	13,905
9,831	6,764
440,270	0
662,041	531,812

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the 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 revenue for the prepaid rates that have not been refunded.

**SHIRE OF MT MARSHALL**  
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**13. OTHER LIABILITIES**

**Current**

Contract liabilities  
Capital grant/contributions liabilities

**Reconciliation of changes in contract liabilities**

Opening balance  
Additions  
Revenue from contracts with customers included as a contract liability at the start of the period

The Shire expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period to be satisfied within the next 12 months.

**Reconciliation of changes in capital grant/contribution liabilities**

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

**Expected satisfaction of capital grant/contribution liabilities**

Less than 1 year

2022	2021
\$	\$
0	12,199
1,398	5,219
1,398	17,418
12,199	1,129
0	12,199
(12,199)	(1,129)
0	12,199
5,219	4,000
1,398	5,219
(5,219)	(4,000)
1,398	5,219
1,398	5,219
1,398	17,418

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

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

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

Non-current capital grant/contribution liabilities fair values 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 25(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF MT MARSHALL**  
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**14. BORROWINGS**

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Debentures		48,264	910,088	958,352	46,458	958,353	1,004,811
<b>Total secured borrowings</b>	29(a)	48,264	910,088	958,352	46,458	958,353	1,004,811

**Secured liabilities and assets pledged as security**

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Mt Marshall. Other loans relate to transferred receivables. Refer to Note 5.

The Shire of Mt Marshall has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

**SIGNIFICANT ACCOUNTING POLICIES**

**Borrowing costs**

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

**Risk**

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

Details of individual borrowings required by regulations are provided at Note 29(a).

**SHIRE OF MT MARSHALL**  
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**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

**Current provisions**

**Employee benefit provisions**

Annual Leave

Long Service Leave

**Non-current provisions**

Long Service Leave

	2022	2021
	\$	\$
Annual Leave	92,106	88,416
Long Service Leave	98,079	118,693
	190,185	207,109
Long Service Leave	28,487	15,617
	28,487	15,617
	218,672	222,726

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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

**Amounts are expected to be settled on the following basis:**

Less than 12 months after the reporting date

More than 12 months from reporting date

Expected reimbursements from other WA local governments

Note	2022	2021
	\$	\$
Less than 12 months after the reporting date	177,180	85,443
More than 12 months from reporting date	41,492	122,050
Expected reimbursements from other WA local governments	0	15,233
	218,672	222,726
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	(5,163)	0

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

**SHIRE OF MT MARSHALL**  
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**16. OTHER PROVISIONS**

	<b>Note</b>	<b>Make good provisions</b>	<b>Total</b>
		<b>\$</b>	<b>\$</b>
<b>Opening balance at 1 July 2021</b>			
Non-current provisions		52,530	52,530
		52,530	52,530
<b>Balance at 30 June 2022</b>		52,530	52,530
<b>Comprises</b>			
Non-current		52,530	52,530
		52,530	52,530

**Other provisions**

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

**Provisions for remediation costs**

Under the licence for the operation of the Bencubbin landfill site, the Shire has a legal obligation to restore the site.

A provision for remediation is recognised when:

- there is a present obligation as a result of waste activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on the remaining life of the waste facility.

**Provisions**

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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

SHIRE OF MT MARSHALL  
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FOR THE YEAR ENDED 30 JUNE 2022

17. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land and buildings	5,005,809	474,317	(124,095)	350,222	5,356,031	5,005,809	0	0	0	5,005,809
Revaluation surplus - Infrastructure - roads	18,941,495	0	0	0	18,941,495	18,941,495	0	0	0	18,941,495
Revaluation surplus - Infrastructure - footpaths	431,791	0	0	0	431,791	431,791	0	0	0	431,791
Revaluation surplus - Infrastructure - parks and ovals	369,597	0	0	0	369,597	369,597	0	0	0	369,597
Revaluation surplus - Infrastructure - playground equipment	141,311	0	0	0	141,311	141,311	0	0	0	141,311
Revaluation surplus - Infrastructure - airports	692,373	0	0	0	692,373	692,373	0	0	0	692,373
Revaluation surplus - Infrastructure - other	1,430,877	0	0	0	1,430,877	1,430,877	0	0	0	1,430,877
	27,013,253	474,317	(124,095)	350,222	27,363,475	27,013,253	0	0	0	27,013,253

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**18. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	3,165,353	1,217,741	2,627,918

**Restrictions**

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	722,496	738,504	675,569
		722,496	738,504	675,569

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

Restricted reserve accounts	30	717,820	738,504	644,246
Contract liabilities	13	0	0	12,199
Capital grant/contributions liabilities	13	1,398	0	5,219
Bonds and deposits held	12	3,278	0	13,905
<b>Total restricted financial assets</b>		722,496	738,504	675,569

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

Net result		706,870	320,068	344,621
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(3,997)	0	(2,586)
Depreciation/amortisation		3,144,467	2,906,935	3,063,330
(Profit)/loss on sale of asset		(14,930)	105,000	13,490
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(39,364)	0	(31,969)
(Increase)/decrease in other assets		(116,926)	0	(164,076)
(Increase)/decrease in inventories		(10,835)	0	8,803
Increase/(decrease) in trade and other payables		130,229	0	76,567
Increase/(decrease) in employee related provisions		(4,054)	0	(64,719)
Increase/(decrease) in other liabilities		(16,020)	0	12,289
Non-operating grants, subsidies and contributions		(1,595,930)	(2,935,614)	(1,646,091)
Net cash provided by/(used in) operating activities		2,179,510	396,389	1,609,659

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Credit card limit	20,000	20,000
Credit card balance at balance date	(2,348)	(1,929)
<b>Total amount of credit unused</b>	17,652	18,071

**Loan facilities**

Loan facilities - current	48,264	46,458
Loan facilities - non-current	910,088	958,353
<b>Total facilities in use at balance date</b>	958,352	1,004,811

**Unused loan facilities at balance date**

38

0

0

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**19. CONTINGENT LIABILITIES**

The Shire does not have any contingent assets or contingent liabilities to report as at 30 June 2022. (30 June 2021 Nil).

**20. CAPITAL COMMITMENTS**

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	675,630	0
	<hr/> 675,630	<hr/> 0
Payable:		
- not later than one year	675,630	0

The capital expenditure project outstanding at the end of the current reporting period represents the upgrade of the Shire's aquatic facilities.

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**21. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Councillor 1 - Tony Sachse</b>			
President's annual allowance	5,207	5,250	4,773
Meeting attendance fees	10,413	11,454	10,977
Annual allowance for ICT expenses	1,734	1,750	1,750
Travel and accommodation expenses	1,407	2,148	1,174
	18,761	20,602	18,674
<b>Councillor 2 - Nick Gillett</b>			
Deputy President's annual allowance	1,269	1,312	1,312
Meeting attendance fees	3,554	4,009	3,675
Annual allowance for ICT expenses	1,692	1,750	1,750
Travel and accommodation expenses	752	2,142	858
	7,267	9,213	7,595
<b>Councillor 3 - Tanya Gibson</b>			
Meeting attendance fees	3,523	4,009	3,645
Annual allowance for ICT expenses	1,678	1,750	1,735
Travel and accommodation expenses	2,671	2,142	3,048
	7,872	7,901	8,428
<b>Councillor 4 - Leeanne Gobbart</b>			
Meeting attendance fees	3,675	4,009	3,675
Annual allowance for ICT expenses	1,591	1,750	1,750
Travel and accommodation expenses	547	2,142	516
	5,813	7,901	5,941
<b>Councillor 5 - Stuart Putt</b>			
Meeting attendance fees	3,675	4,009	3,675
Annual allowance for ICT expenses	1,750	1,750	1,750
Travel and accommodation expenses	225	2,142	416
	5,650	7,901	5,841
<b>Councillor 6 - Ian Sanders</b>			
Meeting attendance fees	3,675	4,009	3,675
Annual allowance for ICT expenses	1,750	1,750	1,750
Travel and accommodation expenses	0	2,142	0
	5,425	7,901	5,425
<b>Councillor 7 - Vacant/Geraghty</b>			
Meeting attendance fees	0	4,009	668
Annual allowance for ICT expenses	0	1,750	318
Travel and accommodation expenses	0	2,142	0
	0	7,901	986
<b>Councillor 8 - Megan Beagley</b>			
Meeting attendance fees	2,673	0	0
Annual allowance for ICT expenses	1,273	0	0
Travel and accommodation expenses	1,207	0	0
	5,153	0	0
	55,941	69,320	52,890
<b>Fees, expenses and allowances to be paid or reimbursed to elected council members.</b>			
President's annual allowance	5,207	5,250	4,773
Deputy President's annual allowance	1,269	1,312	1,312
Meeting attendance fees	31,188	35,508	29,990
Annual allowance for ICT expenses	11,468	12,250	10,803
Travel and accommodation expenses	6,809	15,000	6,012
21(b)	55,941	69,320	52,890

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**21. RELATED PARTY TRANSACTIONS**

**(b) Key Management Personnel (KMP) Compensation**

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

	<b>2022 Actual</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	448,532	456,309
Post-employment benefits	55,315	57,062
Employee - other long-term benefits	10,907	11,163
Employee - termination benefits	5,595	0
Council member costs	55,941	52,890
21(a)	<b>576,290</b>	<b>577,424</b>

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Termination benefits*

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

*Council member costs*

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**21. RELATED PARTY TRANSACTIONS**

**(c) 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:

	2022 Actual	2021 Actual
	\$	\$
Sale of goods and services	40,500	0
Purchase of goods and services	950	10,380
Building maintenance contract	341,429	416,706
Lease of the rubbish tip	0	5,055
<b>Amounts payable to related parties:</b>		
Trade and other payables	0	6,094

**(d) Related Parties**

**The Shire's main related parties are as follows:**

*i. Key management personnel*

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

*ii. Other Related Parties*

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

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

*iii. Entities subject to significant influence by the Shire*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence.

Significant influence may be gained by share ownership, statute or agreement.

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. JOINT ARRANGEMENTS**

**Share of joint operations**

**Kununoppin Medical Practice**

The Shires of Trayning, Mt Marshall, Mukinbudin and Nungarin have an agreement in place to share the costs associated with attracting and retaining a General Practitioner Service to service the four Shires. The Shire of Trayning administers the costs associated with this agreement, contributing 30% of the costs and recouping the other 70% from the other Shires. The Shire of Mt Marshall contributes 30% of the total expenses of the Medical Practice.

Shire of Mt Marshall's share of expenses in relation to this arrangement amounted to \$51,508 in 2021/22 and \$27,144 in 2020/21.

**JV Agreement Dated - Assumed 1997**

The Shire has participated in a joint arrangement with the Department of Communities for the provision of housing. See detail below:

- One 3 bedroom transportable family house at Lot 3 38 Hammond Street Bencubbin
- One 3 bedroom transportable family house at Lot 64 40 Brown Street Bencubbin
- One 3 bedroom transportable family house at Lot 679 6 Dunne Street Beacon
- One 3 bedroom transportable family house at Lot 30 5 Rowlands Street Beacon

The housing units have been constructed on Council owned land with the Shire having a 15.64% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

**Statement of Financial Position**

Land - Freehold - Level 2  
 Buildings - Non-Specialised - Level 2  
 Less - Accumulated Depreciation  
**Total assets**

**Statement of Comprehensive Income**

Revenue  
 Expenses  
**Profit/(loss) for the period**  
 Other comprehensive income  
**Total comprehensive income for the period**

	<b>2022 Actual</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>
Land - Freehold - Level 2	8,446	8,446
Buildings - Non-Specialised - Level 2	49,735	60,155
Less - Accumulated Depreciation	0	(13,622)
<b>Total assets</b>	<b>58,181</b>	<b>54,979</b>
Revenue	36,136	24,880
Expenses	(30,942)	(45,959)
<b>Profit/(loss) for the period</b>	<b>5,194</b>	<b>(21,079)</b>
Other comprehensive income	4,846	0
<b>Total comprehensive income for the period</b>	<b>10,040</b>	<b>(21,079)</b>

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. JOINT ARRANGEMENTS**

**Share of joint operations (Continued)**

**JV Deed - No Expiration Date**

The Shire has participated in a joint arrangement with the Department of Communities for the provision of housing. See detail below:

- One 1 bedroom unit at Lot 97 85A Monger Street Bencubbin
- One 1 bedroom unit at Lot 97 85B Monger Street Bencubbin
- One 1 bedroom unit at Lot 166 10 Collins Street Bencubbin
- One 1 bedroom unit at Lot 167 12 Collins Street Bencubbin

The housing units have been constructed on Council owned land with the Shire having a 32.64% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

**Statement of Financial Position**

Land - Freehold - Level 2  
 Buildings - Non-Specialised - Level 2  
 Less - Accumulated Depreciation

**Total assets**

	2022 Actual	2021 Actual
	\$	\$
	13,709	13,709
	75,072	53,377
	0	(13,289)
	88,781	53,797
	29,109	64,075
	(35,627)	(25,626)
<b>Profit/(loss) for the period</b>	(6,518)	38,449
Other comprehensive income	37,346	0
<b>Total comprehensive income for the period</b>	30,828	38,449

**Statement of Comprehensive Income**

Revenue  
 Expenses  
**Profit/(loss) for the period**  
 Other comprehensive income  
**Total comprehensive income for the period**

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. JOINT ARRANGEMENTS**

**Share of joint operations (Continued)**

**JV Deed Dated - 14/05/1993**

The Shire has participated in a joint arrangement with the Department of Communities for the provision of housing. See detail below:

- One 3 bedroom community house at Lot 101 11 Broadbent Street Bencubbin
- One 3 bedroom community house at Lot 87 8 Dunne Street Beacon \*

The housing units have been constructed on Council land with the Shire having a 31.53% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

\* - The property at Lot 87 8 Dunne Street Beacon was sold in 2022.

**Statement of Financial Position**

Land - Freehold - Level 2  
 Buildings - Non-Specialised - Level 2  
 Less - Accumulated Depreciation

**Total assets**

**Statement of Comprehensive Income**

Revenue \*

Expenses \*

**Profit/(loss) for the period**

Other comprehensive income

**Total comprehensive income for the period**

\* The impact of the disposal of Lot 87 8 Dunne Street is as follows:

- Proceeds on disposal
- Loss on disposal

	2022 Actual	2021 Actual
	\$	\$
Land - Freehold - Level 2	4,414	8,198
Buildings - Non-Specialised - Level 2	22,071	73,723
Less - Accumulated Depreciation	0	(16,669)
<b>Total assets</b>	<b>26,485</b>	<b>65,252</b>
Revenue *	1,958	875
Expenses *	(15,427)	(11,103)
<b>Profit/(loss) for the period</b>	<b>(13,469)</b>	<b>(10,228)</b>
Other comprehensive income	(14,725)	0
<b>Total comprehensive income for the period</b>	<b>(28,194)</b>	<b>(10,228)</b>
- Proceeds on disposal	7,966	
- Loss on disposal	(15,723)	

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. JOINT ARRANGEMENTS**

**Share of joint operations (Continued)**

**JV Agreement Dated - 06/06/2000**

The Shire has participated in a joint arrangement with the Department of Communities for the provision of housing. See detail below:

- Four 1 bedroom aged care units (1-4) at Lot 279 39 Brown Street Bencubbin

The housing units have been constructed on Council managed land with the Shire having a 9.82% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

**Statement of Financial Position**

Buildings - Specialised - Level 3  
 Less - Accumulated Depreciation  
**Total assets**

**Statement of Comprehensive Income**

Revenue  
 Expenses  
**Profit/(loss) for the period**  
 Other comprehensive income  
**Total comprehensive income for the period**

	<b>2022 Actual</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>
	98,200	99,270
	0	(4,599)
	<b>98,200</b>	<b>94,671</b>
	30,526	29,795
	(32,190)	(31,031)
	<b>(1,664)</b>	<b>(1,236)</b>
	4,706	0
	<b>3,042</b>	<b>(1,236)</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Joint operations**

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

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

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**23. FINANCIAL RISK MANAGEMENT**

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

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

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

**(a) Interest rate risk**

**Cash and cash equivalents**

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

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

	<b>Weighted Average Interest Rate</b>	<b>Carrying Amounts</b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non Interest Bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2022</b>					
Cash and cash equivalents	0.52%	3,165,353	0	3,007,401	157,952
<b>2021</b>					
Cash and cash equivalents	0.15%	2,627,918	644,246	494,676	1,488,996

**Sensitivity**

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

Impact of a 1% movement in interest rates on profit and loss and equity\*

\* Holding all other variables constant

<b>2022</b>	<b>2021</b>
<b>\$</b>	<b>\$</b>
30,074	4,947

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 29(a).

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**23. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

**Trade and Other Receivables**

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
<b>30 June 2022</b>						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	37,213	18,031	6,707	5,912	67,863	
Loss allowance	0	0	0	0	0	5
<b>30 June 2021</b>						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	68,854	29,120	12,349	12,925	123,248	
Loss allowance	0	0	0	0	0	5

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
<b>30 June 2022</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	10.29%		
Gross carrying amount	138,812	4,781	1,832	5,239	150,664	
Loss allowance	0	0	0	539	539	5
<b>30 June 2021</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	87.69%		
Gross carrying amount	9,725	1,012	380	3,225	14,342	
Loss allowance	0	0	0	2,828	2,828	5

SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$	\$
Opening loss allowance as at 1 July	0	0	2,828	0	0	0
Increase in loss allowance recognised in profit or loss during the year	0	0	(2,289)	0	0	0
Unused amount reversed	0	0	0	2,828	0	0
Closing loss allowance at 30 June	0	0	539	2,828	0	0

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**23. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk**

**Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 18(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2022</b>					
Trade and other payables	641,127	0	0	641,127	641,127
Borrowings	84,701	338,803	847,007	1,270,511	958,352
Lease liabilities	12,957	46,177	23,668	82,802	76,089
	<u>738,785</u>	<u>384,980</u>	<u>870,675</u>	<u>1,994,440</u>	<u>1,675,568</u>
<b>2021</b>					
Trade and other payables	507,508	0	0	507,508	507,508
Borrowings	84,701	338,803	931,708	1,355,212	1,004,811
Lease liabilities	12,749	47,647	35,154	95,550	87,021
	<u>604,958</u>	<u>386,450</u>	<u>966,862</u>	<u>1,958,270</u>	<u>1,599,340</u>

**SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

The Shire was the victim of a data breach fraud that led to a fraudulent financial transaction using Shire funds. A reliable estimate of the financial effect of this matter cannot be made at the date of this report.

## 25. OTHER SIGNIFICANT ACCOUNTING POLICIES

### a) Goods and services tax (GST)

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

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

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

### b) Current and non-current classification

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

### c) Rounding off figures

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

### d) Comparative figures

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

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

### e) Budget comparative figures

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

### f) Superannuation

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

### g) Fair value of assets and liabilities

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

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

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

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

### h) Interest earnings

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

### i) Fair value hierarchy

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

#### Level 1

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

#### Level 2

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

#### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

#### Valuation techniques

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

#### Market approach

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

#### Income approach

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

#### Cost approach

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

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

### j) Impairment of assets

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

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

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

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

### k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

### New accounting standards for application in future years

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

It is not expected these standards will have an impact on the financial report.

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**26. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

<b>Objective</b>	<b>Description</b>
<b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources	Administration and operation of facilities and services to members of the Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which are not directly related to specific shire services.
<b>GENERAL PURPOSE FUNDING</b> To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b> To provide services to help ensure a safer community.	Supervision of various by-laws, fire prevention, emergency services and animal control.
<b>HEALTH</b> To provide an operational framework for good community health.	Food and water quality, pest control, immunisation services, child health services and health education.
<b>EDUCATION AND WELFARE</b> To meet the needs of the community in these areas.	Management and support for families, children, youth and the aged within the community by providing Youth, Aged and Family Centres, Home and Community Aged Care Programs and assistance to schools.
<b>HOUSING</b> To help ensure adequate housing.	Provision of residential housing for council staff. Provision of housing for aged persons, low income families, government and semi government employees.
<b>COMMUNITY AMENITIES</b> Provide services required by the community.	Rubbish collection services and disposal of waste, stormwater drainage, protection of the environment, town planning and regional development and other community amenities (cemeteries and public toilets).
<b>RECREATION AND CULTURE</b> To establish and manage efficiently infrastructure and resources which will help the social wellbeing of the community.	Public halls, recreation and aquatic centres, parks and reserves, libraries, heritage and culture.
<b>TRANSPORT</b> To provide effective and efficient transport services to the community.	Construction and maintenance of roads, footpaths, bridges, street cleaning and lighting, road verges, streetscaping and depot maintenance.
<b>ECONOMIC SERVICES</b> To help promote the Municipality and improve its economic wellbeing.	The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and standpipes.
<b>OTHER PROPERTY AND SERVICES</b> To monitor and control the Shire's overhead operating accounts.	Private works, public works overheads, plant and equipment operations, town planning schemes and activities not reported in the above programs.

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**26. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income excluding grants, subsidies and contributions</b>			
Governance	66,733	20,424	50,286
General purpose funding	1,553,384	1,552,548	1,492,713
Law, order, public safety	2,191	2,700	2,993
Health	1,899	9,100	71,984
Education and welfare	91,651	74,000	78,072
Housing	139,874	145,500	145,943
Community amenities	98,707	109,991	108,674
Recreation and culture	48,119	23,394	30,177
Transport	245,250	48,000	39,100
Economic services	283,182	370,381	371,005
Other property and services	47,850	42,500	59,688
	<b>2,578,840</b>	<b>2,398,538</b>	<b>2,450,635</b>
<b>Grants, subsidies and contributions</b>			
Governance	1,000	1,000	1,000
General purpose funding	3,474,743	1,283,000	2,411,244
Law, order, public safety	67,159	1,255,435	56,147
Education and welfare	41,729	41,194	41,194
Community amenities	12,428	51,688	10,184
Recreation and culture	417,579	589,477	518,661
Transport	1,482,625	1,483,737	1,481,503
Economic services	0	0	454
	<b>5,497,263</b>	<b>4,705,531</b>	<b>4,520,387</b>
<b>Total Income</b>	<b>8,076,103</b>	<b>7,104,069</b>	<b>6,971,022</b>
<b>Expenses</b>			
Governance	(407,880)	(461,857)	(360,807)
General purpose funding	(79,438)	(81,414)	(77,243)
Law, order, public safety	(234,307)	(274,021)	(202,160)
Health	(135,790)	(131,431)	(219,457)
Education and welfare	(332,212)	(364,560)	(313,798)
Housing	(267,723)	(260,562)	(282,759)
Community amenities	(339,760)	(373,531)	(264,473)
Recreation and culture	(1,468,381)	(1,191,837)	(1,244,332)
Transport	(3,498,343)	(3,060,557)	(3,105,270)
Economic services	(587,428)	(569,230)	(541,909)
Other property and services	(17,971)	(15,001)	(14,193)
<b>Total expenses</b>	<b>(7,369,233)</b>	<b>(6,784,001)</b>	<b>(6,626,401)</b>
<b>Net result for the period</b>	<b>706,870</b>	<b>320,068</b>	<b>344,621</b>

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**26. FUNCTION AND ACTIVITY (Continued)**

**(c) Fees and Charges**

	<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Governance	2,492	1,200	1,252
General purpose funding	1,350	1,800	1,836
Law, order, public safety	1,769	2,200	2,371
Health	1,899	9,100	16,430
Education and welfare	84,497	74,000	78,073
Housing	137,775	136,500	137,942
Community amenities	98,629	109,991	108,675
Recreation and culture	17,916	13,750	14,606
Economic services	280,728	367,881	365,337
Other property and services	2,897	1,000	1,423
	<b>629,952</b>	<b>717,422</b>	<b>727,945</b>

**(d) Total Assets**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Governance	1,096,785	912,230
General purpose funding	67,863	123,248
Law, order, public safety	1,084,623	1,170,119
Health	88,000	91,217
Education and welfare	503,200	1,262,661
Housing	1,608,807	2,245,291
Community amenities	823,610	807,665
Recreation and culture	14,152,896	13,934,014
Transport	87,847,035	87,483,689
Economic services	1,345,203	1,426,987
Other property and services	2,597,887	2,502,656
Unallocated	2,827,150	973,426
	<b>114,043,059</b>	<b>112,933,203</b>

SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

27. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in \$	Number of Properties	2021/22 Actual Rateable Value *	2021/22 Actual Rate Revenue	2021/22 Actual Interim Rates	2021/22 Actual Back Rates	2021/22 Actual Total Revenue	2021/22 Budget Rate Revenue	2021/22 Budget Interim Rate	2021/22 Budget Back Rate	2021/22 Budget Total Revenue	2020/21 Actual Total Revenue
Rate Description	Basis of valuation												
Residential	Gross rental valuation	0.136363	107	573,680	78,229	229	0	78,458	78,229	0	0	78,229	80,455
Rural	Unimproved valuation	0.017946	304	78,519,080	1,409,103	347	0	1,409,450	1,409,103	0	0	1,409,103	1,341,102
Mining	Unimproved valuation	0.017946	2	72,875	1,308	2,453	0	3,761	1,308	0	0	1,308	1,801
<b>Sub-Total</b>			413	79,165,635	1,488,640	3,029	0	1,491,669	1,488,640	0	0	1,488,640	1,423,358
<b>Minimum payment</b>													
Residential	Gross rental valuation	428	38	28,131	16,264	0	0	16,264	16,264	0	0	16,264	15,808
Rural	Unimproved valuation	428	24	157,339	10,272	0	0	10,272	10,272	0	0	10,272	9,984
Mining	Unimproved valuation	428	16	78,204	6,848	0	0	6,848	6,848	0	0	6,848	4,576
<b>Sub-Total</b>			78	263,674	33,384	0	0	33,384	33,384	0	0	33,384	30,368
<b>Exempt properties</b>													
Non-Rateable			0	0	0	495	0	495	0	0	0	0	0
<b>Sub-Total</b>			0	0	0	495	0	495	0	0	0	0	0
			491	79,429,309	1,522,024	3,524	0	1,525,548	1,522,024	0	0	1,522,024	1,453,726
Discounts on general rates (Refer note 27(e))								(56,140)				(55,500)	(55,606)
<b>Total amount raised from general rates</b>								1,469,408				1,466,524	1,398,120
* Rateable value is based on the value of properties at the time the rate is raised.													
<b>(b) Rates (excluding general rates)</b>													
<b>Specified Area Rates</b>													
Bencubbin Multipurpose Complex F	Gross rental valuation	0.004983	81	365,622	1,822	0	0	1,822	1,822	0	0	1,822	2,776
	Unimproved valuation	0.000830	189	40,527,740	33,638	28	0	33,666	33,627	0	0	33,627	34,930
<b>Ex-gratia Rates</b>													
Cooperative Bulk Handling		0.04545		380,050	17,534	0	0	17,534	17,275	0	0	17,275	16,772
<b>Sub-Total</b>			270	41,273,412	52,994	28	0	53,022	52,724	0	0	52,724	54,478
<b>Total amount raised from rates (excluding general rates)</b>								53,022				52,724	54,478
<b>(c) Total Rates</b>								1,522,430				1,519,248	1,452,598

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.

SHIRE OF MT MARSHALL  
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27. RATING INFORMATION (Continued)

(d) Specified Area Rate

Specified Area Rate	Purpose of the rate	Area/properties Rate Imposed	2021/22 Actual Rate Applied to Costs	2021/22 Actual Rate Set Aside to Reserve	2021/22 Actual Reserve Applied to Costs	2021/22 Budget Rate Applied to Costs	2021/22 Budget Rate Set Aside to Reserve	2021/22 Budget Reserve Applied to Costs
Bencubbin Multipurpose Complex Redevelopment	Servicing a loan for the redevelopment of the Bencubbin Multipurpose Complex	The area to which Specified Area Rates apply is identified on a map of the Shire	\$ 35,488	\$ 0	\$ 35,488	\$ 35,449	\$ 0	\$ 35,449
			35,488	0	35,488	35,449	0	35,449

(e) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts

Rate or Fee Discount Granted	Type	Discount %	Discount \$	2022 Actual	2022 Budget	2021 Actual	Circumstances in which Discount is Granted
General Rates	Rate	5.00%	0	\$ 54,821	\$ 54,000	\$ 54,098	Discount applies if rates, (including arrears, waste and service charges) are paid in full within 21 days of the issue date of the rate notice.
				54,821	54,000	54,098	

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Waiver/ Concession	Discount %	Discount \$	2022 Actual	2022 Budget	2021 Actual
General Rates	Write off				\$ 1,319	\$ 1,500	\$ 1,508
					1,319	1,500	1,508
Total discounts/concessions (Note 27)					56,140	55,500	55,606

**SHIRE OF MT MARSHALL**  
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**27. RATING INFORMATION (Continued)**

**(f) Interest Charges & Instalments**

<b>Instalment Options</b>	<b>Date Due</b>	<b>Instalment Plan Admin Charge</b>	<b>Instalment Plan Interest Rate</b>	<b>Unpaid Rates Interest Rate</b>
		<b>\$</b>	<b>%</b>	<b>%</b>
<b>Option One</b>				
Single full payment	31/08/2021	0	0.0%	7.0%
<b>Option Two</b>				
First instalment	31/08/2021	0	0.0%	7.0%
Second instalment	30/11/2021	15	5.5%	7.0%
Third instalment	28/01/2022	15	5.5%	7.0%
Fourth instalment	31/05/2022	15	5.5%	7.0%

	<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Interest on unpaid rates	9,123	9,000	10,069
Interest on instalment plan	1,541	2,500	2,469
Charges on instalment plan	1,350	1,800	1,836
Interest on unpaid ESL	422	500	360
	<b>12,436</b>	<b>13,800</b>	<b>14,734</b>

SHIRE OF MT MARSHALL  
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28. RATE SETTING STATEMENT INFORMATION

		2021/22 (30 June 2022 Carried Forward)	2021/22 Budget (30 June 2022 Carried Forward)	2021/22 (1 July 2021 Brought Forward)	2020/21 (30 June 2021 Carried Forward)
Note		\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
<b>Adjustments to operating activities</b>					
Less: Profit on asset disposals	10(d)	(89,889)	(44,000)	(52,369)	(52,369)
Less: Movement in liabilities associated with restricted cash		243	779	437	437
Less: Fair value adjustments to financial assets at fair value through profit and loss		(3,997)	0	(2,586)	(2,586)
Add: Loss on disposal of assets	10(d)	74,959	149,000	65,859	65,859
Add: Depreciation	10(a)	3,144,467	2,906,935	3,063,330	3,063,330
Non-cash movements in non-current assets and liabilities:					
Pensioner deferred rates		(1,007)	0	(659)	(659)
Employee benefit provisions		12,870	0	(22,503)	(22,503)
<b>Non-cash amounts excluded from operating activities</b>		<b>3,137,646</b>	<b>3,012,714</b>	<b>3,051,509</b>	<b>3,051,509</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
<b>Adjustments to net current assets</b>					
Less: Reserve accounts	30	(717,820)	(738,504)	(644,246)	(644,246)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(10,279)	0	(9,894)	(9,894)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	14	48,264	103,541	46,458	46,458
- Current portion of lease liabilities	11(b)	11,348	(11,155)	10,932	10,932
- Employee benefit provisions		100,295	100,827	100,052	100,052
<b>Total adjustments to net current assets</b>		<b>(568,192)</b>	<b>(545,291)</b>	<b>(496,698)</b>	<b>(496,698)</b>
<b>Net current assets used in the Rate Setting Statement</b>					
Total current assets		3,736,380	1,430,347	3,032,442	3,032,442
Less: Total current liabilities		(913,236)	(885,058)	(813,729)	(813,729)
Less: Total adjustments to net current assets		(568,192)	(545,289)	(496,698)	(496,698)
<b>Net current assets used in the Rate Setting Statement</b>		<b>2,254,952</b>	<b>0</b>	<b>1,722,015</b>	<b>1,722,015</b>

SHIRE OF MT MARSHALL  
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29. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual								Budget			
		Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at		Principal at 1	New Loans	Principal	Principal at
		1 July 2020	During 2020-21	Repayments	June 2021	During 2021-22	Repayments	30 June 2022		July 2021	During 2021-22	Repayments	30 June 2022
		\$	\$	\$	\$	\$	\$	\$		\$	\$	\$	\$
<b>Recreation and culture</b>					0			0					0
Bencubbin Rec Complex Shire		386,768	0	(16,480)	370,288	0	(17,121)	353,167		370,288	0	(17,121)	353,167
Bencubbin Rec SAR		439,249	0	(18,716)	420,533	0	(19,444)	401,089		420,533	0	(19,444)	401,089
Beacon Camp Kitchen		0	0	0	0	0	0	0		0	150,000	0	150,000
<b>Total</b>		826,017	0	(35,196)	790,821	0	(36,565)	754,256		790,821	150,000	(36,565)	904,256
<b>Self Supporting Loans</b>													
<b>Recreation and culture</b>					0			0					0
Bencubbin Rec Complex CRC		223,514		(9,524)	213,990	0	(9,894)	204,096		213,990	0	(9,894)	204,096
<b>Total Self Supporting Loans</b>		223,514	0	(9,524)	213,990	0	(9,894)	204,096		213,990	0	(9,894)	204,096
<b>Total Borrowings</b>	14	1,049,531	0	(44,720)	1,004,811	0	(46,459)	958,352		1,004,811	150,000	(46,459)	1,108,352

\* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost.  
All other loan repayments were financed by general purpose revenue.

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021
						\$	\$	\$
Bencubbin Rec Complex Shire		Recreation and culture	120	WATC*	3.85%	(15,223)	(14,093)	(14,623)
Bencubbin Rec SAR		Recreation and culture	121	WATC*	3.85%	(17,289)	(16,005)	(16,607)
Beacon Camp Kitchen		Recreation and culture	123	WATC*	Unknown	0	0	0
<b>Total</b>						(32,512)	(30,098)	(31,230)
<b>Self Supporting Loans Interest Repayments</b>								
Bencubbin Rec Complex CRC		Recreation and culture	122	WATC*	3.85%	(8,797)	(8,144)	(8,450)
<b>Total Self Supporting Loans Interest Repayments</b>						(8,797)	(8,144)	(8,450)
<b>Total Interest Repayments</b>	2(b)					(41,309)	(38,242)	(39,680)

SHIRE OF MT MARSHALL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

29. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges \$	Actual Balance Unspent \$
					2022 Actual \$	2022 Budget \$	2022 Actual \$	2022 Budget \$		
Beacon Camp Kitchen	WATC*	Debenture	10	Unknown	0	150,000	0	150,000	0	0
					0	150,000	0	150,000	0	0

\* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual				Budget			
		Principal at 1 July 2020 \$	New Leases During 2020-21 \$	Principal Repayments During 2020-21 \$	Principal at 30 June 2021 \$	New Leases During 2021-22 \$	Principal Repayments During 2021-22 \$	Principal at 30 June 2022 \$	
<b>Governance</b>					0			0	
Fuji Xerox Docucentre VII C5573 with Booklet Finisher		8,330	0	(2,221)	6,109	0	(2,258)	3,851	5,887
<b>Community amenities</b>					0			0	0
Bencubbin Landfill Site		44,612	0	(4,156)	40,456	0	(4,337)	36,119	40,456
Beacon Landfill Site		44,612	0	(4,156)	40,456	0	(4,337)	36,119	40,456
<b>Total Lease Liabilities</b>	11(b)	97,554	0	(10,533)	87,021	0	(10,932)	76,089	86,799

Lease Interest Repayments

Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending 30 June 2022 \$	Budget for year ending 30 June 2022 \$	Actual for year ending 30 June 2021 \$	Lease Term
Fuji Xerox Docucentre VII C5573 with Booklet Finisher		Governance	1	BOQ Finance Paul Anthony	1.70%	(95)	(86)	(359)	4 years
Bencubbin Landfill Site		Community amenities	2	Sasche C Faulkner Holdings Pty Ltd	2.30%	(2,187)	(865)	(944)	10 years
Beacon Landfill Site		Community amenities	3			(865)	(865)	(944)	10 years
<b>Total Interest Repayments</b>	2(b)					(3,147)	(1,816)	(2,247)	

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**30. RESERVE ACCOUNTS**

**Restricted by council**

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Employee entitlements	100,052	243	0	100,295	100,051	776	0	100,827	99,615	437	0	100,052
(b) Plant replacement	247,173	599	0	247,772	247,173	1,918	0	249,091	353,280	1,293	(107,400)	247,173
(c) Aged care units	45,368	110	0	45,478	45,368	352	0	45,720	45,170	198	0	45,368
(d) Housing	8,569	21	0	8,590	8,569	67	0	8,636	8,532	37	0	8,569
(e) Public amenities and buildings	162,648	394	0	163,042	162,648	1,262	0	163,910	161,939	709	0	162,648
(f) Mt Marshall aquatic centre development	4,640	11	0	4,651	4,640	36	0	4,676	674,642	2,594	(672,596)	4,640
(g) Community bus	20,557	50	0	20,607	20,557	160	0	20,717	20,468	89	0	20,557
(h) Bencubbin recreation complex	4,271	2,269	0	6,540	4,271	2,291	0	6,562	4,252	19	0	4,271
(i) Economic development	38,971	95	0	39,066	38,971	302	0	39,273	78,720	251	(40,000)	38,971
(j) Beacon accommodation	3,719	60,759	0	64,478	3,719	78,029	0	81,748	3,703	16	0	3,719
(k) Medical enhancement	7,981	19	0	8,000	7,981	62	0	8,043	7,946	35	0	7,981
(l) Bencubbin community resource centre	297	9,004	0	9,301	298	9,003	0	9,301	296	1	0	297
	644,246	73,574	0	717,820	644,246	94,258	0	738,504	1,458,563	5,679	(819,996)	644,246

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Employee entitlements	Note 1	To be used to fund Long Service Leave required/other accrued leave.
(b) Plant replacement	Note 1	To fund the purchase of road construction plant, so as to avoid undue heavy burden in a single year.
(c) Aged care units	Note 1	To fund capital works on existing Aged Care Units or construction of new Aged Care Units.
(d) Housing	Note 1	To fund the replacement of housing and any major maintenance.
(e) Public amenities and buildings	Note 1	To help fund future building maintenance requirements to the shire's buildings.
(f) Mt Marshall aquatic centre development	Note 1	To finance future capital and maintenance upgrades for the Bencubbin Aquatic centre.
(g) Community bus	Note 1	To finance the replacement of the community bus.
(h) Bencubbin recreation complex	Note 1	To provide funding for future extensions to the Bencubbin Recreation Complex.
(i) Economic development	Note 1	To set aside funds for Economic Development initiatives.
(j) Beacon accommodation	Note 1	To set aside funds for reconstruction or major maintenance on Beacon Accommodation.
(k) Medical enhancement	Note 1	To be used for projects that may arise through the NEWROC Health Strategy
(l) Bencubbin community resource centre	Note 1	To be used for refurbishment of the Bencubbin Community Resource Centre

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**31. TRUST FUNDS**

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2021	Amounts Received	Amounts Paid	30 June 2022
	\$	\$	\$	\$
Housing Bonds	10,020	2,684	(2,520)	10,184
Staff Social Club	1,204	2,810	(2,298)	1,716
Other	10,950	200	(140)	11,010
	22,174	5,694	(4,958)	22,910

**SHIRE OF MT MARSHALL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**32. CORRECTION OF PRIOR PERIOD ERROR**

The Shire has four joint agreements with the Department of Communities for the provision of aged housing. The joint arrangements are a joint operation. The assets involved are the land and thirteen housing units. Refer to Note 22 for further details.

The following adjustment has been made to comparative amounts in the 30 June 2022 Financial Report to bring to account financial activity that were incorrectly stated in 2020/21. Details of this activity is below:-

In 2016/17 the Shire revalued its Land and Buildings at fair value as at 30 June 2017. The Shire's percentage ownership in joint venture housing with the Department of Communities was not taken into account, instead the full fair value valuation was taken up in its accounts in error. This error has now been identified and the necessary adjustments have been effected as at 1 July 2020 and 30 June 2021.

To correct the error at 1 July 2020, the fair value of Land and Buildings and Accumulated Depreciation relating to these assets have been adjusted. The reduction in valuation of \$1,406,791 has been adjusted against the Revaluation Surplus for Land and Buildings and the reduction in depreciation of \$79,994 has been adjusted against Retained Surplus.

As at 30 June 2021, in addition to the above adjustments, corrections, were also made in 2020-21 to reflect only the Shire's share of depreciation expense in the financial report.

Statement of Financial Position (Extract)	30 June 2021 \$	Increase/ (Decrease) \$	30 June 2021 (Restated) \$	01 July 2020 \$	Increase/ (Decrease) \$	01 July 2020 (Restated) \$
Property, plant and equipment	19,250,639	(1,296,641)	17,953,998	19,480,669	(1,326,797)	18,153,872
Net assets	112,313,526	(1,296,641)	111,016,885	111,999,061	(1,326,797)	110,672,264
Retained surplus	83,249,236	110,150	83,359,386	82,120,454	79,994	82,200,448
Revaluation surplus	28,420,044	(1,406,791)	27,013,253	28,420,044	(1,406,791)	27,013,253
Total equity	112,313,526	(1,296,641)	111,016,885	111,999,061	(1,326,797)	110,672,264

Statement of Comprehensive Income (Extract)	2021 \$	Increase/ (Decrease) \$	2021 (Restated) \$
<i>By Nature or Type</i>			
Depreciation	(3,093,486)	30,156	(3,063,330)
<i>By program</i>			
<b>Expenses</b>			
Housing	(312,915)	30,156	(282,759)
Net result for the period	314,465	30,156	344,621
<b>Total comprehensive income for the period</b>	314,465	30,156	344,621

# Auditor's Report

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Auditor General

## INDEPENDENT AUDITOR'S REPORT 2022 Shire of Mt Marshall

To the Councillors of the Shire of Mt Marshall

### Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2022 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.

### Emphasis of matter – restatement of comparative figures

I draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2021 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

## 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 2022, but not the financial report and my auditor's report.

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

- 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](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## **My independence and quality control 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 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Matters relating to the electronic publication of the audited financial report**

This auditor's report relates to the financial report of the Shire of Mt Marshall for the year ended 30 June 2022 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.

*Mark Ambrose*

Mark Ambrose  
Senior Director, Financial Audit  
Delegate of the Auditor General for Western  
Australia Perth, Western Australia  
17 April 2023

# Notice of Meeting

## Annual General Meeting of Electors

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Notice is hereby given that the Annual General Meeting of Electors of the Shire of Mt Marshall will be held on Tuesday 20 June 2023, in the Council Chambers, Bencubbin, commencing at 5:00pm.

### Order of Business

1. Attendance and Apologies.
2. Confirmation of Minutes of the Annual General Meeting of electors held on Tuesday, 21 December 2021
3. Reading of the Auditors Report for 2021/2022.
4. Reading of the President's Report for the year ended 30 June 2022.
5. Receiving of the Annual Report for 2021/2022.
6. General Business as the President thinks fit or as the majority of the electors present may decide.

By order of Council

Ben McKay  
Chief Executive Officer

# Minutes of the Annual General Meeting of Electors

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## SHIRE OF MT MARSHALL



## MINUTES

## Electors' General Meeting

**Minutes of Annual General Meeting of Electors  
held on Tuesday 21 December 2021, in Council  
Chambers, 80 Monger Street, Bencubbin  
commencing at 5:00pm**

## **TABLE OF CONTENTS**

- 1. Declaration Of Opening**
- 2. Attendance and Apologies**
- 3. Confirmation of Minutes of the Electors' General Meeting held on Tuesday 16 March 2021**
- 4. Reading of the Auditor's Report for 2020/21**
- 5. Reading of the President's Report for the year ended 30 June 2021**
- 6. Receiving of Annual Report for the year ending 30 June 2021.**
- 7. General business as the President thinks fit or as the majority of the electors present may decide.**
- 8. Closure of Meeting**

## **1.0 Declaration of Opening / Announcement of Visitors**

The Presiding Member declared the meeting open at 5:00pm

## **2.0 Record of Attendance / Apologies / Approved Leave of Absence**

### **In Attendance**

Cr ARC Sachse	President / Presiding Member / Elector
Cr NR Gillett	Deputy President / Elector
Cr LN Gobbart	Councillor / Elector
Cr IC Sanders	Councillor / Elector
Mr John Nuttall	Chief Executive Officer
Ms Nadine Richmond	Executive Assistant / Elector
Ms Tanika McLennan	Finance Administration Manager / Elector
Mr Len Cargeeg	Elector
Mrs Margo Sachse	Elector 5.01 – 5.19pm

### **Apologies**

Cr TM Gibson	Councillor / Elector
Cr MR Beagley	Councillor / Elector
Cr SR Putt	Councillor / Elector
Mr Peter Waters	Elector
Mrs Donna Cooper	Elector

## **3.0 Confirmation of Minutes of Previous Electors' General Meeting**

### **3.1 Minutes of the Electors' General Meeting held 16 March 2021**

#### **2021/11-016 ELECTORS RESOLUTION:**

*That the Minutes of the Electors' General Meeting held on Tuesday 16 March 2021 be confirmed as a true and correct record of proceedings.*

*Moved Mr L Cargeeg*

*Seconded Mrs M Sachse*

*Carried*

## **4.0 Reading of the Auditor's Report for 2020/21**

## **5.0 Reading of the President's Report for the Year Ended 30 June 2021**

## **6.0 Receiving of Annual Report for the year ending 30 June 2021**

**2021/11-017 ELECTORS RESOLUTION:**

***That the Annual Report for the year ended 30 June 2021 as previously adopted by Council incorporating;***

- ***The Financial Statements***
- ***Auditors Report***
- ***President's Report***
- ***CEO's Report***

***Be received by the Electors of the Shire of Mt Marshall.***

***Moved Cr LN Gobbart***

***Seconded Mr L Cargeeg***

***Carried***

**7.0 General business as the President thinks fit or as the majority of the Electors present may decide**

General discussion was held covering the following topics:

- Welbungin Hall repairs
- Bencubbin Botanical Garden
- Expenditure on Bencubbin and Beacon Town Halls
- Planning for the Shire's centenary in 2023
- Footpaths

**Question from Cr Leeanne Gobbart:**

What is happening with the Bencubbin Hotel repairs and who is liable if roofing was to detach and injure someone?

**Chief Executive Officer Response:**

Due to legal proceedings taking place we are unable to comment on the Bencubbin Hotel. If anyone was injured from materials detaching then the owners would be liable and we understand they are insured.

**8.0 Closure of Meeting**

The Presiding Member thanked everyone for their attendance and declared the meeting closed at 5.19pm.

These Minutes were confirmed at the Electors' General Meeting held on

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Date

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President

# Freedom of Information Statement

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The Shire of Mt Marshall maintains records relating to each property within the Shire and also records relating to the function and administration of the Shire including minutes of meetings, a financial interests register, register of delegations, rates book, electoral roll, financial statements, and local laws. These documents amongst others, can be inspected (or copies of which may be made available for purchase) at the Shire Office, 80 Monger St, Bencubbin during business hours.

The Shire of Mt Marshall will provide information held to people requesting it. Should a request not be met satisfactorily, then a Freedom of Information Application can be lodged. Requests for information under the Freedom of Information Act can be lodged with the Freedom of Information Co-ordinator, Ms Nadine Richmond – Executive Assistant, Shire of Mt Marshall, 80 Monger St, Bencubbin.

Requests for changes to personal information must be made in writing.

The Shire's full Freedom of Information Statement may be found on the Shire's website [www.mtmarshall.wa.gov.au](http://www.mtmarshall.wa.gov.au) or a copy may be obtained by contacting the Shire Office by telephone on 08 9685 1202 or via email to [admin@mtmarshall.wa.gov.au](mailto:admin@mtmarshall.wa.gov.au)

During the year ended 30 June 2022, no Freedom of Information applications were received.

# National Competition Policy

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National Competition Policy (NCP) is designed to enhance the effectiveness of public sector agencies and lead to more efficient use of all economic resources. There are a number of specific requirements placed on local government in the areas of competitive neutrality, legislation review and structural reform.

## **1. Competitive Neutrality**

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership. Measures should be introduced to effectively neutralise any net competitive advantage flowing from government ownership.

Competitive neutrality should apply to all business activities, which generate a users-pay income of over \$200,000 unless it can be shown it is not in the public interest. Public benefit tests are used to determine if competitive neutrality is in the public interest.

The Shire of Mt Marshall does not operate a business activity, which generates a user-pays income over \$200,000 per annum.

Consequently, the Shire of Mt Marshall is not required to implement competitive neutrality.

## **2. Legislation Review**

All local governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome.

Where necessary Clause 7 legislation review principles will be complied with and the Shire of Mt Marshall remains committed to reviewing its existing local laws, as well as proposed local laws.

## **3. Structural Reform**

Before local governments privatise a monopoly business or introduce competition into a sector dominated by a monopoly or near monopoly, the regulatory and commercial activities must be separated and a review undertaken.

The Shire of Mt Marshall did not privatise any activities in 2019/20, consequently there were no obligations for structural reform. Nevertheless, the Shire of Mt Marshall is committed to the principles of structural reform under National Competition Policy.

# Disability Access & Inclusion Plan

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The Shire of Mt Marshall Disability Plan has been in place since 1996.

The Shire's Disability and Access Plan is required to be reviewed every five years. A review of the Shire's 2012-2017 plan began in 2018 and was endorsed by Council in June of 2020. The plan is valid from 2020 – 2025.

All the Shire's functions, facilities and services are reviewed annually to ensure they meet the needs of people with disabilities.

The Shire of Mt Marshall is committed to ensuring that the community is an accessible community for people with disabilities, their families and carers.

The Shire of Mt Marshall believes that people with disabilities, their families and carers who live in country areas should be supported to remain in the community of their choice.

The Shire of Mt Marshall is committed to consulting with people with disabilities, their families and carers and where required, disability organizations to ensure that barriers to access are addressed appropriately.

The Shire of Mt Marshall aims to ensure that all new constructions are designed incorporating disability access.

The Shire of Mt Marshall is committed to achieving the following outcomes:

- Outcome 1: Existing functions, facilities and services are adapted to meet the needs of people with disabilities.
- Outcome 2: Access to buildings and facilities is improved.
- Outcome 3: Information about functions, facilities and services is provided in formats, which meet the communication requirements of people with disabilities.
- Outcome 4: Staff awareness of the needs of people with disabilities and skill in delivering advice and services are improved.
- Outcome 5: Opportunities for people with disabilities to participate in public consultation, grievance mechanisms and decision-making processes are provided.
- Outcome 6: People with disabilities have the same opportunities as other people to participate in any public consultation by the Shire of Mt Marshall.
- Outcome 7: People with disabilities have the same opportunities as other people to obtain and maintain employment with a public authority.

Copies of the Disability Services Plan and the Disability Access & Inclusion Plan (DAIP) are available upon request by contacting the Shire Office by telephone on 08 9685 1202 or via email to [admin@mtmarshall.wa.gov.au](mailto:admin@mtmarshall.wa.gov.au)

# Record Keeping Plan

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The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed manner. The Shire of Mt Marshall maintains a Record Keeping Plan, which was reviewed in early 2018 and approved by the State Records Office.

## **Evaluation**

Evaluation of the efficiency and effectiveness of the Shire's record keeping plan is ongoing and considered each time a function is carried out. Internal performance indicators such as spot checks for accuracy of stored records are undertaken, and on the basis of response times the record keeping system is assessed as being appropriate.

## **Staff Training**

Staff members responsible for the management of records receive external record keeping training with a focus on local government records, including the retention and disposal methods.

All administrative staff receive an introduction to record keeping and the Shire's record keeping system as part of their induction program ensuring compliance with the record keeping plan. In addition, staff information sessions and presentations are conducted as required.

Internal performance indicators such as spot checks for accuracy of stored records are undertaken, and on the basis of response times the effectiveness of staff training is assessed as being appropriate.

# Employee and Chief Executive Officer Remuneration

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As per Section 19B of the Local Government (Administration) Regulations 1996, the annual report must contain information on the number of employees entitled to an annual salary of \$130,000 or more. It also must be reported the number of employees in each band of \$10,000 over \$130,000.

One employee received a salary of \$130,000 or more during the year ended 30 June 2022.

Section 19B of the Local Government (Administration) Regulations 1996 also requires the remuneration paid or provided to the CEO to be provided in the annual report.

During the year ended 30 June 2022 the CEO received remuneration of \$175,200.00.

# Complaints Register

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As per Section 5.53(2)(hb) of the Local Government Act 1995, the annual report must contain details of entries made under section 5.121 during the financial year in the register of complaints, including —

- (i) the number of complaints recorded in the register of complaints; and
- (ii) how the recorded complaints were dealt with.

During the year ended 30 June 2022, no complaints were recorded in the register of complaints.

# Elected Member Attendance at Council and Committee Meetings



As per Section 19B of the Local Government (Administration) Regulations 1996 the annual report must contain details of Council and Committee meetings attended by Elected Members.

<b>Councillor Attendance at Council Meetings 2021/2022</b>											
<b>Councillor</b>	<b>July 2021</b>	<b>August 2021</b>	<b>September 2021</b>	<b>October 2021</b>	<b>November 2021</b>	<b>December 2021</b>	<b>February 2022</b>	<b>March 2022</b>	<b>April 2022</b>	<b>May 2022</b>	<b>June 2022</b>
Sachse, ARC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gillett, NR	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Putt, SR	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Gobbart, LN	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Sanders, IC	✓	✓	✓	✓	✓	✓	✓			✓	✓
Gibson, TM	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Beagley, MR				✓	✓		✓	✓	✓	✓	✓

Councillor Attendance at Committee Meetings 2021/2022													
Councillor	Economic Development Grant Fund Committee		Audit Committee		Local Emergency Management Committee				Bushfire Advisory Committee		Facilities and Services Committee		
	Oct 2021	March 2022	July 2021	March 2022	Aug 2021	Nov 2021	Feb 2022	May 2022	Oct 2021	March 2022	Nov 2021	Feb 2022	May 2022
Sachse, ARC	✓		✓	✓	✓	✓	✓	✓			✓	✓	✓
Gillett, NR	✓	✓	✓	✓									
Putt, SR			✓	✓									
Gobbart, LN						✓	✓						
Sanders, IC													
Gibson, TM	✓	✓									✓	✓	✓
Beagley, MR													

# Strategic Community Plan and Corporate Business Plan

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## **Strategic Community Plan**

Our Strategic Community Plan reinforces our commitment to the people who live, work and visit our Shire and to regional co-operation and prosperity. The purpose of this document is to provide a clear purpose and strategic direction for our Shire, and to reinforce our commitment to regional co-operation in order to source the funding and support required to address regional and local priorities.

The Strategic Community Plan was adopted by Council in December 2020 and as such no review was undertaken this year.

## **Corporate Business Plan**

Section 19DA of the Local Government (Administration) Regulations 1996 requires a local government to have a corporate business plan in place for its district covering a period of no less than four years.

The Shire's Corporate Business Plan was updated during 2020/21 to align with the newly adopted Strategic Community Plan, as well as informing the 2021/2022 budget.