

ANNUAL REPORT 2021/22



PREPARED AND PRESENTED BY:

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Acknowledgement of Country

The Shire of Cunderdin acknowledges the Ballardong people as traditional custodians of this land and their continuing connection to land and community. We pay respect to them, to their culture and to their Elders past and present.



OUR SHIRE

Shire of Cunderdin



The Shire of Cunderdin is located 158 kilometres east of Perth, and approximately 52 kilometres east of the regional centre of Northam. The Shire covers an area of 1,872 square kilometres and consists of two localities being Cunderdin and Meckering.

Cunderdin townsite contains the majority of the population with 800 residents and Meckering townsite 100. The total population estimations are expected to remain fairly constant over the next ten years.

Features of the Shire include a wide range of recreational facilities, services include the Health and Medical Centre; playgroup; Cunderdin District High School (K to Year 10); Meckering Primary School; Cunderdin WA College of Agriculture; the Cunderdin Airfield; the Community Resource Centre, and the Cunderdin Day Care Centre. Within the Shire there are a number of parks and reserves, including O'Connor Park, Cunderdin Hill, Meckering Rose Garden and Youndegin - Woodthorpe.

The Shire of Cunderdin adjoins the local governments of Goomalling, Dowerin and Wyalkatchem to the north, Tammin to the east, Northam to the west and, York and Quairading to the south.

The local economy is reliant on agriculture, with wheat, canola and lupins being the main crops, and sheep production being prominent. Although the local industries and services are based around the agricultural sector, Cunderdin is also home to institutional furniture manufacturing, farm machinery and equipment manufacturing, rural merchandise suppliers, fabrication industries and machinery dealerships. Cunderdin also has only one of six campuses of the Western Australian College of Agriculture in the State.

- Estimated resident population 1,302 with a median age of 37yrs
- Estimated resident Aboriginal and Torres Strait Islander population 41
- Estimated 18.2% between 0-14yrs of age and 17.2% aged over 65yrs
- Gainful employment is enjoyed by almost 60%.
- 485 businesses operate in the Shire of Cunderdin, with 260 of these businesses being in the Agriculture, Forrestry and Fishing industry.
- Construction, Manufacturing, Retail Trade, Transport, Rental Hiring and Real Estate Services are the next most prominent businesses.
- 168 businesses employ between 1-4 people and 37 businesses have more than 5 employees.
- Supportive community with 30% of people volunteering in an organisation or group, which is twice the national percentage per capita.

Our Vision

A thriving and progressive community

Our Mission

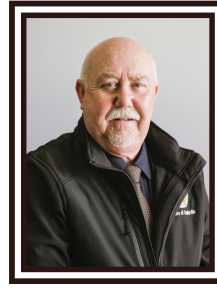
To demonstrate proactive, inclusive and responsible leadership in the provision of facilities, infrastructure and services for our community now and into the future.



OUR COUNCILLORS



President
Cr Alison Harris
Term expires: October 2025



Deputy President
Cr Anthony Smith
Term expires: October 2023



Cr Sam Stewart
Term expires: October 2023



Cr Todd Harris
Term expires: October 2023



Cr Bernie Daly
Term expires: October 2023



Cr Norm Jezen
Term expires: October 2025



Cr Natalie Snooke
Term expires: October 2025

OUR STAFF



Stuart Hobley
Chief Executive Officer



Hayley Byrnes
Deputy Chief Executive Officer

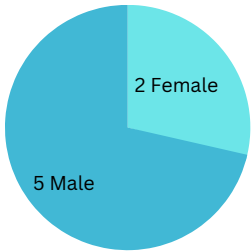


Craig Robertson
Manager of Works & Services

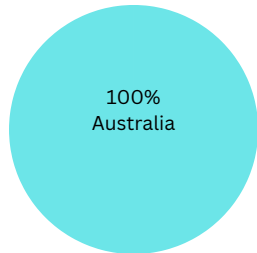


ELECTED MEMBER DEMOGRAPHICS

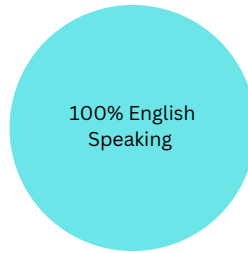
(Regulation 19B(2) (h) Local Government (Administration) Regulations 1996)



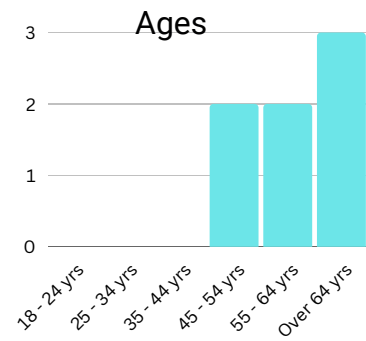
Gender



Country of Birth



Linguistic Background



	Ordinary Council Meeting	Special Council Meeting	Audit Committee Meeting	Local Emergency Management Committee	Bush Fire Emergency Services	Cunderdin Community Trust Meeting
NUMBER OF MEETINGS HELD	11	3	3	2	1	1
ELECTED MEMBER						
President Cr A Harris	11	3	3	2	-	1
Deputy President Cr A Smith	9	3	3	-	-	1
Cr B Daly	11	2	3	-	-	1
Cr T Harris	11	3	3	-	1	1
Cr N Jenzen	8	2	2	-	1	-
Cr W Stewart	11	3	2	1	-	1
Cr N Snooke*	8	-	1	-	-	1

*Newly Elected Councillor October 2021



PRESIDENTS REPORT



After a busy, productive year, I am very pleased to present the Annual Report for the Shire of Cunderdin, 2021/2022.

Our Shire continues in a re-building, developmental phase with many projects in the pipeline, ongoing improvements and new opportunities being explored.

The COVID pandemic certainly posed challenges for our Community with the postponing of our annual Australia Day events in the park due to a local outbreak. Behind the scenes, our Local Emergency Management Committee

sprang into action and quickly dealt with the fallout. Happily, this event was rescheduled to coincide with the WA week celebrations, where our leading citizens were able to be honored appropriately. Our deserving recipients were -

- Citizen of the Year - Christine Fulwood
- Senior Citizen of the Year - Floss Gibsone
- Community Group Award - CMT Seniors
- Youth Award - Cunderdin Youth Council

During the year, Council adopted the 2022 - 2032 Strategic Community Plan, which provides the foundation upon which our forward planning, priorities and objectives are based. This document reflects the desires and aspirations of our community, and therefore is firmly in our minds when making decisions and setting goals.



In line with the community plan, Council was delighted to be successful in receiving a Lotterywest grant to completely upgrade and re-develop our much-loved O'Connor Park. Having previously completed community consultation, planning and preparation are swiftly underway to get the project started.

Council also received funding for improved lighting at the airfield. This upgrade is crucial for the continued provision of emergency services and keeping the airfield relevant and accessible.

Council has identified tourism as needing a renewed focus and direction, and the Meckering earthquake certainly sets us apart from other shires.

Council also embarked on a re-branding process, working with graphic designers to retain precious elements of our existing logo while producing a new, fresher logo that is modern and easily identifiable. Once a design has been established, new signage and tourist information boards will be designed as a first step toward enhancing the tourist experience within our Shire.



Council was successful in applying for funds from the Local Roads and Community Infrastructure Program to re-imagine the Meckering Earthquake Garden and provide a space that is interactive and interesting. Works will commence soon in enhancing the entire area.

The Cunderdin swimming pool continues to provide recreation and fun to many in our community, but does require ongoing upkeep and maintenance. A major project to reseal the bowl was undertaken and the addition of the rain mushroom in the children's pool has added new life to the surroundings.

Council took on the challenge of re-sealing a 5km section of the Meckering - Goomalling Road as a part of the Wheatbelt Secondary Freight Network. This multi-million dollar project enabled the upskilling of our works crew and allowed the Shire to complete works on a larger scale. Further works on other designated roads will be completed in the future.

The Shire continually carries out maintenance and works where time, money and staffing allow, but is always thankful when community spirit comes together to identify areas in particular need. This year saw the Friends of the Cemetery and the Friends of the Town Hall emerge to support the Shire in its efforts to maintain and tidy these historic landmarks. Council welcomes and encourages community involvement and is always happy to engage with the community to achieve shared visions.



The upcoming combined 50th anniversary of the Cunderdin Museum and the 75th anniversary of the Cunderdin District High School provided just such an opportunity for the community and Shire to come together to begin planning a weekend of nostalgia and celebration. The Back To Cunderdin committee commenced planning activities and events for past and present residents to come together in March 2023 and celebrate these important milestones.



Local Government elections in October, 2021 saw Councillor Norm Jenzen re-elected and new Councillor, Nat Snooke welcomed onto Council. I thank Norm for his continued service to the community and wish Nat a very happy and rewarding time on Council. All Councillors continue to offer their best advice, bring their own unique skill set, and work collaboratively and cohesively to bring about the aims and objectives of the Shire of Cunderdin.



It is a pleasure to work with Council and I sincerely thank my colleagues for the time and commitment they bring to their roles. I would particularly like to recognise my Deputy President, Councillor Tony Smith, who is actively involved in many community groups and organisations. I'm very grateful Tony and his wife, Judith chose Cunderdin to "retire" into - our community is certainly fortunate they did so.

Of course, the heart and soul of The Shire of Cunderdin is it's staff. As I move around the Wheatbelt and attend various meetings and functions, it is abundantly clear to me that we are blessed with a team of caring, committed individuals who come together and offer a level of service that is second to none. Expertly led by our CEO, Stuart Hobley, our team works nimbly within our budget limitations and workforce challenges to gain the very best outcomes for our Shire.

My sincere thanks go to our executive team - Stuart for his outstanding leadership, guidance and support, our Deputy CEO and finance manager, Hayley Byrnes for her exhaustive hours, dedication and poise and to our Manager of Works and Services, Craig Robertson, who has a never-ending list of works to be juggled within a very limited budget yet is approachable and committed.

Combined with our energetic administration team, technical officer, works crew, gardens, maintenance and cleaning staff, The Shire of Cunderdin is soundly placed to continue growing and prospering.

Throughout this past year, it has been a delight and a privilege working with The Shire of Cunderdin. To the members of the community who have offered their thanks, support, ideas and sometimes, their criticisms, thank you. I take this opportunity to reflect on the achievements of the past year and look to the future with great confidence and enthusiasm.

Councillor Alison Harris President
Shire of Cunderdin.



STRATEGIC & CORPORATE PLANNING

The purpose of the Shire of Cunderdin's Strategic Community Plan and Corporate Business Plan is to provide clear purpose and strategic direction for our Shire. These documents are developed in correlation with the *Local Government (Administration) Regulations 1996* and extensive community consultation.

The Strategic Plan 2022 - 2032 along with the Corporate Business Plan 2021/22 - 2024/25, was adopted on the 18th November 2021 at the Ordinary Council Meeting. A copy of the report can be found on the Shire of Cunderdin website, www.cunderdin.wa.gov.au.

Progress of the Strategic Community Plan is measured by assessing priorities from the plan detailed within the Corporate Business Plan. The Corporate Business Plan is then reviewed by Council on a quarterly basis. The constant review of the Corporate Business Plan is necessary to ensure achievable outcomes in relation to resource capacity and budget constraints.

All current and future initiatives carried out by the local government are in direct relation to the plan for the future of our district as outlined in the Strategic and Corporate Business Plan's.

The image displays three promotional posters for community feedback events, arranged in a fan-like pattern. Each poster features the Shire of Cunderdin logo and the text 'We look forward to hear your ideas and feedback!'.

- Seeking Business Feedback:** An opportunity for the businesses to provide input into the Shire of Cunderdin Strategic Plan 2021 - 2023. Drinks & nibbles to follow the session. **THURSDAY 5 AUGUST 2021 5.30PM - 6.30PM @ETTAMOGAH PUB**. RSVP to Shire of Cunderdin Ph: 08 9635 2700.
- MECKERING COMMUNITY COFFEE & CHAT:** Members of the community are invited to help review and plan the Shire of Cunderdin Community Strategic Plan 2021-2031. **TUESDAY 3 AUGUST 2021 9-11 am Meckering Sporting Club**.
- SENIORS COFFEE & CHAT:** Senior members of the community are invited to help review and plan the Shire of Cunderdin Community Strategic Plan 2021-2031. **TUESDAY 27 JULY 2021 10-11 am ETTAMOGAH CAFE**.

STRATEGIC PRIORITIES

1. COMMUNITY AND SOCIAL

1.1 Community members have the opportunity to be active, engaged and connected

"Achieved."
Numerous CMT Seniors events, Youth engagement events & Aust Day Awards presentations.

"Future"
 Development of O'Connor Park & Meckering Earthquake Garden.



1.2 A healthy and safe community is planned

"Achieved."
National Road Safety Week Campaign, upgrades to runway lighting and Support COVID vaccination clinics, Mental Health Awareness events.

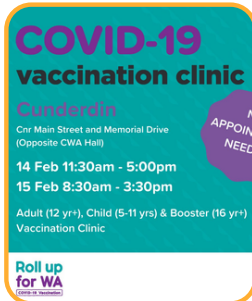
"Future"
 Advocation of the Cunderdin Health Centre Inpatient Palliative Health Care.



1.3 Advocate for the provision of quality health services, health facilities and programs in the Shire

"Achieved."
Maintenance of Sandalwood Village, Support of COVID Vaccination Clinics

"Future"
 Advocation of the Cunderdin Health Centre Inpatient Palliative Health Care.



1.4 Support emergency services planning, risk mitigation, response and recovery

"Achieved."
Distribution of RAT's and Oximeters, regular LEMC meetings

"Future"
 Construction of desktop workshops for emergency situations at LEMC meeting.



STRATEGIC PRIORITIES



2. ECONOMY

2.1 Facilitate local business retention and growth

"Achieved."

Attended to the emergency needs of CBH for land to place bulk heads.

"Future"

Acquisition of Ian Roberts Lodge with the purpose of supplying additional accommodation.

2.3 Build economic capacity

"Achieved."

Retained the 'Ian Roberts Lodge' for future housing options.

"Future"

Planning for industrial subdivision of Centenery Ave.



2.2 Renew and improve the visibility of the Shire of Cunderdin brand

"Achieved."

Shire snippets, facebook & website.

"Future"

Rebranding of the Shire of Cunderdin Logo and image.

2.4 Encourage local workforce participation

"Achieved."

Hired Trainee Youth Development Officer & Trainee Gardener, agreement with REED to supply childcare

"Future"

Develop further opportunities for trainee employee positions.

3. BUILT ENVIRONMENT

3.1 Safe, efficient and well maintained road infrastructure

"Achieved."

Significant work on Meckering Goomalling Road, Minnivale Road and Goldfields Road.

"Future"

Completion of Meckering Goomalling Road and further advocacy of funding for road network improvements.



3.2 Enhance connectivity between places

"Achieved."

Budgeted amount spent on continuing to upgrade the community footpaths.

"Future"

Renovation to the Sporting and Recreation Centre parking area.

3.3 Enhance public spaces and townscapes

"Achieved."

Irrigation of oval supplied by dam pump.

"Future"

parking at sport and rec, O'Connor park.



3.4 Protect and preserve heritage

"Achieved."

Works with Friends of Town Hall and Friends of Cemetery groups

"Future"

Capital works projects at the Museum and Town Hall.



STRATEGIC PRIORITIES



4. NATURAL ENVIRONMENT

4.1 Maintain a high standard of environmental health services

"Achieved."
Ranger checking for bush fire fuel reduction practices.

"Future"
Education of volunteer services within District.

4.3 Demonstrate sustainable practices of waste management

"Achieved."
Recycling award

"Future"
Upgrades to the transfer station.

4.2 Conservation of our natural environment

"Achieved."
Corrella control

"Future"
Blue lupin weeding group organised on Hill.



5. CIVIC LEADERSHIP

5.1 Shire communication is consistent, engaging and responsive

"Achieved."
Consistent community engagement encouraged

"Future"
Resourcing into additional media types.

5.2 Forward planning and implementation of plans

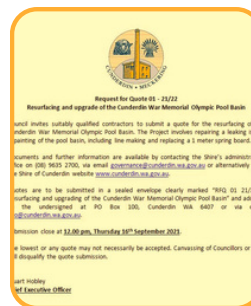
"Achieved."
Education of Councillors

"Future"
Encouragement to attend LG Week Convention.

5.3 Implement systems and processes that meet legislative and audit obligations

"Achieved."
Compliance Calender

"Future"
Continue to implement and adapt procedures to legislative requirements.



CHIEF EXECUTIVE OFFICERS REPORT



At the Shire of Cunderdin we have a great team of Elected Members and staff who have worked tirelessly for our community throughout 2021/22. I believe throughout the many challenges the COVID-19 Pandemic has inflicted on our community we have been able to provide exceptional facilities and community events for our residents and visitors alike.

It is with great pleasure that I am able to report that the Shire has received an unqualified Audit Report as well as a positive audit of its Financial Management Systems and Procedures.

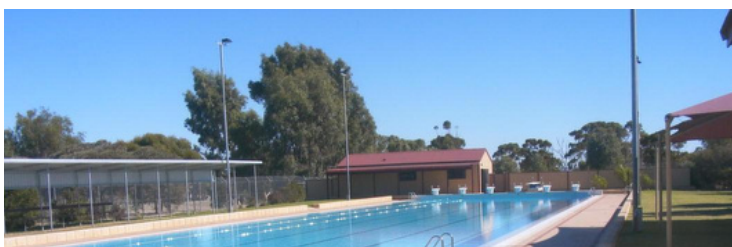
Council adopted the 2021 - 2022 Annual Budget at the 2nd August 2021 at a Special Council Meeting, the proposed budget introduced a 4% increase in rates collected. Minimum rates were set at \$748. Rubbish charges rose by 5% from \$265 to \$278 per service and the rural rubbish charge increased from \$ 77 to \$81.

An outstanding loan principal at the end of the financial year stood at \$987,949 with a total debt servicing costs incurring \$142,692. \$60,625 of this amount was the interest component. Reserve accounts held by the Shire equal \$1,296,980 during the year. These funds are set aside to assist with long term initiatives including asset management and to offset the cost of major capital projects planned for the future.

Throughout the year we have achieved many great things for the community some of these include the significant upgrades to the automatic lighting system at the Cunderdin Airfield, upgrades and repair works at the Cunderdin Memorial Swimming Pool and significant upgrades of the Town Oval irrigation will enable us to deliver a quality surface to be enjoyed by all community members.

Council has received a \$700,000 Lotterywest Grant in 2021/22, which will allow the complete reconstruction of O'Connor Park. This project will commence in 2022/23.

Community consultation was widely sought, enabling the Shire to set out visions aspirations and objectives to be taken into consideration whilst completing a major review of the Shire of Cunderdin's Strategic Community Plan.



The works team led by Manager of Works and Servies, Mr Craig Robertson, has successfully delivered a large construction program and implemented several improvements to the town during the year. The purchase of additional key plant items will enhance the teams ability to deliver numerous capital works programs moving forward into 2022/23.

Council allocated \$7,448,644 to road capital and road maintenance within the Shire of Cunderdin in 2021/22. There is a high demand to consistantly work to improving the gravel network with our Shire. During the year challenges experienced by the works crews included a higher than average rainfall. This delayed the progress that could be made on the road network as a whole. Some areas heavily affected by rainfall throughout the year have required additional works and our crews are working to amend these issues.

By aligning ourselves with State and Federal Government Strategies and Plans we ensure that we are strategically placed in a position to secure additional funding for projects and community functions. Council has worked with its surrounding local governments over the past 12 months to market and promote itself state-wide, identifying the opportunities and attractions of living in our District. We have been able to work closely with our Community Resource Centre and a Shire based Tourism Committee ensures we continue to promote our beautiful Shire.

The residents of our Shire continue to enhance the liveability of communities in Cunderdin and Meckering. Through the support you give to Council's decision making processes, we are able to deliver safe, inclusive, infrastructure, facilities and services. We will continue to provide all residents as many services as possible and endeavour to improving these services within our community.

Over the next 12 months, the visible progress in and around our town will be incredibly evident. This progress is made possible through the dedication made to the community by the Shire of Cunderdin Councillors, Shire President, Cr Alison Harris, Deputy President Tony Smith, Cr Norm Jenzen, Cr Sam Stewart, Cr Todd Harris, Cr Bernie Daly and Cr Natalie Snooke. I thank and commend you for the leadership and support you have given to the Shire of Cunderdin, myself and our organisation as a whole in 2021/22 and look forward to bringing further development to fruition with you all in 2022/23.

Stuart Hobley,
Chief Executive Officer



COMMUNITY DEVELOPMENT



Throughout the 2021/22 financial year numerous community programs have been held stimulating and engaging residents within the Shire of Cunderdin. We would like to say a massive thankyou to all businesses, organisations and individuals for their support of these events over the past 12 months and we look forward to building on these alliances in 2022/23 and beyond.

A variety of events and programs are held for our community. The range of activities are intended to connect and be inclusive to the entire population within our district.

Some of the events held in 2021/22 include:

- CMT Seniors "Christmas in July"
- Naidoc Week
- Star Gazing
- Be Happy Day - Meckering
- Social Badminton
- Youth Art Workshops
- Carols in the Park
- Armed for Life Teenager Resilience Workshop
- National Road Safety Week
- Australia Day Celebrations and Citizen of the Year Awards
- Citizenship Ceremonies
- Community Engagement Sessions
- Medical Student Emersion Program
- Movies Under the Stars
- Youth Glow in the Dark Team Games



CUNDERDIN MEMORIAL SWIMMING POOL



Contract Aquatic Services were responsible for keeping our pool in supreme condition over the 2021/22 summer months.

Tenders were invited for the extensive upgrades that were required to be made to the infrastructure of the pool to ensure it's continued longevity. Wetdeck Pool were awarded the tender to carry out these capital works.

Season Passes	Admissions
34 Family	555 Adults
13 Adult	1216 Children/Concessions
12 Senior	172 Minors 5yrs or under
5 Child	



MUSEUM



The Museum is a major attraction and landmark located in the centre of our town. It takes a tremendous amount of passion and dedication from Shire staff and Cunderdin community volunteers to ensure the Museum doors remain open to the 2,195 people that visited the museum in 2021/22. These visitors consisted of passing tourists and multiple school groups that travel from far and wide to immerse themselves in Cunderdin's diverse history.

This year the Museum upgraded its audio visual equipment, commenced planning of its 50th Anniversary and developed a better understanding of the Mosaic system that is used to log and research the many collections held at the museum.



FIRE & EMERGENCY SERVICES

The Shire of Cunderdin has three Bush Fire Brigades, Cunderdin, Meckering and Ygnattering consisting of 163 volunteer members.

Over \$8,000 was spent on Personnel Protective Equipment (PPE) in 2021/22.

Incidents attended by the Bush Fire Brigades were:

- 6 Large Bushfires
- 3 Small Bushfires
- 4 Vehicle or other fires
- 1 Structural Fire
- 1 Natural Hazards
- 2 Road Crash & Rescues



2021/22 CAPITAL PROJECTS

Capital Programs

The Shire provided capital programs amounting to \$1,453,223 in value, funded from a variety of sources including Grants, General Reserve and Reserve funds.

Administration Server Upgrades	\$35,559	Memorial Swimming Pool	\$165,450
Machinery Attachments	\$19,234	Dam Irrigation Project	\$60,849
Backhoe Loader	\$155,000	CSRC Parking Revitalisation	\$143,581
Excavator & attachments	\$210,164	Airport Lighting	\$427,615
Excavator Mulcher Head	\$35,098	Toy Library Demolition	\$14,321
82 Mitchell Street - Refurbishment	\$31,603	Decomission of Fuel Tank	\$39,428
20 Egeberg Street - Landscaping	\$15,422		
14 Robyn Street - Roof	\$19,910		



Capital Road Programs

The Shire provided capital roads projects amounting to \$3,081,178 in value, funded from a variety of sources including Grants, General Reserve and Reserve funds.

Some of the capital works completed during the 2021/22 financial year are;

Goomalling - Meckering Road	\$2,296,758	Clearing along both sides, culverts replaced, gravel overlay, cemented stabilisation, two coat reseal out to 8m wide along 6 kms.
Minnivale Road	\$275,671	Clearing along both shoulders, gravel overlay, stabilisation, culvert install and reseal along 5 km's.
Goldfields Road	\$309,025	Clearing along both shoulders, gravel overlay, stabilisation, culvert install and reseal along 5kms
Bulgin Road	\$18,000	Culvert replacement, clearing along both sides of road and gravel overlay.
Bolland Road	\$68,773	Clearing along both sides of road and gravel overlay.
Greens Road	\$18,547	Clearing along both sides of road and gravel overlay.
Boundary Road	\$36,539	Clearing along both sides of road and gravel overlay.

STATUTORY REQUIREMENTS



Local Government is governed by a number of various Acts of Legislation including the following Compliance and Statutory activities required in our annual reporting processes for accountability.

Competitive Neutrality

The principle of Competitive Neutrality is that government business should not enjoy a competitive advantage, or suffer a 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 that generate a user pays income of over \$200,000 per annual, unless it can be shown it is not in the public interest. A public benefit test is used to determine if competitive neutrality is in the public interest. The Shire of Cunderdin does not control any business activity with a user pays income in excess of \$200,000.

Public Interest Disclosure

The Public Interest Disclosure Act 2003 facilitates the disclosure of public interests information, and provides protection for those making such disclosure and those who are the subject of the disclosures. The Act provides a system for the matters disclosed to be investigated and for the appropriate action to be taken.

The CEO reports that no complaints have been received during the year under review and declares that all obligations under the Public Interest Act and the Local Government Act Section 5.21 have been complied with.

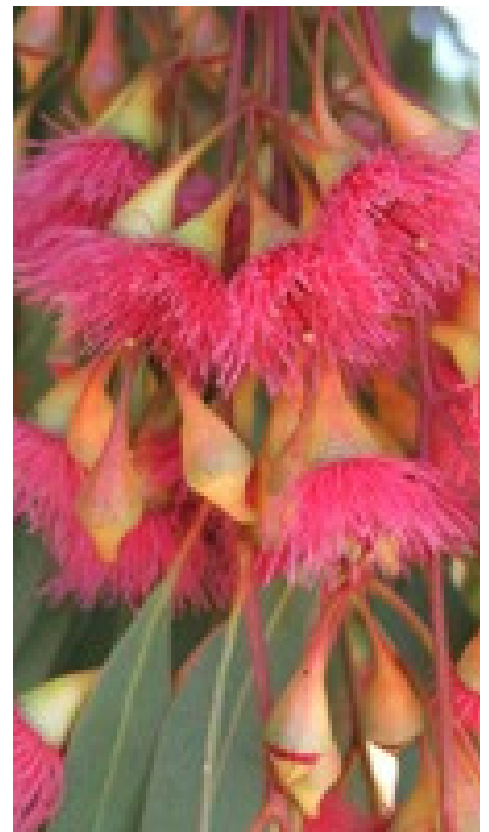
Complaints Register - Elected Members

Section 5.121 of the local Government Act 1995 requires Annual Reports to contain details of entries made into the Complaints Register regarding complaints made about elected members.

There were no complaints lodged against elected members in the 2021/2022 reporting year.

Record Keeping Plan (State Records Act 2000)

The State Records Act 2000 is an Act to provide for the keeping of State records and for related purposes. Section 19 of the Act requires that government organisations must have a record keeping plan. Record keeping plans set out matters of which records are to be created by the organisation and how it is to keep its records.



Freedom of Information Statement

The Shire of Cunderdin welcomes enquiries for the information held by Council. If information cannot be accessed by less formal means, a freedom of information request can be made by completing a Freedom of Information application form located on the Shire of Cunderdin website. During 2021/22 the Shire recorded nil formal requests for information under the Freedom of Information Act.

Remuneration

Local Government Act 1995 (s.5.53(2)(g)&(i) & Schedule 5.1 cl. 9)

The number of employees of our local government entitled to an annual salary of \$130,000 or more, in the 2021/22 reporting period, is one. The remuneration provided to CEO during the 2020/2021 according to regulation 19B(2) (e) Local Government (Administration) Regulation 1996 is \$206,140.

Councillor fees adopted at the Special Council Meeting, 2nd August 2021, are that a President should receive a fee of \$490 per meeting attended, Councillors \$238 per meeting attended and \$118 per committee meeting attended. An additional allowance of \$1,500 to the President and \$250 to the Deputy President.

Disability Access & Inclusion Plan (DAIP)

The Shire of Cunderdin is committed to ensuring that the community is accessible for and inclusive of people with disability, their families and carers.

The DAIP is reviewed and reported on annually to the Disability Services Commission.

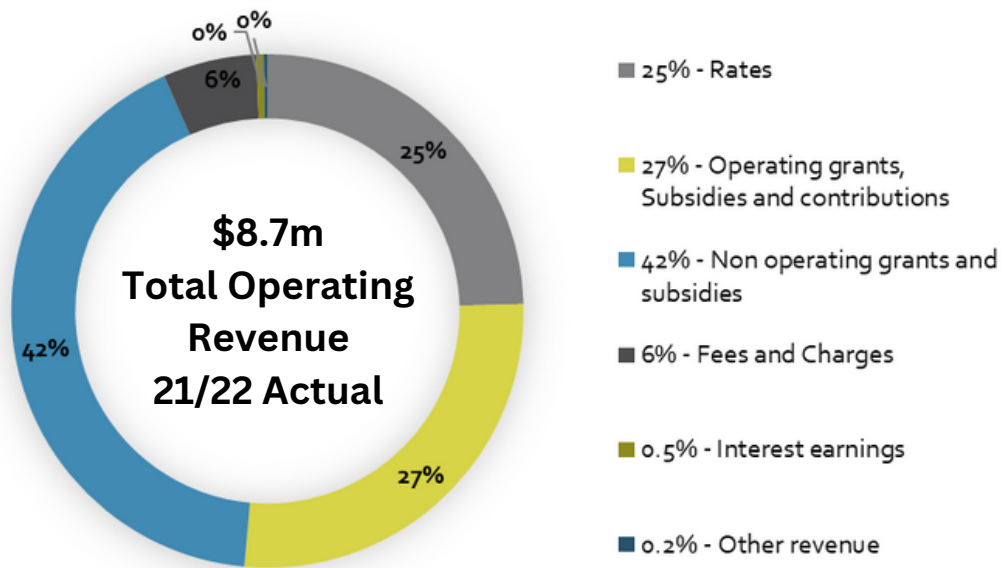
Shire of Cunderdin's Disability Access and Inclusion Plan is scheduled for review in the next financial year.



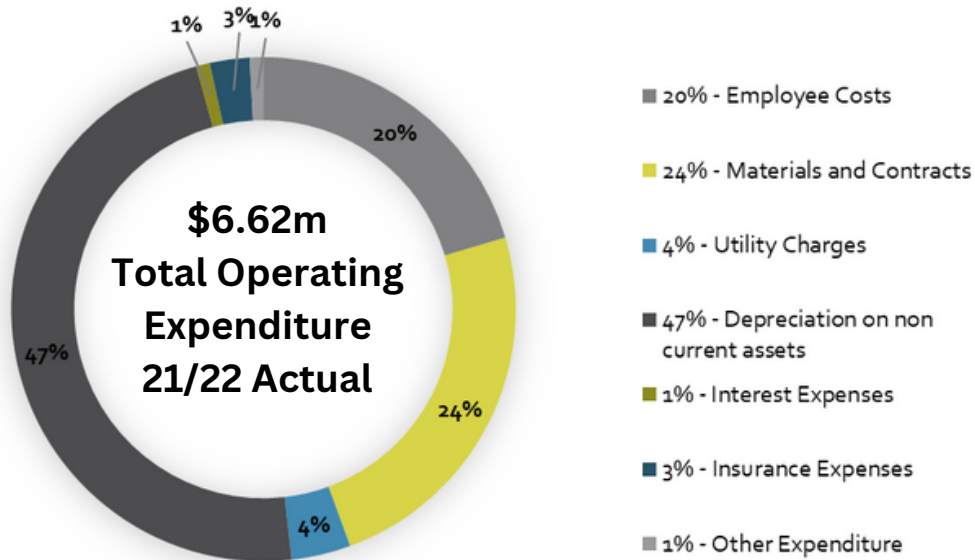
FINANCIAL SUMMARY



Statement of Comprehensive Income - Revenue by Nature or Type



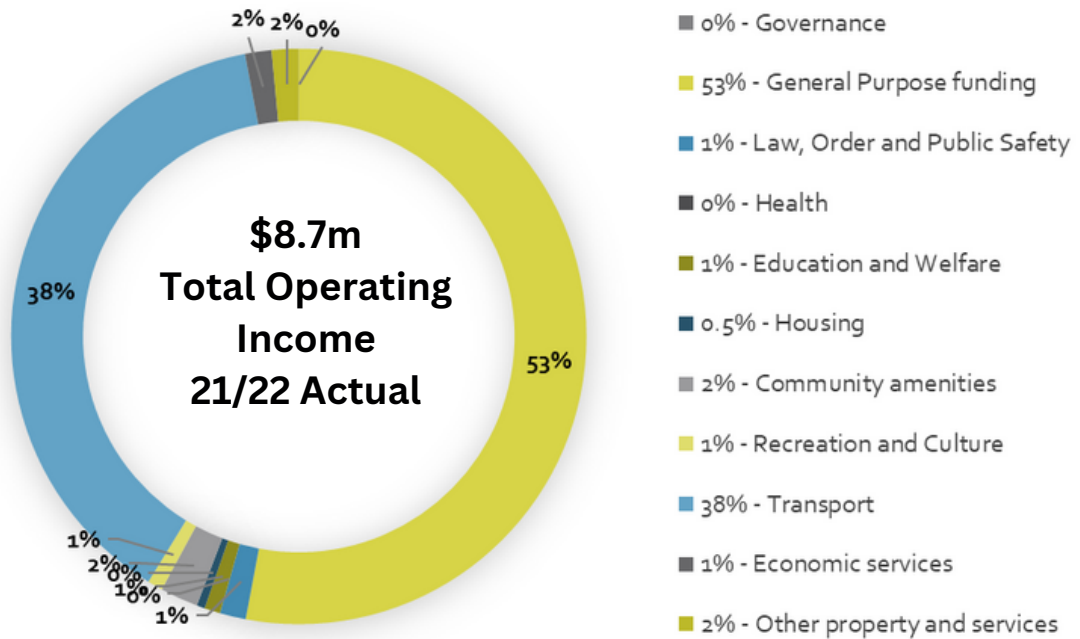
Statement of Comprehensive Income - Expenditure by Nature or Type



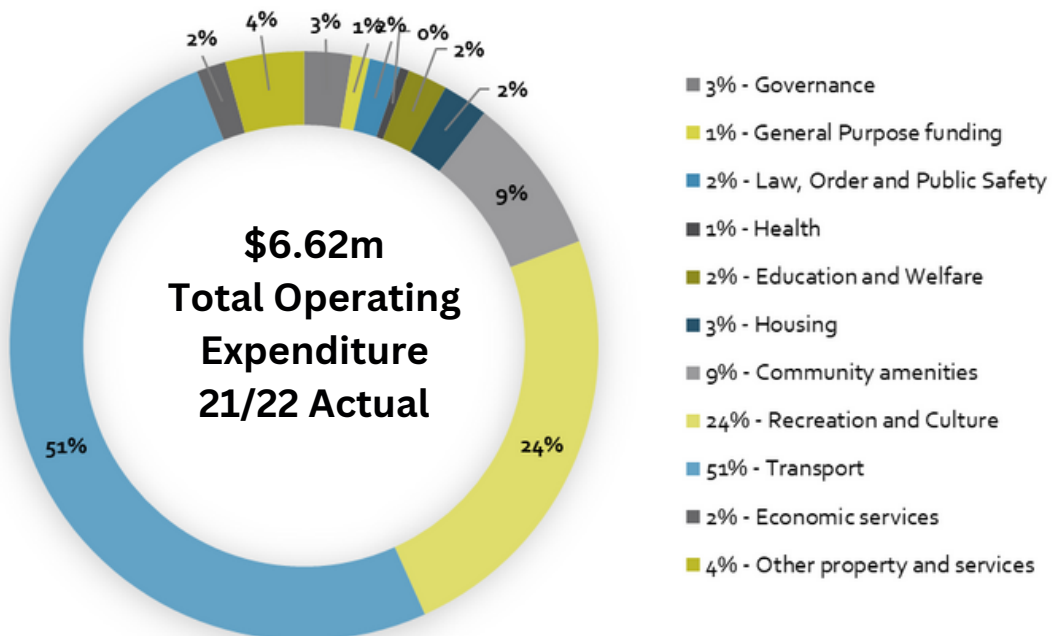
FINANCIAL SUMMARY



Statement of Comprehensive Income - Revenue by Program



Statement of Comprehensive Income - Expenditure by Program



ANNUAL FINANCIAL REPORT



SHIRE OF CUNDERDIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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

A regional place that is progressive and will provide opportunities, offering a unique lifestyle and a sense of belonging.

A place that connects people; a place that connects Transport; and a place that connects businesses.

Principal place of business:
37 Lundy Avenue
Cunderdin WA 6407



SHIRE OF CUNDERDIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The attached financial report of the Shire of Cunderdin 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 Cunderdin 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 27th day of APRIL 2023



Chief Executive Officer

STUART HOBLEY

Name of Chief Executive Officer



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

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	23(c),2(a)	2,137,491	2,225,727	2,129,041
Operating grants, subsidies and contributions	2(a)	2,339,414	850,980	1,806,207
Fees and charges	22(c),2(a)	513,653	365,396	432,649
Interest earnings	2(a)	41,829	29,700	37,260
Other revenue	2(a)	19,989	1,006,239	46,286
		5,052,376	4,478,042	4,451,443
Expenses				
Employee costs		(1,351,605)	(1,596,345)	(1,214,381)
Materials and contracts		(1,588,745)	(976,832)	(1,129,949)
Utility charges		(251,280)	(234,467)	(238,430)
Depreciation	8(a)	(3,143,176)	(7,743,192)	(3,265,347)
Finance costs	2(b)	(58,184)	(60,625)	(59,223)
Insurance		(168,056)	(184,630)	(148,078)
Other expenditure	2(b)	(58,292)	(97,250)	(130,513)
		(6,619,338)	(10,893,341)	(6,185,921)
		(1,566,962)	(6,415,299)	(1,734,478)
Capital grants, subsidies and contributions	2(a)	3,576,566	2,783,155	2,336,611
Profit on asset disposals	8(c)	65,506	41,000	0
Loss on asset disposals	8(c)	0	(13,449)	(264,367)
Fair value adjustments to financial assets at fair value through profit or loss		7,682	0	0
		3,649,754	2,810,706	2,072,244
Net result for the period	22(b)	2,082,792	(3,604,593)	337,766
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	3,433,522	0	0
Total other comprehensive income for the period		3,433,522	0	0
Total comprehensive income for the period		5,516,314	(3,604,593)	337,766

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



SHIRE OF CUNDERDIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	3,092,805	3,732,300
Trade and other receivables	5	633,543	199,873
Other financial assets	4(a)	1,231,979	0
TOTAL CURRENT ASSETS		4,958,327	3,932,173
NON-CURRENT ASSETS			
Trade and other receivables	5	26,473	26,473
Other financial assets	4(b)	83,666	75,984
Property, plant and equipment	6	19,053,126	15,977,650
Infrastructure	7	96,064,748	94,736,336
TOTAL NON-CURRENT ASSETS		115,228,013	110,816,443
TOTAL ASSETS		120,186,340	114,748,616
CURRENT LIABILITIES			
Trade and other payables	9	193,793	428,495
Other liabilities	10	425,051	214,576
Borrowings	11	110,742	87,562
Employee related provisions	12	233,145	226,150
TOTAL CURRENT LIABILITIES		962,731	956,783
NON-CURRENT LIABILITIES			
Borrowings	11	877,207	987,898
Employee related provisions	12	70,278	44,125
TOTAL NON-CURRENT LIABILITIES		947,485	1,032,023
TOTAL LIABILITIES		1,910,216	1,988,806
NET ASSETS		118,276,126	112,759,813
EQUITY			
Retained surplus		5,246,558	3,232,446
Reserve accounts	26	1,296,980	1,228,300
Revaluation surplus	13	111,732,588	108,299,067
TOTAL EQUITY		118,276,126	112,759,813

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



SHIRE OF CUNDERDIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		3,264,680	858,300	108,299,067	112,422,047
Comprehensive income for the period					
Net result for the period		337,766	0	0	337,766
Total comprehensive income for the period		337,766	0	0	337,766
Transfers from reserves	26	40,000	(40,000)	0	0
Transfers to reserves	26	(410,000)	410,000	0	0
Balance as at 30 June 2021		3,232,446	1,228,300	108,299,067	112,759,813
Comprehensive income for the period					
Net result for the period		2,082,792	0	0	2,082,792
Other comprehensive income for the period	13	0	0	3,433,522	3,433,522
Total comprehensive income for the period		2,082,792	0	3,433,522	5,516,314
Transfers to reserves	26	(68,680)	68,680	0	0
Balance as at 30 June 2022		5,246,558	1,296,980	111,732,588	118,276,128

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		2,211,509	2,225,727	2,076,619
Operating grants, subsidies and contributions		1,992,539	850,980	2,007,620
Fees and charges		508,838	365,396	426,791
Interest received		41,829	29,700	37,260
Goods and services tax received		100,397	0	425,979
Other revenue		19,989	1,006,239	46,286
		<u>4,875,101</u>	<u>4,478,042</u>	<u>5,020,555</u>
Payments				
Employee costs		(1,276,962)	(1,596,345)	(1,168,306)
Materials and contracts		(1,867,490)	(976,832)	(1,167,461)
Utility charges		(251,280)	(234,467)	(238,430)
Finance costs		(59,549)	(60,625)	(59,223)
Insurance paid		(168,056)	(184,630)	(148,078)
Goods and services tax paid		(42,007)	0	(484,369)
Other expenditure		(58,292)	(97,250)	(130,513)
		<u>(3,723,636)</u>	<u>(3,150,149)</u>	<u>(3,396,380)</u>
Net cash provided by (used in) operating activities	14(b)	1,151,465	1,327,893	1,624,175
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	6(a)	(506,739)	(1,515,000)	(739,421)
Payments for construction of infrastructure	7(a)	(3,622,805)	(4,627,989)	(2,497,895)
Non-operating grants, subsidies and contributions		3,576,566	2,783,155	2,336,611
Payments for financial assets at amortised cost		(1,231,977)	0	251,320
Proceeds from sale of property, plant & equipment	8(c)	81,506	87,000	533,554
Net cash provided by (used in) investing activities		<u>(1,703,449)</u>	<u>(3,272,834)</u>	<u>(115,831)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	25(a)	(87,511)	(82,850)	(82,799)
Proceeds from new borrowings	25(a)	0	200,000	0
Net cash provided by (used in) financing activities		<u>(87,511)</u>	<u>117,150</u>	<u>(82,799)</u>
Net increase (decrease) in cash held		<u>(639,495)</u>	<u>(1,827,791)</u>	<u>1,425,546</u>
Cash at beginning of year		3,732,300	3,732,300	2,306,754
Cash and cash equivalents at the end of the year	14(a)	<u>3,092,805</u>	<u>1,904,509</u>	<u>3,732,300</u>

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	24(b)	2,013,098	1,442,843	1,278,891
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	23(b)	16,730	16,087	16,087
Operating grants, subsidies and contributions		2,339,414	850,980	1,806,207
Fees and charges		513,653	365,396	432,649
Interest earnings		41,829	29,700	37,260
Other revenue		19,989	1,006,239	46,286
Profit on asset disposals	8(c)	65,506	41,000	0
Fair value adjustments to financial assets at fair value through profit or loss		7,682	0	0
		3,004,803	2,309,402	2,338,488
Expenditure from operating activities				
Employee costs		(1,351,605)	(1,596,345)	(1,214,381)
Materials and contracts		(1,588,745)	(976,832)	(1,129,949)
Utility charges		(251,280)	(234,467)	(238,430)
Depreciation		(3,143,176)	(7,743,192)	(3,265,347)
Finance costs		(58,184)	(60,625)	(59,223)
Insurance		(168,056)	(184,630)	(148,078)
Other expenditure		(58,292)	(97,250)	(130,513)
Loss on asset disposals	8(c)	0	(13,449)	(264,367)
		(6,619,338)	(10,906,790)	(6,450,288)
Non-cash amounts excluded from operating activities	24(a)	3,096,676	7,715,641	3,553,005
Amount attributable to operating activities		(517,859)	(881,747)	(558,795)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		3,576,566	2,783,155	2,336,611
Proceeds from disposal of assets	8(c)	81,506	87,000	533,554
Purchase of property, plant and equipment	6(a)	(506,739)	(1,515,000)	(739,421)
Purchase and construction of infrastructure	7(a)	(3,622,805)	(4,627,989)	(2,497,895)
		(471,472)	(3,272,834)	(367,151)
Amount attributable to investing activities		(471,472)	(3,272,834)	(367,151)
FINANCING ACTIVITIES				
Repayment of borrowings	25(a)	(87,511)	(82,850)	(82,799)
Proceeds from borrowings	25(a)	0	200,000	0
Transfers to reserves (restricted assets)	26	(68,680)	(65,000)	(410,000)
Transfers from reserves (restricted assets)	26	0	450,000	40,000
Amount attributable to financing activities		(156,191)	52,150	(452,801)
Surplus/(deficit) before imposition of general rates		867,576	(2,209,588)	(99,855)
Total amount raised from general rates	23(a)	2,120,761	2,209,640	2,112,954
Surplus/(deficit) after imposition of general rates	24(b)	2,988,333	52	2,013,098

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

SHIRE OF CUNDERDIN
FOR THE YEAR ENDED 30 JUNE 2022
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SHIRE OF CUNDERDIN
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 Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

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

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, 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 27 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.

SHIRE OF CUNDERDIN
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
Operating grants, subsidies and contributions with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms with transfer of funds based on agreed milestones and reporting	Contract obligation if project not completed	Output method based on project milestones and/or completion date matched to performance obligations
Non operating grants, subsidies and contributions with customers	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
Fees and charges - licenses, registrations and approvals	Building, planning, development and animal control	Single point in time	Full payment prior to issue	None	On payment of the license, registration or approval
Fees and charges - waste management collection	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
Fees and charges - waste management entry fees	Waste collection at disposal sites	Single point in time	Payment in advance on entry, or on normal trade terms if credit is provided	None	On entry to facility
Fees and charges - airport landing fees	Landing fees at Cunderdin aerodrome	Single point in time	Payment in advance on entry, or on normal trade terms if credit is provided	None	On entry to facility
Fees and charges - sale of stock	Kiosk and visitor centre stock	Single point in time	Payment in advance, or on normal trade terms if credit is provided	Refunds provided for faulty goods	Output method based on good sold
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Output method Over 12 months matched to access right
Other Revenue - private works	Contracted private works	Single point in time	Payment in advance, or on normal trade terms if credit is provided	None	Output method based on works completed

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

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature 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	2,137,491	0	2,137,491
Operating grants, subsidies and contributions	2,339,414	0	0	0	2,339,414
Fees and charges	513,653	0	0	0	513,653
Interest earnings	0	0	38,149	3,680	41,829
Other revenue	0	0	0	19,989	19,989
Non-operating grants, subsidies and contributions	0	3,576,566	0	0	3,576,566
Total	2,853,067	3,576,566	2,175,640	23,669	8,628,942

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,129,041	0	2,129,041
Operating grants, subsidies and contributions	1,806,207	0	0	0	1,806,207
Fees and charges	432,649	0	0	0	432,649
Interest earnings	0	0	36,250	1,010	37,260
Other revenue	0	0	0	46,286	46,286
Non-operating grants, subsidies and contributions	0	2,336,611	0	0	2,336,611
Total	2,238,856	2,336,611	2,165,291	47,296	6,788,054

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

2. REVENUE AND EXPENSES (Continued)

	Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings				
Interest on reserve funds		3,680	500	0
Rates instalment and penalty interest (refer Note 23(e))		38,149	28,200	36,250
Other interest earnings		0	1,000	1,010
		41,829	29,700	37,260
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		29,200	33,000	29,200
- Other services		1,600	2,000	2,373
		30,800	35,000	31,573
Finance costs				
Borrowings	25(a)	58,184	60,625	59,223
		58,184	60,625	59,223
Other expenditure				
Impairment losses on trade and other receivables		0	0	43,023
Sundry expenses		58,292	97,250	87,490
		58,292	97,250	130,513

SHIRE OF CUNDERDIN
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
Total cash and cash equivalents

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

Note	2022	2021
	\$	\$
	3,092,805	3,732,300
14(a)	3,092,805	3,732,300
	1,369,916	2,287,739
14(a)	1,722,889	1,444,561
	3,092,805	3,732,300

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

Details of restrictions on financial assets can be found at Note 14.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost- Term Deposit

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Local Government House Trust

Cunderdin Co-Operative Shares

	2022	2021
	\$	\$
	1,231,979	0
	1,231,979	0
	1,231,979	0
	1,231,979	0
14(a)	1,231,979	0
	1,231,979	0
	83,666	75,984
	83,666	75,984
	81,490	73,808
	2,176	2,176
	83,666	75,984

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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

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

Financial assets at fair value through profit 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 19.

**SHIRE OF CUNDERDIN
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
Allowance for credit losses of rates receivables

Note	2022	2021
	\$	\$
	296,255	366,360
	524,859	9,516
	42,007	58,390
19(b)	(229,578)	(234,393)
	633,543	199,873
	26,473	26,473
	26,473	26,473

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 19.

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 value is considered immaterial.

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

6. 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	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		2,445,000	11,958,898	14,403,898	23,398	2,591,598	17,018,894
Additions		121,889	0	121,889	0	617,532	739,421
Disposals		(62,000)	(560,783)	(622,783)	0	(175,138)	(797,921)
Depreciation	8(a)	0	(547,323)	(547,323)	(13,743)	(421,678)	(982,744)
Balance at 30 June 2021		2,504,889	10,850,792	13,355,681	9,655	2,612,314	15,977,650
Comprises:							
Gross balance amount at 30 June 2021		2,504,889	28,479,801	30,984,690	180,729	4,226,906	35,392,325
Accumulated depreciation at 30 June 2021		0	(17,629,009)	(17,629,009)	(171,074)	(1,614,593)	(19,414,676)
Balance at 30 June 2021		2,504,889	10,850,792	13,355,681	9,655	2,612,314	15,977,650
Additions		0	0	0	35,559	471,180	506,739
Disposals		0	0	0	0	(16,000)	(16,000)
Revaluation increments / (decrements) transferred to revaluation surplus		516,410	2,898,921	3,415,331	0	0	3,415,331
Depreciation	8(a)	0	(520,986)	(520,986)	(6,866)	(302,742)	(830,594)
Balance at 30 June 2022		3,021,299	13,228,727	16,250,026	38,348	2,764,752	19,053,126
Comprises:							
Gross balance amount at 30 June 2022		3,021,299	29,178,722	32,200,021	216,288	4,510,088	36,926,397
Accumulated depreciation at 30 June 2022		0	(15,949,995)	(15,949,995)	(177,940)	(1,745,336)	(17,873,271)
Balance at 30 June 2022		3,021,299	13,228,727	16,250,026	38,348	2,764,752	19,053,126

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

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market Approach	Independent Valuation	June 2022	Price per hectare
Buildings	3	Cost Approach using current replacement cost	Independent Valuation	June 2022	Cost of components used to create the assets and condition based on estimates.
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment	N/A	N/A	Cost	N/A	N/A
Plant and equipment	N/A	N/A	Cost	N/A	N/A

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

7. 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	Other infrastructure - bridges	Other infrastructure - footpaths	Other infrastructure - airports	Infrastructure - other	Total Infrastructure
		\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		81,675,371	1,321,580	411,386	6,087,619	5,025,089	94,521,045
Additions		2,238,665	0	0	0	259,230	2,497,895
Depreciation	8(a)	(1,791,651)	(49,800)	(21,476)	(96,250)	(323,427)	(2,282,604)
Balance at 30 June 2021		82,122,385	1,271,780	389,910	5,991,369	4,960,892	94,736,336
Comprises:							
Gross balance at 30 June 2021		137,754,871	2,490,000	859,022	18,872,000	9,313,772	169,289,665
Accumulated depreciation at 30 June 2021		(55,632,486)	(1,218,220)	(469,112)	(12,880,631)	(4,352,880)	(74,553,329)
Balance at 30 June 2021		82,122,385	1,271,780	389,910	5,991,369	4,960,892	94,736,336
Additions		3,081,178	0	0	0	541,627	3,622,805
Revaluation increments / (decrements) transferred to revaluation surplus		0	0	0	0	18,190	18,190
Depreciation	8(a)	(1,836,424)	(49,800)	(21,475)	(98,275)	(306,608)	(2,312,582)
Balance at 30 June 2022		83,367,139	1,221,980	368,435	5,893,094	5,214,101	96,064,748
Comprises:							
Gross balance at 30 June 2022		140,836,049	2,490,000	859,022	18,872,000	9,873,589	172,930,660
Accumulated depreciation at 30 June 2022		(57,468,910)	(1,268,020)	(490,587)	(12,978,906)	(4,659,488)	(76,865,912)
Balance at 30 June 2022		83,367,139	1,221,980	368,436	5,893,094	5,214,101	96,064,748

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

7. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost Approach using current replacement cost	Independent Valuation	June 2020	Cost of components used to create the assets and condition based on estimates.
	Other infrastructure - bridges	3	Cost Approach using current replacement cost	Independent Valuation	June 2020	Cost of components used to create the assets and condition based on estimates.
	Other infrastructure - footpaths	3	Cost Approach using current replacement cost	Independent Valuation	June 2020	Cost of components used to create the assets and condition based on estimates.
	Other infrastructure - airports	3	Cost Approach using current replacement cost	Independent Valuation	June 2019	Cost of components used to create the assets and condition based on estimates.
	Infrastructure - other	3	Cost Approach using depreciated replacement cost	Independent Valuation	June 2019	Cost of components used to create the assets and condition based on estimates.

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 CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings	6(a)	520,986	634,890	547,323
Furniture and equipment	6(a)	6,866	4,479	13,743
Plant and equipment	6(a)	302,742	470,377	421,678
Infrastructure - roads	7(a)	1,836,424	6,040,333	1,791,651
Other infrastructure - bridges	7(a)	49,800	107,400	49,800
Other infrastructure - footpaths	7(a)	21,475	24,552	21,476
Other infrastructure - airports	7(a)	98,275	97,717	96,250
Infrastructure - other	7(a)	306,608	363,444	323,427
		3,143,176	7,743,192	3,265,347

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
Land	Not depreciated
Infrastructure- roads	15 to 120 years
Infrastructure- footpath	10 to 80 years
Infrastructure- laneways	20 to 80 years
Infrastructure- aerodrome	10 to 30 years
Infrastructure- urban stormwater drainage	5 to 80 years
Infrastructure- parks and ovals	10 to 40 years
Infrastructure- sewerage	60 to 100 years
Infrastructure- townscape	25 to 35 years
Infrastructure- bridges	50 years
Infrastructure- other	5 to 50 years
Buildings	30 to 75 years

(b) Fully Depreciated Assets in Use

	2022 \$	2021 \$
The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.		
Buildings	1,964,452	2,485,500
Furniture and equipment	144,323	128,571
Plant and equipment	70,000	609,000
Other infrastructure - airports	36,000	36,000
	2,214,775	3,259,071

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

8. FIXED ASSETS (Continued)

(c) 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	0	0	0	0					62,000	48,548	0	(13,452)
Buildings	0	0	0	0					560,783	406,244	0	(154,539)
Plant and equipment	16,000	81,506	65,506	0	59,449	87,000	41,000	(13,449)	175,138	78,762	0	(96,376)
	16,000	81,506	65,506	0	59,449	87,000	41,000	(13,449)	797,921	533,554	0	(264,367)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Transport				
Ford Ranger	16,000	40,000	24,000	0
Volvo Backhoe Loader	0	41,506	41,506	0
	16,000	81,506	65,506	0

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

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

At the end of each period the carrying amount for each asset class is reviewed and where appropriate the fair value is updated to reflect current market conditions. 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 the following way:

- (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.

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 8(a).

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

9. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 ATO liabilities
 Bonds and deposits held
 Accrued interest on loans
 Payroll creditors

	2022	2021
	\$	\$
	30,473	308,840
	31,874	27,961
	36,439	40,255
	58,084	12,773
	858	1,685
	11,521	12,886
	24,544	24,095
	193,793	428,495

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 CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

10. OTHER LIABILITIES

	2022	2021
	\$	\$
Current		
Capital grant/contributions liabilities	425,051	214,576
	<u>425,051</u>	<u>214,576</u>
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	214,576	54,149
Additions	425,051	214,576
Revenue from capital grant/contribution liabilities at the start of the period	(214,576)	(54,149)
	<u>425,051</u>	<u>214,576</u>

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.

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

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

11. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		110,742	877,207	987,949	87,562	987,898	1,075,460
Total secured borrowings	25(a)	110,742	877,207	987,949	87,562	987,898	1,075,460

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 Cunderdin . Other loans relate to transferred receivables. Refer to Note 5.

The Shire of Cunderdin 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 21(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 19. Details of individual borrowings required by regulations are provided at Note 25(a).

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

12. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Annual Leave
 Long Service Leave

Non-current provisions

Long Service Leave

	2022	2021
	\$	\$
	141,199	122,600
	91,946	103,550
	233,145	226,150
	70,278	44,125
	70,278	44,125
	303,423	270,275

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

Note	2022	2021
	\$	\$
	233,145	226,150
	70,278	44,125
	303,423	270,275

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

5	0	0
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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 CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

13. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Movement	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	2,274,890	516,410	0	516,410	2,791,300	2,274,890	0	2,274,890
Revaluation surplus - Buildings	4,650,061	2,898,921	0	2,898,921	7,548,982	4,650,061	0	4,650,061
Revaluation surplus - Plant and equipment	1,406,509	0	0	0	1,406,509	1,406,509	0	1,406,509
Revaluation surplus - Infrastructure - roads	86,590,103	0	0	0	86,590,103	86,590,103	0	86,590,103
Revaluation surplus - Other infrastructure - bridges	1,553,380	0	0	0	1,553,380	1,553,380	0	1,553,380
Revaluation surplus - Other infrastructure - footpaths	143,634	0	0	0	143,634	143,634	0	143,634
Revaluation surplus - Other infrastructure - airports	6,683,159	0	0	0	6,683,159	6,683,159	0	6,683,159
Revaluation surplus - Infrastructure - other	4,997,331	18,190	0	18,190	5,015,521	4,997,331	0	4,997,331
	108,299,067	3,433,522	0	3,433,522	111,732,588	108,299,067	0	108,299,067

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 CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

14. 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	3,092,805	1,904,509	3,732,300
Term Deposits	4	1,231,979	0	0
Restrictions		4,324,784	1,904,509	3,732,300
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	1,722,889	844,984	1,444,561
		1,722,889	844,984	1,444,561
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	26	1,296,980	843,299	1,228,300
Grant Liabilities		425,051	0	214,576
Bonds and Deposits held		858	1,685	1,685
Total restricted financial assets		1,722,889	844,984	1,444,561

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

Net result		2,082,792	(3,604,593)	337,766
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(7,682)	0	0
Depreciation/amortisation		3,143,176	7,743,192	3,265,346
(Profit)/loss on sale of asset		(65,506)	(27,551)	264,367
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(433,670)	0	(73,455)
Increase/(decrease) in trade and other payables		(234,702)	0	(39,741)
Increase/(decrease) in employee related provisions		33,148	0	46,075
Increase/(decrease) in other liabilities		210,475	0	160,427
Non-operating grants, subsidies and contributions		(3,576,566)	(2,783,155)	(2,336,611)
Net cash provided by/(used in) operating activities		1,151,465	1,327,893	1,624,175

**(c) Undrawn Borrowing Facilities
Credit Standby Arrangements**

Bank overdraft limit		0		0
Bank overdraft at balance date		0		0
Credit card limit		10,000		10,000
Credit card balance at balance date		(1,781)		(690)
Total amount of credit unused		8,219		9,310

Loan facilities

Loan facilities - current		110,742		87,562
Loan facilities - non-current		877,207		987,898
Total facilities in use at balance date		987,949		1,075,460

Unused loan facilities at balance date

0 0

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

15. CONTINGENT LIABILITIES

The Shire had no contingent liabilities to disclose at the end of the reporting period.

16. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects

	2022	2021
	\$	\$
	0	214,576
	0	214,576

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

17. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Shire President - Alison Harris			
President's annual allowance	0	1,500	309
Meeting attendance fees	5,348	5,390	5,880
	5,348	6,890	6,189
Shire President - Anthony Smith			
Deputy President's annual allowance		750	
Meeting attendance fees	2,856	2,618	2,856
	2,856	3,368	2,856
Councillor - Todd Harris			
Meeting attendance fees	3,332	2,618	2,618
	3,332	2,618	2,618
Councillor - Bernie Daly			
Meeting attendance fees	3,094	2,618	2,618
	3,094	2,618	2,618
Councillor - Norm Jenzen			
Meeting attendance fees	2,380	2,618	2,618
	2,380	2,618	2,618
Councillor - Sam Stewart			
Meeting attendance fees	3,094	2,618	2,618
	3,094	2,618	2,618
Councillor - Natalie Snooke			
Meeting attendance fees	1,904	2,618	2,618
	1,904	2,618	2,618
Councillor- Dennis Whisson			
Meeting attendance fees	2,450	2,618	0
	2,450	2,618	0
	24,458	25,966	22,135

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

	2022 Actual \$	2022 Budget \$	2021 Actual \$
President's annual allowance	0	1,500	309
Deputy President's annual allowance	0	750	0
Meeting attendance fees	24,458	23,716	21,826
17(b)	24,458	25,966	22,135

(b) Key Management Personnel (KMP) Compensation

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

	2022 Actual \$	2021 Actual \$
Short-term employee benefits	408,601	380,009
Post-employment benefits	37,967	33,871
Other long-term benefits	37,746	36,399
Council member costs	24,458	22,135
17(a)	508,772	472,414

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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

SHIRE OF CUNDERDIN
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17. 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 the following transactions occurred with related parties:

	2022 Actual	2021 Actual
	\$	\$
Purchase of goods and services	9,007	0

(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.

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

18. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Cunderdin together with the Cunderdin-Meckering Cottage Homes Inc. and Homeswest has a joint operation arrangement for the provision of an Aged Persons Home located at Lot 391 Kennedy Street, Cunderdin. The Shire has a 5.6% equitable interest in the joint operation.

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 arrangements 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 CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

19. FINANCIAL RISK MANAGEMENT

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

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

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.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents		3,092,805	0	3,092,805	0
Financial assets at amortised cost - term deposits		1,231,979	1,231,979	0	0
2021					
Cash and cash equivalents		3,732,300	0	0	3,732,300

Sensitivity

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

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	0	0

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 25(a).

SHIRE OF CUNDERDIN
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19. 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
30 June 2022						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	100.00%		
Gross carrying amount	0	0	66,677	229,578	296,255	
Loss allowance	0	0	0	229,578	229,578	5
30 June 2021						
Rates receivable						
Expected credit loss	0.00%	0.00%	27.00%	100.00%		
Gross carrying amount	2,526	67,605	84,700	211,529	366,360	
Loss allowance	0	0	22,864	211,529	234,393	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	
30 June 2022						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	523,036	0	428	1,395	524,859	
Loss allowance	0	0	0	0	0	5
30 June 2021						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	5,176	4,215	0	125	9,516	
Loss allowance	0	0	0	0	0	5

SHIRE OF CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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19. 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	234,393	192,370	0	0	0	0
Increase in loss allowance recognised in profit or loss during the year	0	43,023	0	0	0	0
Unused amount reversed	(4,815)	(1,000)	0	0	0	0
Closing loss allowance at 30 June	229,578	234,393	0	0	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 CUNDERDIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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19. 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 14(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
	\$	\$	\$	\$	\$
<u>2022</u>					
Trade and other payables	135,709	0	0	135,709	193,793
Borrowings	92,942	356,127	538,880	987,949	987,949
	<u>228,651</u>	<u>356,127</u>	<u>538,880</u>	<u>1,123,658</u>	<u>1,181,742</u>
<u>2021</u>					
Trade and other payables	428,495	0	0	428,495	428,495
Borrowings	87,562	390,415	685,046	1,163,023	1,075,460
	<u>516,057</u>	<u>390,415</u>	<u>685,046</u>	<u>1,591,518</u>	<u>1,503,955</u>

**SHIRE OF CUNDERDIN
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20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring after the end of the reporting period.

21. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

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22. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

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

Objective	Description
Governance To provide a decision making process for the	Includes the activities of Council and the administrative support available to
General purpose funding To collect revenue to allow for the provision of	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer and	Supervision and enforcement of various local laws relating to fire prevention,
Health To provide an operational framework for	Inspection of food outlets and their control, noise control and waste disposal
Education and welfare To provide services to disadvantaged persons,	Maintenance of daycare centre, aged housing and provision of aged and
Housing To provide and maintain housing.	Provision of staff housing and other housing to the community.
Community amenities To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control,
Recreation and culture To establish and effectively manage	Maintenance of public halls, civic centres, aquatic centres, recreation centres
Transport To provide safe, effective and efficient transport	Construction and maintenance of roads, streets, footpaths, depots, parking
Economic services To promote the Shire and its economic	Tourism and area promotion including coordination of events. Provision of
Other property and services To monitor and control the Shires overhead and	Private works operation, plant repair and operation costs and engineering

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22. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Income excluding grants, subsidies and contributions			
General purpose funding	2,205,539	3,265,666	2,178,865
Law, order, public safety	4,501	2,550	5,355
Education and welfare	77,227	65,000	68,360
Housing	39,924	30,700	33,074
Community amenities	185,681	168,500	169,618
Recreation and culture	33,187	26,200	28,715
Transport	99,405	81,000	46,637
Economic services	118,606	28,346	68,102
Other property and services	14,398	100	46,509
	2,778,468	3,668,062	2,645,235
Grants, subsidies and contributions			
General purpose funding	2,403,166	670,000	1,657,266
Law, order, public safety	122,892	30,000	41,766
Education and welfare	0	0	909
Community amenities	202	0	580
Recreation and culture	33,401	2,000	246,920
Transport	3,228,242	2,910,335	2,145,732
Economic services	10,949	4,300	1,344
Other property and services	117,128	17,500	48,302
	5,915,980	3,634,135	4,142,819
Total Income	8,694,448	7,302,197	6,788,054
Expenses			
Governance	(173,616)	(172,652)	(121,109)
General purpose funding	(64,326)	(106,782)	(144,850)
Law, order, public safety	(113,072)	(153,654)	(105,157)
Health	(33,767)	(84,752)	(208,497)
Education and welfare	(143,732)	(192,162)	(115,871)
Housing	(166,134)	(201,148)	(196,441)
Community amenities	(570,339)	(599,004)	(579,725)
Recreation and culture	(1,591,437)	(1,787,018)	(1,662,352)
Transport	(3,362,934)	(7,448,644)	(3,073,466)
Economic services	(106,720)	(105,878)	(59,061)
Other property and services	(285,577)	(55,096)	(183,759)
Total expenses	(6,611,654)	(10,906,790)	(6,450,288)
Net result for the period	2,082,792	(3,604,593)	337,766

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22. FUNCTION AND ACTIVITY (Continued)

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
(c) Fees and Charges			
General purpose funding	11,573	4,000	6,590
Law, order, public safety	4,502	2,550	5,355
Education and welfare	77,227	65,000	68,360
Housing	39,924	30,700	33,074
Community amenities	185,681	168,500	169,618
Recreation and culture	33,187	26,200	28,715
Transport	37,535	40,000	46,637
Economic services	118,606	28,346	68,102
Other property and services	5,418	100	6,197
	513,653	365,396	432,649
(d) Total Assets	2022	2021	
	\$	\$	
Governance	273,984	276,106	
General purpose funding	3,120,955	226,346	
Law, order, public safety	597,996	575,647	
Health	30,783	52,283	
Education and welfare	3,045,774	2,832,022	
Housing	1,582,683	1,191,219	
Community amenities	607,486	320,205	
Recreation and culture	11,647,501	10,659,244	
Transport	97,014,864	94,469,009	
Economic services	157,616	1,566,551	
Other property and services	2,106,698	2,579,984	
	120,186,340	114,748,616	

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23. RATING INFORMATION

(a) General Rates

RATE TYPE	Basis of valuation	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
Residential	Gross rental valuation	0.0905	391	5,556,936	502,614	193	352	503,159	502,614			502,614	475,717
Rural	Unimproved valuation	0.00805	284	190,218,500	1,530,498	1,641	0	1,532,139	1,530,498			1,530,498	1,477,725
Sub-Total			675	195,775,436	2,033,112	1,834	352	2,035,298	2,033,112	0	0	2,033,112	1,953,442
Minimum payment													
Residential	Gross rental valuation	748	124	413,749	92,752	0	0	92,752	92,752			92,752	89,875
Rural	Unimproved valuation	748	97	4,382,500	72,556	0	0	72,556	72,556			72,556	69,024
Mining	Unimproved valuation	748	15	250,474	11,220	0	0	11,220	11,220			11,220	6,471
Sub-Total			236	5,046,723	176,528	0	0	176,528	176,528	0	0	176,528	165,370
			911	200,822,159	2,209,640	1,834	352	2,211,826	2,209,640	0	0	2,209,640	2,118,812
	Discounts on general rates (Refer note 23 (d))							(91,065)				0	(5,858)
	Total amount raised from general rates							2,120,761				2,209,640	2,112,954
	* Rateable value is based on the value of properties at the time the rate is raised.												
(b) Rates (excluding general rates)													
Ex-gratia Rates													
CBH Storage Facility								16,730	16,087			16,087	16,087
Sub-Total								16,730	16,087	0	0	16,087	16,087
	Total amount raised from rates (excluding general rates)							16,730				16,087	16,087
(c) Total Rates								2,137,491				2,225,727	2,129,041

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 CUNDERDIN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

23. RATING INFORMATION (Continued)

SHIRE OF CUNDERDIN
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23. RATING INFORMATION (Continued)

(d) 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
Rates Written Off	Rate			91,065	0	5,858	
				91,065	0	5,858	
Total discounts/concessions (Note 23)				91,065	0	5,858	

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

23. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	13/09/2021	0.0	0.00%	7.00%
Option Three				
First instalment	13/09/2021	9.0	5.50%	7.00%
Second instalment	15/11/2021	9.0	5.50%	7.00%
Third instalment	17/01/2022	9.0	5.50%	7.00%
Fourth instalment	21/03/2022	9.0	5.50%	7.00%

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Interest on unpaid rates	28,119	22,000	27,787
Interest on instalment plan	10,030	6,200	8,463
Charges on instalment plan	6,959	5,500	5,974
	45,108	33,700	42,224

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

24. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget	2021/22	2020/21
	2021/22 (30 June 2022 Carried Forward)	(30 June 2022 Carried Forward)	(1 July 2021 Brought Forward)	(30 June 2021 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	8(c)	(65,506)	(41,000)	0
Add: Loss on disposal of assets	8(c)	0	13,449	264,367
Add: Depreciation	8(a)	3,143,176	7,743,192	3,265,347
Non-cash movements in non-current assets and liabilities:				
Financial assets at amortised cost		(7,682)	0	0
Employee benefit provisions		26,688	0	23,291
Non-cash amounts excluded from operating activities		3,096,676	7,715,641	3,553,005
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	26	(1,296,980)	(843,299)	(1,228,300)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	11	110,742	4,712	87,562
- Employee benefit provisions		178,977	178,442	178,442
Total adjustments to net current assets		(1,007,261)	(660,145)	(962,296)
Net current assets used in the Rate Setting Statement				
Total current assets		4,958,327	2,024,961	3,932,173
Less: Total current liabilities		(962,731)	(1,364,764)	(956,783)
Less: Total adjustments to net current assets		(1,007,261)	(660,145)	(962,296)
Net current assets used in the Rate Setting Statement		2,988,333	52	2,013,098

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

25. 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		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Housing Project Loan	77	0	0	0	0	0	0	0	0	0	0	200,000	0	200,000
Community Recreation Centre	76	1,041,891	0	(52,070)	989,821	0	(54,829)	934,992	989,792	0	(52,100)	937,692	50,455	32,355
Ettamogah Pub	73	68,554	0	(18,098)	50,456	0	(19,252)	31,204	50,455	0	(18,100)	32,355	35,162	22,512
Ettamogah Pub	74	47,814	0	(12,631)	35,183	0	(13,430)	21,753	35,162	0	(12,650)	22,512		
Total		1,158,259	0	(82,799)	1,075,460	0	(87,511)	987,949	1,075,409	200,000	(82,850)	1,192,559		
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						
Community Recreation Centre		Recreation and culture	76	WATC	2.62%	\$ (53,294)	\$ (53,819)	\$ (53,521)						
Ettamogah Pub		Recreation and culture	73	WATC	3.14%	(2,892)	(4,026)	(3,548)						
Ettamogah Pub		Recreation and culture	74	WATC	3.11%	(1,998)	(2,780)	(2,154)						
Total						(58,184)	(60,625)	(59,223)						
Total Interest Repayments	2(b)					(58,184)	(60,625)	(59,223)						

* WA Treasury Corporation

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

26. RESERVE ACCOUNTS

	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
Restricted by council												
(a) Leave reserve	178,442	535	0	178,977	178,442	0	0	178,442	178,442	0	0	178,442
(b) Plant Replacement	55,085	165	0	55,250	55,085	0	0	55,085	55,085	0	0	55,085
(c) Airfield	115,493	346	0	115,839	115,493	0	(20,000)	95,493	115,493	0	0	115,493
(d) Community Bus	20,390	61	0	20,451	20,390	0	0	20,390	20,390	0	0	20,390
(e) Asset Replacement	251,903	755	0	252,658	251,903	0	(30,000)	221,903	251,903	0	0	251,903
(f) Buildings	457,081	1,369	0	458,450	457,081	0	(400,000)	57,081	77,081	380,000	0	457,081
(g) Cunderdin Museum	2,267	15,007	0	17,274	2,267	15,000	0	17,267	42,267	0	(40,000)	2,267
(h) Sporting Surfaces Replacement	87,639	20,262	0	107,901	87,638	20,000	0	107,638	87,639	0	0	87,639
(i) Age Appropriate Accommodation	60,000	30,180	0	90,180	60,000	30,000	0	90,000	30,000	30,000	0	60,000
	1,228,300	68,680	0	1,296,980	1,228,299	65,000	(450,000)	843,299	858,300	410,000	(40,000)	1,228,300

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

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements.
(b) Plant Replacement	Ongoing	To be used to fund accquaiition, disposal and maintenance of plant and equipment.
(c) Airfield	Ongoing	To be used to fund accquaiition, disposal and maintenance of propert, buildings, plant and equipment associated with the Cunderdin airfield.
(d) Community Bus	Ongoing	To be used to fund accquaiition, disposal and maintenance of the community bus.
(e) Asset Replacement	Ongoing	To provide the replacement of necessary equipment, furniture and ifrastructure comprosing of roads, drains, footpaths and recreation assets.
(f) Buildings	Ongoing	To be used to fund accquaiition, disposal and maintenance of land and Buildings.
(g) Cunderdin Museum	Ongoing	To be used to fund exhibitions and upgrades to the Cunderdin Museum.
(h) Sporting Surfaces Replacement	Ongoing	To be used to fund the replacement of the tennis and bowling surfaces in Cunderdin and Meckering.
(i) Age Appropriate Accommodation	Ongoing	To be used to fund the ongoing maintenance and upgrades of Sandalwood Village and other Aged Accomodation.

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

27. 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:

	<u>1 July 2021</u>	<u>Amounts Received</u>	<u>Amounts Paid</u>	<u>30 June 2022</u>
	\$	\$	\$	\$
Working Trust	992	1,651	0	2,643
Comminty Centre Trust	86,974	0	(86,974)	0
Community Centre Term Deposit	451,548	89,251	0	540,799
	<u>539,514</u>	<u>90,902</u>	<u>(86,974)</u>	<u>543,442</u>



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Cunderdin

To the Councillors of the Shire of Cunderdin

Opinion

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

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, 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.

Other information

The Chief Executive Officer (CEO) is responsible for preparing 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.

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 Cunderdin 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.



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

