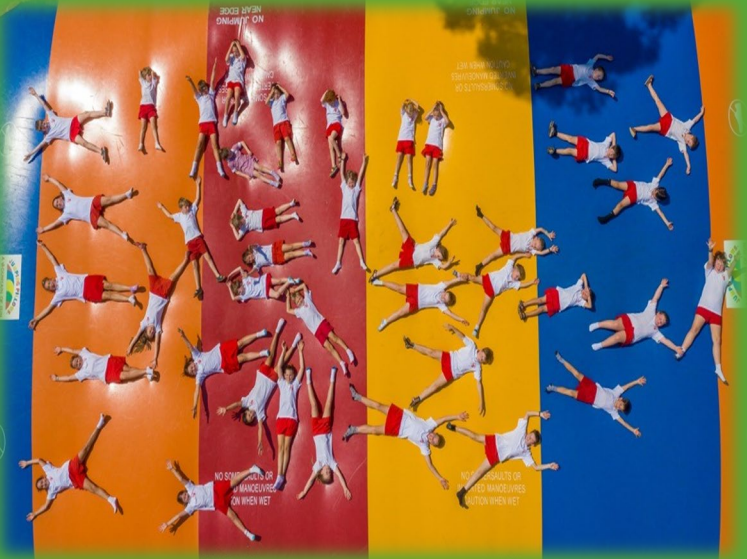




SHIRE OF DUMBLEYUNG



ANNUAL REPORT

FOR THE YEAR ENDING 30 JUNE 2023



ABOUT THE SHIRE OF DUMBLEYUNG	4
AUTHORITY AND LEGISLATION.....	4
DUMBLEYUNG SHIRE LOCATION.....	4
HISTORY OF THE SHIRE.....	5
POPULATION AND EMPLOYEES.....	5
TOURIST ATTRACTIONS	5
SIGNIFICANT LOCAL EVENTS.....	5
MESSAGE FROM THE SHIRE PRESIDENT	6
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER	7
MESSAGE FROM THE DIRECTOR OF INFRASTRUCTURE	8
FOUR MAJOR PROJECTS LANDED.....	9
ELECTED MEMBERS AND EXECUTIVE STAFF.....	11
STATUTORY REPORTS.....	14
1. NATIONAL COMPETITION POLICY (NCP)	14
2. INFORMATION STATEMENT	15
3. FREEDOM OF INFORMATION	15
4. PLAN FOR THE FUTURE	16
5. STATE RECORDS ACT 2000	18
6. PUBLIC INTEREST DISCLOSURES	19
7. LEGISLATIVE REVIEW.....	19
8. DISABILITY ACCESS AND INCLUSION PLAN	20
9. EMPLOYEES REMUNERATION	26
10. RENUMERATION PROVIDED TO THE CEO	26
11. ELECTED MEMBER DEMOGRAPHICS	27
12. COMPLAINTS OF MINOR BREACHES	27
13. ATTENDANCE AT COUNCIL AND COMMITTEE MEETINGS.....	28
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023.....	29
INDEPENDENT AUDITOR'S REPORT	72

Acknowledgement of Country

“The Shire of Dumbleyung acknowledges the traditional owners of the land, the Wilmen people, and pays respect to Elders past, present and emerging.

We wish to acknowledge and respect their continuing culture and the contribution they make to the life of this Shire and this region.”



Bluebird Replica on Absolon Street

ABOUT THE SHIRE OF DUMBLEYUNG

Authority and Legislation

The Dumbleyung Shire Council is a Local Government operating under the provisions of the *Local Government Act 1995* (as amended). The Minister and the Department of Local Government oversee the operation of all Local Government Councils in Western Australia.

Dumbleyung Shire Location

The town of Dumbleyung is located 267km south east of Perth. The Shire of Dumbleyung covers an area of 2,553 square kilometres and includes two town sites, Dumbleyung and Kukerin.

Dumbleyung is very accessible through its high standard of transport infrastructure including rail, sealed highway access and an airstrip.

Shire Office and Chambers	Cnr Harvey & Dawson Streets, Dumbleyung
Postal Address	PO Box 99, Dumbleyung, WA, 6350
Telephone	(08) 9863 4012
E-mail	ceo@dumbleyung.wa.gov.au
Website	www.dumbleyung.wa.gov.au
Office Hours	8.30am to 4.30pm Monday – Friday



History of the Shire

The Dumbleyung Road Board operated between 1909 –1960.

In 1961, the current Dumbleyung Shire Council came into existence. In 2003, Council had its Ward and Elected Member structure reviewed and altered. As at 30 June 2020, the Shire of Dumbleyung had four Wards (North, South, Dumbleyung and Kukerin) and nine councillors. In October of 2021 the Shire of Dumbleyung introduced a no-ward system and reduced the number of Councillors from nine to seven.

Localities within our Shire are Bullock Hills, Datatine, Dongolocking, Dumbleyung, Merilup, Moulyinning, Nairibin, Nippering, North Kukerin, North Moulyinning, South Kukerin and Tarin Rock.

Dumbleyung's name is of Noongar origin, coming from "Dambeling" which possibly means "large lake or inland sea" (although another source suggests it came from "dumbing", a game played with bent stick and a hard piece of fruit).

Population and Employees

The population of the Shire of Dumbleyung as at the last census in 2021 was 681, with 459 electors.

There are currently 24 people who work for the Shire; made up of both full-time and part-time employees.

Tourist Attractions

Dumbleyung Lake, Bluebird Interpretive Centre, Bluebird Replica, Donald Campbell Sculpture, Wuddi Aboriginal Cultural Centre & Tours, Cambinata Yabbies, Bee Tour, Dumbleyung Community Garden, Dumbleyung Historical Walk, Emu Essence, Kukerin Bouncing Pillow, Pussy Cat Hill, Station Building Historical Display, Wildflowers and much more.

Significant Local Events

Kukerin Creekbed & Burnout Competition, Taste of Dumbleyung, Annual Australia Day Event, Dumbleyung Community Christmas Tree, Kukerin Christmas Street Party, Dongolocking Community Christmas Tree and much more.

MESSAGE FROM THE SHIRE PRESIDENT



The 2022/23 financial year was a year of stability for Shire Council with no changes to Council structure or Councillors and only minor changes in Shire staff. This year provided a vast array of projects being undertaken by the Shire including the purchase and installation of a new two-bedroom cabin at the Dumbleyung caravan park to be utilised for short stay accommodation and continued progress on the provision of new high speed internet towers throughout the Shire in conjunction with internet provider FSG.

The Shire also continues to prioritise improved management of water supply, capture and retention capacity within the Shire. During the year the roaded catchment at the Dumbleyung Horse Paddock dam was completed, utilising Local Roads and Community Infrastructure (LRCI) Phase 2 funding of \$303,229. In addition, the Shire in conjunction with Department of Water and Environmental Regulation has made significant efforts towards the planning and installation of a trial desalination plant in Dumbleyung, with aims for the plant to be commissioned in the new financial year. This project will provide high quality water output for community use while also providing benefits to the Shire through underground water level management and provision of a water supply that is not solely reliant on annual rainfall.

A continued focus of Council is ensuring that we have the financial capacity to manage the ongoing maintenance needs of Shire assets as well as the ability to continue to progress projects highlighted in the Shire strategic plan. As a result of this focus there has been a rigorous effort to increase the value of Shire reserve funds. This is evident in the 2022/23 financial report which shows a net increase in Shire reserves (excluding Bain Estate) of \$1.2M which includes the transfer of annual operating cost of the Dumbleyung Swimming Pool into the swimming pool reserve to assist with funding the pool redevelopment project as well as significant transfers made into the sewerage, building, plant, IT and emergency response reserves.

Progress continues to be made on the Dumbleyung swimming pool redevelopment project. Significant community engagement was undertaken during the year to provide the Shire with feedback on a preferred swimming pool concept design and funding method, noting that the funding will likely be through a mixture of Shire reserve funds, external debt serviced by increased rates, external grant funding, Bain Estate/Dumbleyung Future Fund and community fundraising. Outcomes of Shire submitted grant applications seeking financial assistance towards the pool redevelopment project will be known in the early stages of 2024 after which a funding plan for the project can be finalised by Council.

For the second year in a row the Shire secured \$30,000 Australian Government grant funding to host an Australia Day event at Stubbs Park. The event was similar to 2022 where there was a continued focus on family friendly fun and recognition of Aboriginal history and culture and was a successful and enjoyable day for all whom attended.

I would like to acknowledge my fellow Shire Councillors for their confidence and support shown in my recent appointment as Shire President. I would also like to thank and congratulate Cr Grant Lukins for stepping up into the role as Deputy Shire President. Congratulations also to Cr Emily Edwards for recently joining Council and to Cr Catherine Watkins for renominating for another term.

Finally, I would like to acknowledge and thank outgoing Shire President Julie Ramm for her wonderful leadership and stewardship of Council for the past 4 years and as Councillor for a previous 8 years. I look forward to continuing to work closely with Council and Shire staff to deliver on the key strategic priorities and budget objectives moving forward.

Amy Knight
Shire President

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



2022/23 represents two full completed financial years in my role as CEO for the Shire of Dumbleyung. In last year's report, I focused on the importance of the Shire's new strategic direction as outlined in the Council adopted 2022-2032 Strategic Community Plan (SCP). This economic development and asset management focused Plan is underpinned by significant community engagement efforts undertaken throughout 2021 and responds to key community messaging to *'Increase population; Attract new businesses; Be a destination; and Maintain our facilities'*. Unlike other LGA Strategic Plans, the Shire of Dumbleyung SCP targets key and measurable project development outcomes that whilst plays to our strengths also makes clarity and understanding easier to determine. During

the year, work progressed to scope up each of these key project initiatives to provide a greater level of depth and comprehension, including high level cost estimates and economic impact potential. Work will continue on this project scoping work into the 2023/24 financial year. Once this project scoping work has been completed, consideration will then be given to Federal and State Government engagement activities required to communicate these outcomes in an effort to secure potential investment support. Further updates will be provided as they become available.

Importantly the above strategic efforts do not have to compromise or compete with the day to day operating activities of the Shire. As outlined in the Shire President and Director of Infrastructure reports, the Shire has and continues to deliver on a number of significantly important projects across our community. The annual Shire budget is main tool for identifying and delivering these key projects. From ongoing water infrastructure investment (Horse Paddock Dam and Dumbleyung Trial Desal Project) to core community amenities (Nest Swing) and key arterial road network (Fence Road & Katanning Dumbleyung Road, etc), the Shire administration and works team continues to make large strides to improve the basic standard of amenity, access and support services right throughout the Shire. I would like to take this opportunity to publicly acknowledge and thank all Shire staff for their wonderful support, efforts and achievements this year.

This year also saw the completion of a major upgrade to the CBH Grain Storage Terminal in Dumbleyung. This circa \$8.2M investment has resulted in new permanent bulkheads being constructed which increases the total storage and handling capacity of the Dumbleyung site to 57,640 tonnes, securing Dumbleyung's future as a key receival and storage site in CBH's Wheatbelt network. Pleasingly, the development also included improvements to local Shire and State Government owned roads connecting the site.

Moving forward there are two major priority projects that the Shire of Dumbleyung would like to see successfully delivered. One is a Dumbleyung Swimming Pool Redevelopment, and the other is a (Stage 1) Stubbs Park Pavilion Redevelopment. At the time of writing this report, the Shire had lodged separate grant funding applications seeking both Federal and State Government financing support for each respective project. Significant work and expense has been committed to pull together robust grant funding applications for both projects. At this stage, the Shire of Dumbleyung is unlikely to know the outcomes of these funding submissions until the first calendar quarter 2024.

Gavin Treasure
Chief Executive Officer

MESSAGE FROM THE DIRECTOR OF INFRASTRUCTURE



Having accepted the role of Director of Infrastructure in March 2023, this is my first annual report to the Dumbleyung Shire's community.

I would like to start this message by thanking all of my colleagues, team members, Councillors and the community as a whole for making me feel at home from the day I commenced duties. Dumbleyung is certainly a welcoming community for all to be proud of.

The past year has certainly been a noteworthy year of significant achievement by the Shire's Engineering team. Highlights include.

Roads

Pavement renewal and strengthening of an 8km section of Kulin – Dumbleyung Road was undertaken including the upgrade and replacement of stormwater drainage facilities and the provision of a new wider bitumen seal. Sections of Katanning – Dumbleyung Road also received pavement renewal works and 12 km of the road was bitumen resealed. Pavement renewal and seal widening was also carried out on sections of Tincurrin Road.

The new year will also see additional pavement renewal works commence on an additional 4 km of Kulin – Dumbleyung Road, 12 km of Dumbleyung – Nyabing Road and 4 km of 129 Gate Road.

Works involving the provision of a wider new 200mm gravel pavement and the upgrade of drainage facilities were completed on 129 Gate Road, Temby Road, Edwards St, Bladondale Road and Robson Road.

At the time of writing similar gravel resheeting works are currently underway on Kukerin Road South and works will commence on a 2 km section of Wishbone Road in the new year.

Water Security

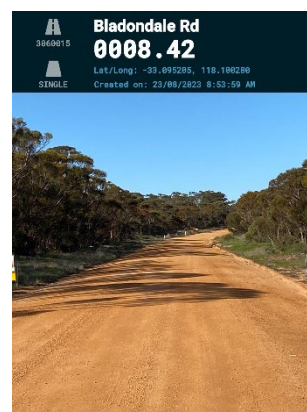
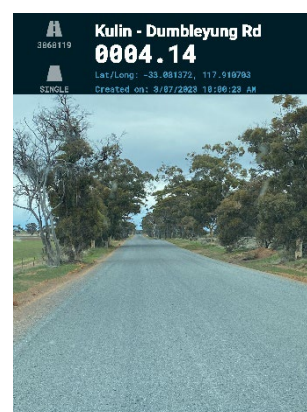
Significant strides were made in the area of additional water supplies to the community with the completion of the Horse Paddock Dam project and the continuation of the Dumbleyung Trial Desalination Project. At the time of writing modifications to the Desalination Unit are underway and it is expected that the unit will be returned and put into full operation before the holiday season.

Strategic Asset Management

Significant strides have also been made in the area of strategic asset management with the completion of 50 year models of the sealed and unsealed road networks. In the new year, this work will see the development of a Roads Strategy to ensure the long term sustainable provision of a road network of acceptable condition and quality.

Looking towards the new year, similar strategies will also be developed for the Shire's bridges, culverts, footpaths and building networks.

Les Morgan
Director of Infrastructure



FOUR MAJOR PROJECTS LANDED

After many months of significant project planning and management, it is great to see four major Shire led and supported projects getting close to completion.

The Dumbleyung Desalination Project has just reached commissioning stage with most major components installed and ready for use. This one of only four demonstration projects commissioned by the State Government in partnership with Murdoch University, Water Corporation, and the host Local Government Authority. The other three sites are Merredin, Katanning, and Esperance. This two-year trial project intends to test the capacity of Desal Plants to work in urban environments. A key reason Dumbleyung was selected was due to its historical high-water table and salinity issues within the townsite. Not only will the project test whether this technology will assist to resolve some of these issues, it should also produce a very clean (pure) water product that has economic (& social) value to our community, particularly to our farmers for mixing chemicals and sprays. The produced water product will be made available for purchase using a swipe card system and standpipe.



Moving from water to telecommunications, Field Solutions Group (FSG), one of Australia's leading rural and regional telecommunications carriers, launched their new internet services in the Shire of Dumbleyung on Thursday 22nd June 2023. A special 'business after hours' type event was arranged for this official launch. This service also extends to the Shire of Lake Grace and Shire of Kent. Subscribers to the new wireless service will be able to enjoy enterprise grade fast speed internet connectivity for both business and private purposes. The Shire of Dumbleyung has been a close sponsoring partner and supporter of this important project (using Drought Communities grant funding). The Dumbleyung Shire will also be connected through the erection of a dedicated tower onto the Shire Administration Building which will also act as a wireless receive point for other townfolk who wish to connect through a FSG subscription package. Given the proximity of new Admin Building tower, the Shire is also looking to

establish a free Wi-Fi service for users at the Dumbleyung Caravan Park, to provide another reason for visitors to come and visit/stay in Dumbleyung.

The third major project milestone has been the arrival of a new 2x1 cabin at the Dumbleyung Caravan Park. This new self-supporting cabin (includes bathroom facilities) replaces the old Bluebird Lodge which has been relocated to the Shire Depot as a new office and amenities facility.

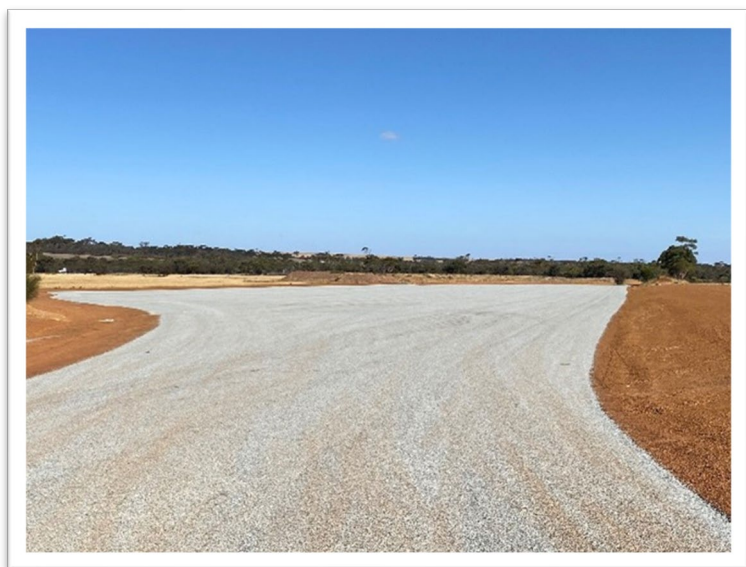
This new facility fills a much-needed gap in the short stay accommodation market in Dumbleyung, particularly for tourists and other business-related travellers.

Modular WA were the contractors appointed by the Shire to construct this important new facility which was constructed offsite (Perth) and road transported to town.

As previously mentioned, 4WDL group of Shires recently undertook a significant piece of research work to better understand the short stay accommodation gaps across the region and to recommend infill requirements to meet current and future demand. The final produced report recommends six new cabins for the Dumbleyung Caravan Park (or in proximity to the Park) plus other key private and public short stay accommodation investment.



Finally, enhancement works to the old Horse Paddock Dam site has reached successful completion. These works included some initial dam remediation and a major bitumen sealing to the existing roaded catchment. Both dam remediation and roaded catchment activities were primarily undertaken using local contractors.



Our Shire thanks and appreciation go to Robbie Atkins and Shane Edwards & his team at Dumbleyung Earthmoving for their fantastic support and effort.

The completed works will result in significant improvement in volume of rain capture and storage on site to service townsite needs. Further final works include fencing the site and investigating options to improve the functionality and performance of the silt trap, using remaining available grant funds.

ELECTED MEMBERS AND EXECUTIVE STAFF

The Shire of Dumbleyung currently consists of seven (7) Elected Members and three (3) Executive Staff. The Council members elect the Shire President and Deputy Shire President every two years. The Elected Members details below reflects service as of 30 June 2023 and current service –

Elected Member as at 30 June 2023

Cr Julie Ramm – Shire President

Expiry of Term October 2023

- CEO Review & Recruitment Committee
- Finance & Audit Committee
- Works & Engineering Committee
- Fence Road Drain Committee (Proxy)
- Local Emergency Management Committee
- Dumbleyung Hospital Watch Committee
- Bushfire Advisory Committee
- Stubbs Park Development Working Group (Proxy)
- Central Country Zone WALGA Representative
- 4WDL Representative & Chairperson
- Robert & Daphne McIntyre Award Selection Panel
- Swimming Pool Project Working Group
- Landcare Working Group

Cr Amy Knight – Deputy President

Expiry of Term October 2023

- CEO Review & Recruitment Committee
- Stubbs Park Development Working Group
- Dumbleyung Townscape, Tourist & Tidy Towns Project Advisory Group
- Local Emergency Management Committee
- Dumbleyung Hospital Watch Committee
- Central Country Zone WALGA Representative

Cr Grant Lukins

Expiry of Term October 2025

- CEO Review & Recruitment Committee
- Works & Engineering Committee
- Kukerin Townscape, Tourist & Tidy Towns Project Advisory Group (Proxy)
- Fence Road Drain Committee
- Regional Road Group Sub-Group Representative
- Landcare Working Group
- Development Assessment Panel Representative (Proxy)

Cr Kevin Powell

Expiry of Term October 2025

- CEO Review & Recruitment Committee
- Finance & Audit Committee
- Works & Engineering Committee

Cr Bevan Doney

Expiry of Term October 2025

- CEO Review & Recruitment Committee
- Finance & Audit Committee
- Works & Engineering Committee
- Regional Road Group Sub-Group Representative
- Landcare Working Group
- Swimming Pool Project Working Group
- Development Assessment Panel Representative (Proxy)

Cr Catherine Watkins

Expiry of Term October 2023

- CEO Review & Recruitment Committee
- Kukerin Townscape Tourist & Tidy Towns Project Advisory Group
- Development Assessment Panel Representative

Cr Marilyn Hasleby

Expiry of Term October 2025

- CEO Review & Recruitment Committee
- Works & Engineering Committee (Proxy)
- Dumbleyung Townscape, Tourist & Tidy Towns Project Advisory Group
- Robert & Daphne McIntyre Award Selection Panel (Proxy)
- Development Assessment Panel Representative

Elected Member as at 21 October 2023

Cr Amy Knight – President

Expiry of Term October 2027

- Audit & Risk Committee
- Local Emergency management Committee
- Dumbleyung Hospital Watch Committee
- Bush Fire Advisory Committee
- Stubbs Park Development Working Group
- Dumbleyung Townscape, Tourist & Tidy Towns Project Advisory Group
- Central Country Zone WALGA
- 4WDL
- Robert & Daphne McIntyre Award Selection Panel

Cr Grant Lukins – Deputy President

Expiry of Term October 2025

- Works & Engineering Committee
- Fence Road Drain Committee
- Local Emergency Management Committee
- Dumbleyung Hospital Watch Committee
- Kukerin Townscape, Tourist & Tidy Towns Project Advisory Group (Proxy)
- Central Country Zone WALGA
- 4WDL

Cr Kevin Powell

Expiry of Term October 2025

- Audit & Risk Committee
- Works & Engineering Committee
- Development Assessment Panel (DAP) (Proxy)

Cr Bevan Doney

Expiry of Term October 2025

- Audit & Risk Committee
- Works & Engineering Committee
- Regional Road Group Sub-Group & Wheatbelt Secondary Freight Network
- Development Assessment Panel (DAP) (Proxy)

Cr Catherine Watkins

Expiry of Term October 2027

- Kukerin Townscape, Tourist & Tidy Towns Project Advisory Group
- Development Assessment Panel (DAP)

Cr Marilyn Hasleby

Expiry of Term October 2025

- Fence Road Drain Committee (Proxy)
- Stubbs Park Development Working Group (Proxy)
- Dumbleyung Townscape, Tourist & Tidy Towns Project Advisory Group
- Robert & Daphne McIntyre Award Selection Panel (Proxy)

Cr Emily Edwards

Expiry of Term October 2027

- Works & Engineering Committee (Proxy)
- Regional Road Group Sub-Group & Wheatbelt Secondary Freight Network
- Central Country Zone WALGA (Proxy)
- 4WDL (Proxy)
- Development Assessment Panel (DAP)

Elections are held biannually in October and are subject to electoral procedures as governed by the *Local Government Act 1995*. Voting at Council elections is not compulsory, however participation by residents in elections is vital to the effectiveness of Local Government. Residents not included in the State Electoral Roll should contact the Western Australian Electoral Commission.

Council Meetings are generally held on the third Thursday of each month except in January where no meeting is held. All Ordinary Council Meetings commence at 3.30pm and minutes of meetings are available at the Shire Administration Office, Dumbleyung and Kukerin libraries, or by visiting our website www.dumbleyung.wa.gov.au

Current Executive Staff

Mr Gavin Treasure
Mr Les Morgan
Mrs Danika Watkins

Chief Executive Officer
Director of Infrastructure
Director of Corporate Services

STATUTORY REPORTS

SHIRE OF DUMBLEYUNG AWARDED “BEST IN CLASS” BY THE OFFICE OF THE AUDITOR GENERAL

The Office of the Auditor General (OAG) recently released its whole of Local Government audit findings for the 2021-22 financial year.

This report to State Parliament summarised the final results of the OAG's annual audits of most local governments for the year ended 30th June 2022.

This OAG report also introduced for the first time a list of the top 20 local government entities achieving 'best practice' for 2021-22.

The Shire of Dumbleyung has been recognised by the OAG as one of these 20 high performing local government authorities.

1. NATIONAL COMPETITION POLICY (NCP)

Annual Reporting Requirements

Local Governments are required to report their progress in implementing National Competition Policy in their Annual Report. There are a number of specific requirements placed on local government in the areas of competitive neutrality, legislation review and structural reform.

Clause 7 of the NCP applies the competition principles to Local Government in each state as well as the Trade Practices Act now being applicable to Local Government.

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage or disadvantage, simply as a result of their public sector ownership. Competitive neutrality should apply to all significant business activities which generate a user-pays income of over \$200,000 per annum unless it can be shown it is in the public interest. A public benefit test is used to determine if competitive neutrality is in the public interest. This involves assessing the benefits of implementing competitive neutrality against the costs. If the benefit exceeds the costs, competitive neutrality should be implemented.

The impact of Clause 7 on the operations of the Shire of Dumbleyung are minimal and little action has been required to comply with the competitive neutrality requirements. This is because of the limited number and size of Council operated business type enterprises.

In accordance with Council's responsibilities under the Clause 7 statement relating to competitive neutrality, the Shire of Dumbleyung has reviewed its activities in line with advice from the Local Government Department Circular No. 806 and has found none of its activities have been found to fit the 'Significant Business Activity' category for competitive neutrality requirements.

Necessary policies have been developed and adopted by Council to regulate and control matters where a consistent approach is considered necessary and desirable.

2. INFORMATION STATEMENT

The public can attend the Shire of Dumbleyung during office hours and in accordance with section 5.94 of the *Local Government Act 1995* can inspect free of charge certain information in relation to the operation of the Shire which is not otherwise excluded by virtue of section 5.95 of the said Act. Nothing in the Act affects the operation of the *Freedom of Information Act 1995*.

Council Documents

Documents available for inspection:

- Council Agendas and Minutes
- Annual Budgets and Budget Reviews
- Policy Manual
- Annual Financial Statements
- Strategic Community Plan
- Corporate Business Plan
- Local Laws
- Delegations Register
- Town Planning Scheme
- Rates Assessment Book
- Electoral Roll
- Customer Service Charter
- Sewerage Asset Management Plan
- Code of Conduct – Members & Staff
- Freedom of Information Statement

In addition to the above documents, Council provides information through the following outlets as a service to the public:

- Community Telephone and Information Directory
- Bushfire Information Booklet
- Councils Website and Tourism Website
- The Lake Express (Council Newsletter)
- Social Media
- Quack Chat Newsletter

3. FREEDOM OF INFORMATION

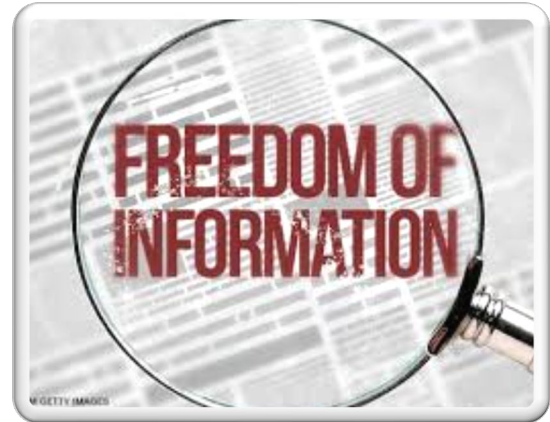
In complying with the *Freedom of Information Act 1992*, the Shire of Dumbleyung is required to prepare and publish an Information Statement. The Shire of Dumbleyung's Information Statement is reviewed annually and is available for download from the Shire of Dumbleyung website.

A printed copy can be viewed at the Shire Administration Office. The Information Statement contains details on the type of documents available to the public and how to access those documents. During the 2022/23 year, Council received no requests for information under the Freedom of Information Act.

The Shire of Dumbleyung welcomes any enquires for any information held by Council.

If information cannot be accessed by less formal means, a freedom of information request can be made to:

The Freedom of Information Officer
Shire of Dumbleyung
PO Box 99
DUMBLEYUNG WA 6350



4. PLAN FOR THE FUTURE

Background

The Shire of Dumbleyung has adopted and launched its new 2022-2032 Strategic Community Plan setting a new aspirational benchmark around key strategic projects and priorities that aim to transform the local economy.

Significant community engagement was previously undertaken by the Shire to seek local input around important areas of focus moving forward. Feedback and key messages from the community were to increase population, attract new businesses, be a destination and deliver sound asset management.

A strong economic development and infrastructure focus is reflected in the plan as well as project and advocacy support across a number of industry sectors including Agriculture, Aquaculture, Small Business, Tourism, Hospitality and Mining.

Business as usual was not considered as a preferred pathway for the Shire of Dumbleyung when compiling the long-term plan. Focused innovation whilst leveraging existing strengths played an important part in identifying and scoping strategic project opportunities and their ability to make a significant, positive and impactful change within the Shire.

Partnerships will be a key contributor towards delivering the success of the plan. The plan will have the best potential for success if other key players, such as State Government lead agencies, partner with the Shire along this new journey including efforts to obtain funding. Once key projects have been properly scoped, the Shire will initiate engagement with the Federal and State Governments around their potential interest and involvement.

The 2022-2032 Strategic Community Plan can be found on the Shire Facebook page or www.dumbleyung.wa.gov.au and hard copies are available at the Shire of Dumbleyung Administration Office, Dumbleyung CRC and Kukerin Library.

A 2021/2022 Corporate Business Plan has also been developed and adopted. The Shire of Dumbleyung Corporate Business Plan (CBP) sets out how the Shire intends to deliver key priorities identified in the 2022-2032 adopted Strategic Community Plan (SCP).

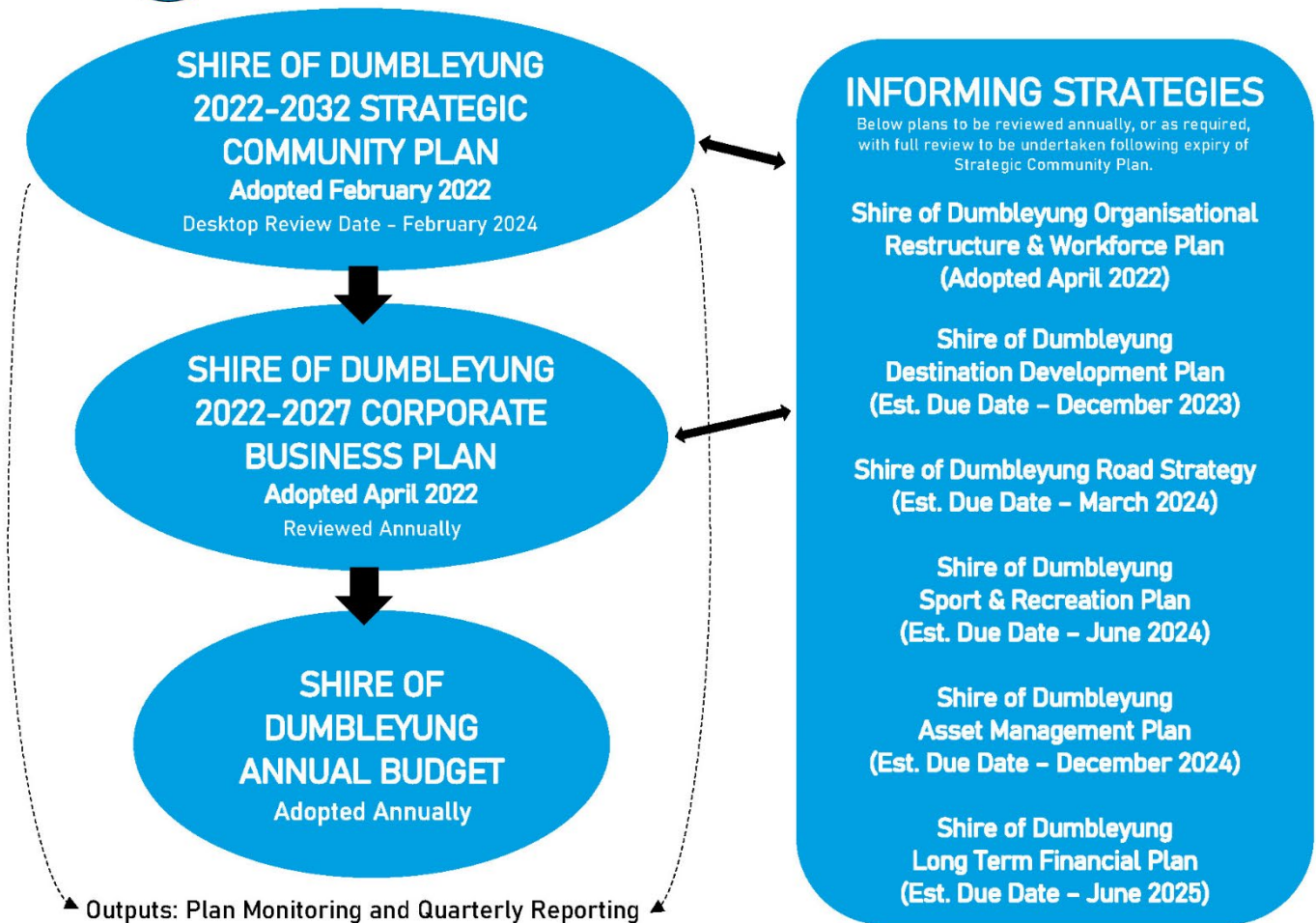
The SCP identified 11 key strategic project priorities aimed at delivering significant economic development (jobs & growth) and social development outcomes. Consistent with the project focus of the SCP, the CBP explains (under a project management framework) how each project will be implemented, key steps, funding, risks, resourcing & timing including key partnerships targeted to be established.

The following Shire of Dumbleyung Integrated Planning Framework chart has also been developed and adopted by the Dumbleyung Shire Council. The chart identifies all the key planning inputs and informing strategies for establishment by the Shire of Dumbleyung with prioritised timelines earmarked for implementation.



Shire of Dumbleyung Integrated Planning Framework

COMMUNITY ENGAGEMENT



5. STATE RECORDS ACT 2000

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed manner. The State Records Act 2000 also requires all local authorities to produce a Record Keeping Plan to be endorsed by the State Records Commission. A revised Record Keeping Plan was submitted to the State Records Commission for approval in 2018. The plan was approved by the State Records Commission on 9 August 2019 and approved by Council in September 2019.

Rationale

An organisation and its employees must comply with the organisation's Record Keeping Plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

Principle 6

Compliance with the State Records Commission Standard 2 requires that government organisations ensure their employees comply with the Record Keeping Plan and include within its Annual Report a section that addresses points 1-4 of the Principle.

Minimum Compliance Requirements:

1. Evaluation of recordkeeping systems
 - Describe any evaluation of the organisation's recordkeeping systems (including the Recordkeeping Plan) that has taken place or is planned for future reporting period. Recordkeeping systems must be evaluated not less than every five (5) years.

The Shire of Dumbleyung's Record Keeping Plan commenced review in March 2018 and the revised Record Keeping Plan was submitted to the State Records Commission for approval. The plan was approved by the State Records Commission on 9 August 2019 and approved by Council in September 2019. The Shire is reviewing its record keeping methods on a continual basis.

2. Recordkeeping training program
 - Describe the training mechanisms in place within the organisation.

The Shire of Dumbleyung has implemented activities to ensure that all staff are aware of their recordkeeping responsibilities and compliance with the Recordkeeping Plan. New employees have access to the Procedures and Policy Manual which detail all functions conducted by the office, including records management. A new Admin/Records Officer was employed in March 2022 and appropriately trained in Records Training with Iris Consulting in June 2022.

3. Evaluation of the recordkeeping training program
 - Describe any evaluation of the recordkeeping training program that has taken place.

The Shire of Dumbleyung's training program was reviewed in March 2019 as part of the review of the revised Recordkeeping Plan and will continue to be reviewed annually. The

recordkeeping procedures are also under constant review after new procedures have been implemented.

4. Recordkeeping induction program
 - This statement must confirm whether the induction program addresses employee roles and responsibilities in regard to compliance with the Recordkeeping Plan.

New employees receive a face-to-face induction covering an overview of the Recordkeeping Plan, the Records Procedure Manual and Policies, staff responsibilities, including the capture of emails and procedures for forwarding records for capture within the system.

The Shire has complied with items 1 to 4.

6. PUBLIC INTEREST DISCLOSURES

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

Council has complied with all obligations under the Act including:

- a. Appointing the Chief Executive Officer as the PID Officer for the organisation and publishing an internal procedure relating to the Shire's obligations.
- b. Providing protection from detrimental action or the threat of detrimental action for any employee of the Shire who makes an appropriate disclosure of public interest information.

There were no matters raised or reported during the year under review.

7. LEGISLATIVE REVIEW

The Annual Report is to include a statement of which Local Laws that have been reviewed, the conclusions of those reviews, and a forward strategy for all Local Laws still to be reviewed.

Local governments are required to review local laws to ensure they do not restrict competition unless:

- The benefits of the restriction to the community as a whole outweigh the costs; and
- The objectives of the legislation can only be achieved by restricting competition.

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

A full review of all Local Laws commenced in April 2022 and on 15th September 2022, Council resolved to adopt the following local laws:

- Bush Fire Brigades Local Law 2022

- Cemeteries Local Law 2022
- Control of Refuse on Building Sites Repeal Local Law 2022
- Dogs Local Law 2022
- Extractive Industries Local Law 2022
- Health Local Law 2022
- Fencing Local Law 2022
- Parking and Parking Facilities repeal Local Law 2022
- Pest Plants Repeal Local Law 2022
- Local Government Property and Public Places Local Law 2022
- Standing Orders Local Law 2022

The above local laws were gazetted in the Special Government Gazette, Thursday 3rd November 2022 No. 157 and came into operation on 17th November 2022.

Following the adoption and Gazettal of these local laws, the Joint Standing Committee on delegated Legislation (JSCDL) requested on 16th February 2023 that the Council agree to undertake amendments to the Bush Fire Brigades Local Law 2022, Health Local Law 2022 and the Local Government Property and Public Places Local Law 2022.

After further review, it was recommended that the best approach was to repeal the Bush Fire Brigades Local Law 2022 and make a new Bush Fire Brigades Local Law 2023 rather than doing an amendment. On 20th July 2023, Council resolved to adopt the following local laws:

- Bush Fire Brigade Local Laws 2023
- Health Amendment Local Law 2023
- Local Government Property and Public Places Amendment Local Law 2023

The above local laws were gazetted in the Special Government Gazette, Friday 4th August 2023 No.102 and came into operation on 18th August 2023.

For a list of all Local Laws please refer to the Shire of Dumbleyung website or the Department of Local Government website.

8. DISABILITY ACCESS AND INCLUSION PLAN

The Western Australia *Disability Services Act 1993* (amended 2004) requires all Local Governments to develop and implement a Disability Access and Inclusion Plan (DAIP) to ensure that people with disability have equal access to its facilities and services.

Council adopted the 2019-2024 Disability Access and Inclusion Plan in November 2018 for implementation going forward. Council is required to report on our present activities as they relate to the seven desired DAIP outcomes.

1. People with disability have the same opportunities as other people to access the services of, and any events organised by, the Shire of Dumbleyung.
2. People with disability have the same opportunities as other people to access the buildings and other facilities of the Shire of Dumbleyung.
3. People with disability receive information from the Shire of Dumbleyung in a format that

will enable them to access the information, as readily as other people are able to access it.

4. People with disability receive the same level and quality of service from the staff of the Shire of Dumbleyung.
5. People with disability have the same opportunities as other people to make complaints to the Shire of Dumbleyung.
6. People with disability have the same opportunities as other people to participate in any public consultation by the Shire of Dumbleyung.
7. People with disability have the same opportunities as other people to obtain and maintain employment with the Shire of Dumbleyung.

A review was conducted to ascertain the progress on the implementation of the Plan. The DAIP is now a document for ongoing assessment and implementation of the activities that have been listed.

The Disability Access and Inclusion Plan can be accessed on the Shire of Dumbleyung website.

IMPLEMENTATION PLAN

Strategy	Task	Task Timeline	Responsibility
1.3 Ensure all Shire officers, agents and contractors comply with the requirements of the Disability Services Act and relevant Australian Standards	1.3.1 Rubbish Removal - People with mobility problems unable to bring rubbish bins to kerb side, People with disability to be informed that alternative arrangements for removal of rubbish can be made upon request.	Ongoing	Director of Infrastructure
2.1 Become more adaptable in responding to the barriers experienced by people with disability when accessing events or services offered by the Shire.	2.1.1 Ensuring there are activities available at events that are inclusive for people with disability.	Ongoing	Economic Development Officer
2.3 Facilitate the improvement of pedestrian footpaths to meet the requirements of people with disability	2.3.1 Dumbleyung Town Centre - Footpaths in town centre uneven in places. No kerb/ramp access from roadway onto footpaths	Ongoing – full Shire footpath maintenance and reinstatement plan required.	Director of Infrastructure
	2.3.2 Kukerin Town Centre - Footpaths in town centre uneven in places. No kerb/ramp access from roadway onto footpaths	Ongoing – full Shire footpath maintenance and reinstatement plan required.	Director of Infrastructure

<p>3.2 Provide information regarding services facilities and customer feedback in appropriate formats.</p>	<p>3.2.1 Applies to all council functions, facilities and services. Information about all council functions, facilities and services is not written in clear and concise language and not available in formats that are accessible for people with disability.</p> <p>This includes information on:</p> <ul style="list-style-type: none"> - Planning - Community, recreational, cultural activities and facilities - Rubbish removal - Rates notices, annual reports - Council Minutes and electoral material 	<p>Ongoing - Council to develop a policy that all information to be made available to the community to be written in clear and concise language.</p> <p>The following formats to be made available on request: Large print, Audio cassette, CD. Council to advise through the local newspaper that information about council services, functions and facilities is available in alternative formats.</p>	<p>Governance & Compliance Officer</p>
	<p>3.2.2 Processes of Government - Lack of information about processes of government and how residents can access the decision-making process</p>	<p>Ongoing - Council will provide information about planning processes, electoral processes, council meetings and complaint procedures in clear</p>	<p>Governance & Compliance Officer</p>

		and concise language and will make these available in alternative formats upon request eg Large print Audio cassette Computer disc. A copy of "Accessible Information" DVD is available for staff to ensure they are aware of accessibility guidelines.	
4.3 Ensure all Shire officers, agents and contractors comply with the requirements of the Disability Services Act and relevant Australian Standards	4.3.1 All new and contracting staff will be given a copy of the DAIP.	Ongoing	Director of Infrastructure
4.4 Ensure disability awareness training is offered to new staff during staff induction	4.4.1 All new staff will be requested to view the "You can make a difference to customer relations for people with disability" available for Local and State Government DVD.	Ongoing	Executive Staff

5.1 Ensure complaint and feedback procedures are accessible to people with a disability	5.1.1 Creating the Shire of Dumbleyung Communications Plan	January 2019	Chief Executive Officer
6.1 Ensure that information is available in clear and concise language on how residents can participate in public consultations by a public authority.	6.1.1 Implementation of the Shire of Dumbleyung Communications Plan	April 2019	All Staff
6.2 Support people with disability, their families and carers to attend public community consultation processes arranged by the Shire.	6.2.1 Make information readily accessible in alternative formats to people with disability when it comes time to engage them in public consultation.	Ongoing	All Staff
6.3 Increase the involvement of people with disability in the Shire's public consultation	6.3.1 People with disability encouraged to participate in consultation process should it be required with any buildings that procedure requires consultation.	Ongoing	All Staff
7.1 Ensure the Shire's policies, practices and procedures are inclusive.	7.1.1 Consideration when reviews are undertaken of policies, practices and procedures regarding employment to make sure that all are inclusive of people with disability.	Ongoing	All Staff

9. EMPLOYEES REMUNERATION

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$130,000 or more (regulation 19B(2)(a) & (b) Local Government (Administration) Regulations 1996).

SALARY RANGE	2021/22	2022/23
\$130,000 - \$140,000	0	1
\$140,000 - \$150,000	0	0
\$150,000 - \$160,000	1	0
\$160,000 - \$170,000	0	1
\$170,000 - \$180,000	0	0
\$180,000 - \$190,000	0	0
\$190,000 - \$200,000	0	0
\$200,000 - \$210,000	0	0

10. REMUNERATION PROVIDED TO THE CEO

The total remuneration package to the CEO during 2022/23 is detailed below (regulation 19B(2)(e) Local Government (Administration) Regulations 1996):

Salary	\$166,000
Compulsory Superannuation (10.5%)	\$17,430
Employer Superannuation Contribution (3%)	\$4,980
Professional Development	\$1,500
Private Use of Vehicle	\$14,000
TOTAL	\$199,410

11. ELECTED MEMBER DEMOGRAPHICS

Elected Member demographics is detailed below (regulation 19B(2)(h) Local Government (Administration Regulations 1996).

Gender	3 Males 4 Females
Linguistic Background	7 English
Country of Birth	7 Australia
Aboriginal or Torres Strait Islander	Nil
Ages	
between 18 years and 24 years; and	0
between 25 years and 34 years; and	1
between 35 years and 44 years; and	0
between 45 years and 54 years; and	3
between 55 years and 64 years; and	2
over the age of 65 years.	1

12. COMPLAINTS OF MINOR BREACHES

The *Local Government Act 1995* requires the complaints officer of the Local Government to maintain a register of complaints which records all complaints of minor breaches that result in an action under the *Local Government Act 1995*.

The register of complaints is to include, for each recorded complaint –

- Name of Council member of person about whom the complaint is made;
- Name of person who makes the complaint;
- A description of the minor breach that the Standards Panel finds has occurred; and
- Details of the action taken under *the Local Government Act 1995*.

During 2022/23 there were no reportable complaints.

13. ATTENDANCE AT COUNCIL AND COMMITTEE MEETINGS

On the third Thursday of every month (excluding January), Council convenes an Ordinary Council Meeting, where decisions are made on all report items in the best interest of the community (Regulation 19B(2)(f) Local Government (Administration) Regulations 1996.

Below is a table outlining individual Elected Members' attendance, for the 2022/23 financial year on various Council Committees as a member in their capacity as an Elected Member as well as attendance at Council Meetings.

COUNCILLOR	ORDINARY COUNCIL MEETINGS	SPECIAL COUNCIL MEETINGS	ANNUAL ELECTORS' MEETINGS	COMMITTEE MEETINGS	TOTAL
Cr Julie Ramm	10/10	2/2	1/1	3/3	16/16
Cr Grant Lukins	7/10	1/2	1/1	0/1	9/14
Cr Kevin Powell	7/10	2/2	1/1	1/2	11/15
Cr Bevan Doney	9/10	1/2	1/1	1/2	12/15
Cr Catherine Watkins	9/10	0/2	1/1	0/0	10/13
Cr Amy Knight	10/10	2/2	0/1	1/1	13/14
Cr Marilyn Hasleby	9/10	2/2	1/1	0/0	12/13

Gavin Treasure
CHIEF EXECUTIVE OFFICER

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

SHIRE OF DUMBLEYUNG
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	42

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

"Transform the Dumbleyung Shire economy to deliver jobs and population growth"

Principal place of business:
32 Harvey Street
Dumbleyung

**SHIRE OF DUMBLEYUNG
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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

STATEMENT BY CEO

The accompanying financial report of the Shire of Dumbleyung has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

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

Signed on the

7th day of

November 2023

Gavin Treasure
Chief Executive Officer

SHIRE OF DUMBLEYUNG
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Rates	2(a),25	1,932,341	1,927,140	1,839,557
Grants, subsidies and contributions	2(a)	3,120,713	891,765	3,726,870
Fees and charges	2(a)	548,693	498,398	530,927
Service charges	2(a)	24,292	0	23,116
Interest revenue	2(a)	307,130	33,450	37,497
Other revenue	2(a)	56,336	64,600	124,666
		5,989,505	3,415,353	6,282,633
Expenses				
Employee costs	2(b)	(1,452,693)	(1,730,965)	(1,610,736)
Materials and contracts		(1,407,700)	(1,667,750)	(1,406,285)
Utility charges		(132,921)	(149,290)	(132,393)
Depreciation		(2,518,936)	(2,585,366)	(2,515,890)
Finance costs	2(b)	(10,568)	(9,018)	(10,658)
Insurance		(201,840)	(187,459)	(179,190)
Other expenditure	2(b)	(109,727)	(132,202)	(184,008)
		(5,834,385)	(6,462,050)	(6,039,160)
		155,120	(3,046,697)	243,473
Capital grants, subsidies and contributions	2(a)	5,102,177	6,007,120	650,860
Profit on asset disposals		74,300	29,500	60,260
Loss on asset disposals		(17,874)	(56,600)	(6,321)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		5,161,367	5,980,020	707,797
Net result for the period		5,316,487	2,933,323	951,270
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	19,182,527	0	(430,150)
Total other comprehensive income for the period	17	19,182,527	0	(430,150)
Total comprehensive income for the period		24,499,014	2,933,323	521,120

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



**SHIRE OF DUMBLEYUNG
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	NOTE	2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	5,503,969	6,781,400
Trade and other receivables	5	272,885	299,733
Other financial assets	4(a)	7,819,173	5,648,450
Inventories	6	15,500	7,856
Other assets	7	758,466	126,070
TOTAL CURRENT ASSETS		14,369,993	12,863,509
NON-CURRENT ASSETS			
Trade and other receivables	5	15,016	25,867
Other financial assets	4(b)	61,117	58,353
Property, plant and equipment	8	16,072,003	16,021,232
Infrastructure	9	103,801,593	81,051,483
TOTAL NON-CURRENT ASSETS		119,949,729	97,156,935
TOTAL ASSETS		134,319,722	110,020,444
CURRENT LIABILITIES			
Trade and other payables	12	1,864,886	506,292
Other liabilities	13	472,962	2,009,103
Borrowings	14	11,817	19,738
Employee related provisions	15	190,764	191,635
TOTAL CURRENT LIABILITIES		2,540,429	2,726,768
NON-CURRENT LIABILITIES			
Borrowings	14	172,112	183,928
Employee related provisions	15	38,112	41,282
Other provisions	16	39,941	38,353
TOTAL NON-CURRENT LIABILITIES		250,165	263,563
TOTAL LIABILITIES		2,790,594	2,990,331
NET ASSETS		131,529,125	107,030,111
EQUITY			
Retained surplus		33,010,957	29,060,295
Reserve accounts	28	9,318,370	7,952,545
Revaluation surplus	17	89,199,798	70,017,271
TOTAL EQUITY		131,529,125	107,030,111

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



**SHIRE OF DUMBLEYUNG
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2021		29,292,153	6,769,417	70,447,421	106,508,991
Comprehensive income for the period					
Net result for the period		951,270	0	0	951,270
Other comprehensive income for the period	17	0	0	(430,150)	(430,150)
Total comprehensive income for the period		951,270	0	(430,150)	521,120
Transfers from reserve accounts	28	448,357	(448,357)	0	0
Transfers to reserve accounts	28	(1,631,485)	1,631,485	0	0
Balance as at 30 June 2022		29,060,295	7,952,545	70,017,271	107,030,111
Comprehensive income for the period					
Net result for the period		5,316,487	0	0	5,316,487
Other comprehensive income for the period	17	0	0	19,182,527	19,182,527
Total comprehensive income for the period		5,316,487	0	19,182,527	24,499,014
Transfers from reserve accounts	28	102,660	(102,660)	0	0
Transfers to reserve accounts	28	(1,468,485)	1,468,485	0	0
Balance as at 30 June 2023		33,010,957	9,318,370	89,199,798	131,529,125

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



**SHIRE OF DUMBLEYUNG
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,942,834	1,847,761
Grants, subsidies and contributions		2,207,227	5,049,967
Fees and charges		550,810	539,443
Service charges		24,292	23,116
Interest revenue		307,130	37,497
Goods and services tax received		0	29,979
Other revenue		56,336	126,453
		5,088,629	7,654,216
Payments			
Employee costs		(1,483,676)	(1,709,560)
Materials and contracts		(667,950)	(1,401,209)
Utility charges		(132,921)	(132,393)
Finance costs		(8,980)	(10,658)
Insurance paid		(201,840)	(179,190)
Goods and services tax paid		0	(0)
Other expenditure		(104,998)	(182,375)
		(2,600,365)	(3,615,385)
Net cash provided by (used in) operating activities		2,488,264	4,038,831
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(865,331)	(940,347)
Payments for construction of infrastructure	9(a)	(5,411,413)	(1,758,188)
Capital grants, subsidies and contributions		4,507,539	1,281,575
Proceeds for financial assets at amortised cost		(2,170,723)	920,966
Proceeds from sale of property, plant & equipment		193,971	228,976
Net cash provided by (used in) investing activities		(3,745,957)	(267,018)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(19,737)	(53,010)
Payments for principal portion of lease liabilities	27(b)	0	(8,680)
Net cash provided by (used in) financing activities		(19,737)	(61,690)
Net increase (decrease) in cash held		(1,277,430)	3,710,123
Cash at beginning of year		6,781,400	3,071,277
Cash and cash equivalents at the end of the year	3	5,503,970	6,781,400

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

**SHIRE OF DUMBLEYUNG
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General Rates	25	1,917,604	1,912,403	1,825,522
Rates excluding general rates	25	14,737	14,737	14,035
Grants, subsidies and contributions		3,120,713	891,765	3,726,870
Fees and charges		548,693	498,398	530,927
Service charges		24,292	0	23,116
Interest revenue		307,130	33,450	37,497
Other revenue		56,336	64,600	124,666
Profit on asset disposals		74,300	29,500	60,260
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		6,066,569	3,444,853	6,345,891
Expenditure from operating activities				
Employee costs		(1,452,693)	(1,730,965)	(1,610,736)
Materials and contracts		(1,407,700)	(1,667,750)	(1,406,285)
Utility charges		(132,921)	(149,290)	(132,393)
Depreciation		(2,518,936)	(2,585,366)	(2,515,890)
Finance costs		(10,568)	(9,018)	(10,658)
Insurance		(201,840)	(187,459)	(179,190)
Other expenditure		(109,727)	(132,204)	(184,008)
Loss on asset disposals		(17,874)	(56,600)	(6,321)
		(5,852,259)	(6,518,652)	(6,045,481)
Non-cash amounts excluded from operating activities	26(a)	2,470,924	2,612,466	2,514,665
Amount attributable to operating activities		2,685,234	(461,333)	2,815,075
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		5,102,177	6,007,120	650,860
Proceeds from disposal of assets		193,971	317,000	228,976
		5,296,148	6,324,120	879,836
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(865,331)	(2,201,157)	(940,347)
Purchase and construction of infrastructure	9(a)	(5,411,413)	(5,914,545)	(1,758,188)
		(6,276,744)	(8,115,702)	(2,698,535)
Amount attributable to investing activities		(980,596)	(1,791,582)	(1,818,699)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	28	102,660	548,761	448,357
		102,660	548,761	448,357
Outflows from financing activities				
Repayment of borrowings	27(a)	(19,737)	(19,738)	(53,010)
Payments for principal portion of lease liabilities	27(b)	0	0	(8,680)
Transfers to reserve accounts	28	(1,468,485)	(187,547)	(1,631,485)
		(1,488,222)	(207,285)	(1,693,175)
Amount attributable to financing activities		(1,385,562)	341,476	(1,244,818)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	2,203,934	1,911,438	2,452,376
Amount attributable to operating activities		2,685,234	(461,333)	2,815,075
Amount attributable to investing activities		(980,596)	(1,791,582)	(1,818,699)
Amount attributable to financing activities		(1,385,562)	341,476	(1,244,818)
Surplus or deficit after imposition of general rates	26(b)	2,523,011	(1)	2,203,934

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

**SHIRE OF DUMBLEYUNG
FOR THE YEAR ENDED 30 JUNE 2023
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	13
Note 4	Other Financial Assets	13
Note 5	Trade and Other Receivables	14
Note 6	Inventories	15
Note 7	Other Assets	16
Note 8	Property, Plant and Equipment	17
Note 9	Infrastructure	19
Note 10	Fixed Assets	21
Note 11	Leases	23
Note 12	Trade and Other Payables	24
Note 13	Other Liabilities	25
Note 14	Borrowings	26
Note 15	Employee Related Provisions	27
Note 16	Other Provisions	28
Note 17	Revaluation Surplus	29
Note 18	Notes to the Statement of Cash Flows	30
Note 19	Contingent Liabilities	31
Note 20	Capital Commitments	31
Note 21	Related Party Transactions	32
Note 22	Joint Arrangements	34
Note 23	Events Occurring After the End of the Reporting Period	35
Note 24	Other Significant Accounting Policies	36
Note 25	Rating Information	37
Note 26	Determination of Surplus or Deficit	38
Note 27	Borrowing and Lease Liabilities	39
Note 28	Reserve accounts	41

SHIRE OF DUMBLEYUNG

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

Judgements and estimates

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

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

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

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

Initial application of accounting standards

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

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These amendments have no material impact on the current annual financial report

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

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

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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	General rates	Single point in time	Payment dates adopted by council during the year	None	When rates notice is issued
Service Charges	Charges for specific service	Over time	Payment dates adopted by council during the year	Refund in event monies are unspent	When invoice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction of acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - pool inspections	Compliance safety check	Single point in time	Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Fees and charges - waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal site	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - sewerage management collections	Sewerage rates and pedestals	Over time	Payment dates adopted by council during the year	Refund in event monies are unspent	When rates notice is issued
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 72 hours	On entry or at conclusion of hire
Fees and charges - memberships	Pool membership	Over time	Payment in full in advance	None	Output method over 5-6 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Fees and charges - sale of stock	Sale of history books	Single point in time	Payment in full on sale	Refund for faulty goods	Output method based on provision of service or completion of works
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full with defined time	None	When fine notice is issued
Other revenue - commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	When assets are controlled
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES

(a) Revenue (Continued)

Revenue Recognition

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

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,932,341	0	1,932,341
Grants, subsidies and contributions	3,120,713	0	0	0	3,120,713
Fees and charges	534,302	0	0	14,391	548,693
Service charges	0	0	24,292	0	24,292
Interest revenue	0	0	0	307,130	307,130
Other revenue	56,336	0	0	0	56,336
Capital grants, subsidies and contributions	0	5,172,237	0	(70,060)	5,102,177
Total	3,711,351	5,172,237	1,956,633	251,461	11,091,682

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,839,557	0	1,839,557
Grants, subsidies and contributions	3,726,870	0	0	0	3,726,870
Fees and charges	530,927	0	0	0	530,927
Service charges	0	0	23,116	0	23,116
Interest revenue	0	0	0	37,497	37,497
Other revenue	124,666	0	0	0	124,666
Capital grants, subsidies and contributions	0	650,860	0	0	650,860
Total	4,382,463	650,860	1,862,673	37,497	6,933,493

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES

(a) Revenue (Continued)

Note	2023 Actual	2022 Actual
Interest revenue	\$	\$
Interest on reserve account funds	243,845	24,774
Trade and other receivables overdue interest	53,106	8,701
Other interest revenue	10,179	4,022
	307,130	37,497
The 2023 original budget estimate in relation to: Trade and other receivables overdue interest was \$80,000.		
Fees and charges relating to rates receivable		
Charges on instalment plan	3,375	2,220
The 2023 original budget estimate in relation to: Charges on instalment plan was \$3,000.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	27,000	28,400
- Other services – grant acquittals	5,250	0
	32,250	28,400
Employee Costs		
Employee benefit costs	1,452,693	1,610,736
Other employee costs	0	0
	1,452,693	1,610,736
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	8,518	10,225
Provisions: unwinding of discount	1,587	0
Other finance costs	463	0
Lease liabilities	0	433
	10,568	10,658
Other expenditure		
Impairment losses on rates and statutory receivables	12,367	308
Impairment losses on trade receivables	419	1,633
Sundry expenses	96,941	182,067
	109,727	184,008

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	5,503,969	4,771,974
Term deposits	0	2,009,426
Total cash and cash equivalents	5,503,969	6,781,400
Held as		
- Unrestricted cash and cash equivalents	3,531,810	2,441,494
- Restricted cash and cash equivalents	18 1,972,159	4,339,906
	5,503,969	6,781,400

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

	2023	2022
	\$	\$
Financial assets at amortised cost	7,819,173	5,648,450
	7,819,173	5,648,450
Other financial assets at amortised cost	7,819,173	5,648,450
Term deposits	7,819,173	5,648,450
Held as		
- Restricted other financial assets at amortised cost	18 7,819,173	5,648,450
	7,819,173	5,648,450
Financial assets at fair value through profit or loss	61,117	58,353
	61,117	58,353
Financial assets at fair value through profit or loss	58,353	55,355
Units in Local Government House Trust - opening balance	2,764	2,998
Movement attributable to fair value increment	61,117	58,353
Units in Local Government House Trust - closing balance	61,117	58,353

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 24 (i)) due to the observable market rates).

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

Financial assets at fair value through profit or loss

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

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

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

5. TRADE AND OTHER RECEIVABLES

	Note	2023 \$	2022 \$
Current			
Rates and statutory receivables		104,234	98,130
Trade receivables		69,061	84,673
GST receivable		111,857	127,080
Allowance for credit losses of trade receivables		(419)	(10,150)
Allowance for credit losses of rates and statutory receivables		(11,848)	0
		272,885	299,733
Non-current			
Rates and statutory receivables		15,016	25,867
		15,016	25,867

Disclosure of opening and closing balances related to contracts with customers

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

	Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
Contract assets	7	667,243	112,862	0
Allowance for credit losses of trade receivables	5	(419)	(10,150)	0
Total trade and other receivables from contracts with customers		666,824	102,712	0

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

6. INVENTORIES

Note	2023	2022
	\$	\$
Current		
Fuel and materials	15,500	7,856
	15,500	7,856
The following movements in inventories occurred during the year:		
Balance at beginning of year	7,856	13,746
Inventories expensed during the year	(197,872)	(149,816)
Additions to inventory	205,516	143,926
Balance at end of year	15,500	7,856

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

7. OTHER ASSETS

Other assets - current

Accrued income
Contract assets

	2023	2022
	\$	\$
	91,223	13,208
	667,243	112,862
	758,466	126,070

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

Contract assets

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

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

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non-specialised	Buildings - specialised	Land and buildings not subject to operating lease	Land and buildings subject to operating lease	Total land and buildings	Plant and equipment	Other property, plant and equipment - works in progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	501,500	3,076,840	10,525,498	7,171,034	6,932,805	14,103,838	2,288,639	0	16,392,477
Additions	21,816	62,762	76,447	146,681	14,344	161,025	762,584	16,738	940,347
Disposals	0	0	0	0	0	0	(175,038)	0	(175,038)
Revaluation increments / (decrements) transferred to revaluation surplus	78,514	(38,330)	(470,334)	(291,206)	(138,944)	(430,150)	0	0	(430,150)
Depreciation	0	(56,476)	(289,443)	(181,982)	(163,937)	(345,919)	(360,485)	0	(706,404)
Balance at 30 June 2022	601,830	3,044,796	9,842,168	6,844,526	6,644,268	13,488,794	2,515,700	16,738	16,021,232
Comprises:									
Gross balance amount at 30 June 2022	601,830	3,044,796	9,842,168	6,844,526	6,644,268	13,488,794	4,126,170	16,738	17,631,702
Accumulated depreciation at 30 June 2022	0	0	0	0	0	0	(1,610,470)	0	(1,610,470)
Balance at 30 June 2022	601,830	3,044,796	9,842,168	6,844,526	6,644,268	13,488,794	2,515,700	16,738	16,021,232
Additions	0	0	(0)	(0)	0	(0)	703,551	161,780	865,331
Disposals	0	0	(18,161)	(18,161)	0	(18,161)	(119,671)	0	(137,832)
Impairment (losses) / reversals	0	0	0	0	0	0	0	(4,310)	(4,310)
Depreciation	0	(47,365)	(244,556)	(164,953)	(126,967)	(291,921)	(380,497)	0	(672,418)
Transfers	0	0	21,130	21,130	0	21,130	0	(21,130)	0
Balance at 30 June 2023	601,830	2,997,431	9,600,581	6,682,541	6,517,301	13,199,842	2,719,083	153,078	16,072,003
Comprises:									
Gross balance amount at 30 June 2023	601,830	3,044,796	9,845,135	6,847,493	6,644,268	13,491,761	4,351,339	153,078	17,996,178
Accumulated depreciation at 30 June 2023	0	(47,365)	(244,554)	(164,952)	(126,967)	(291,919)	(1,632,256)	0	(1,924,175)
Balance at 30 June 2023	601,830	2,997,431	9,600,581	6,682,541	6,517,301	13,199,842	2,719,083	153,078	16,072,003

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land - freehold land	2	Market approach using recent observable market data for similar properties.	Independent Valuers	June 2022	Price per hectare
Land - freehold land	3	Improvements to land valued using cost approach using depreciated replacement cost.	Independent Valuers	June 2022	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties.	Independent Valuers	June 2022	Price per square metre.
Buildings - specialised	2 & 3	Improvements to land valued using cost approach using depreciated replacement cost.	Independent Valuers	June 2022	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
<p>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.</p> <p>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.</p>					
(ii) Cost					
Furniture and equipment		N/A	Cost	N/A	N/A
Plant and equipment		N/A	Cost	N/A	N/A

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Other infrastructure - Sewerage	Other Infrastructure	Other infrastructure - works in progress	Total Infrastructure
	\$	\$	\$		\$
Balance at 1 July 2021	75,040,415	1,299,397	4,754,685	0	81,094,497
Additions	1,622,937	0	46,776	88,475	1,758,188
Depreciation	(1,611,285)	(45,208)	(144,709)	0	(1,801,202)
Balance at 30 June 2022	75,052,067	1,254,189	4,656,752	88,475	81,051,483
Comprises:					
Gross balance at 30 June 2022	81,190,010	1,431,218	5,408,984	88,475	88,118,687
Accumulated depreciation at 30 June 2022	(6,137,943)	(177,029)	(752,232)	0	(7,067,204)
Balance at 30 June 2022	75,052,067	1,254,189	4,656,752	88,475	81,051,483
Additions	4,935,154	0	144,501	331,758	5,411,413
Revaluation increments / (decrements) transferred to revaluation surplus	16,812,331	200,279	2,169,917	0	19,182,527
Depreciation	(1,634,321)	(45,207)	(164,304)	0	(1,843,832)
Transfers	(7,234)	0	427,468	(420,234)	0
Balance at 30 June 2023	95,157,997	1,409,261	7,234,334	0	103,801,592
Comprises:					
Gross balance at 30 June 2023	95,157,998	1,409,261	7,235,448	0	103,802,707
Accumulated depreciation at 30 June 2023	0	0	(1,114)	0	(1,114)
Balance at 30 June 2023	95,157,998	1,409,261	7,234,334	0	103,801,593

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - Sewerage	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

**SHIRE OF DUMBLEYUNG
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

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

Revision of useful lives of plant and equipment

Sewerage piping updated from 30 to 50 years to 30 to 100 years in line with expected lives of assets. The net effect of the change is less than \$1,000 annually.

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value (as indicated), less 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.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, 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 Shire's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair. They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

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 consistent with *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 asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

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

Impairment

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 or losses on disposal

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

11. LEASES

(a) Right-of-Use Assets

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

Note	Right-of-use assets -	Right-of-use
	plant and equipment	assets
	\$	\$
Balance at 1 July 2021	8,284	8,284
Depreciation	(8,284)	(8,284)
Balance at 30 June 2022	0	0
Gross balance amount at 30 June 2022	35,981	35,981
Accumulated depreciation at 30 June 2022	(35,981)	(35,981)
Balance at 30 June 2022	0	0
Additions	0	0
Depreciation	0	0
Balance at 30 June 2023	0	0
Gross balance amount at 30 June 2023	35,981	35,981
Accumulated depreciation at 30 June 2023	(35,981)	(35,981)
Balance at 30 June 2023	0	0

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

Depreciation on right-of-use assets
Finance charge on lease liabilities
Total amount recognised in the statement of comprehensive income

Total cash outflow from leases

	2023	2022
	Actual	Actual
	\$	\$
27(b)	0	(8,284)
	0	(433)
	0	(8,717)
27(b)	0	(9,112)
	0	0

Secured liabilities and assets pledged as security

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

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 27(b).

Right-of-use assets - measurement

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

Refer to Note 10 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

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

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

Less than 1 year

	2023	2022
	Actual	Actual
	\$	\$
	4,543	2,807
	4,543	2,807

SIGNIFICANT ACCOUNTING POLICIES

The Shire as Lessor

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

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

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

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

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Other payables
Accrued Expenses
Accrued Interest on Loans

2023	2022
\$	\$
333,187	294,725
20,406	14,660
19,936	35,958
30,369	41,289
26,371	26,708
0	1,798
1,432,604	88,794
2,013	2,360
1,864,886	506,292

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

Trade and other payables

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

Prepaid rates

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

13. OTHER LIABILITIES

Current

	2023	2022
	\$	\$
Contract liabilities	456,491	79,301
Capital grant/contributions liabilities	16,471	1,322,340
Grant income to be refunded	0	607,462
	472,962	2,009,103

Reconciliation of changes in contract liabilities

Opening balance	79,301	31,561
Additions	456,491	79,301
Revenue from contracts with customers included as a contract liability at the start of the period	(79,301)	(31,561)
	456,491	79,301

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$456,491 (2022: \$79,301)

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

Reconciliation of changes in capital grant/contribution liabilities

Opening balance	1,322,340	0
Additions	16,471	1,322,340
Revenue from capital grant/contributions held as a liability at the start of the period	(1,322,340)	0
	16,471	1,322,340

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year	16,471	1,322,340
1 to 2 years	0	0
2 to 3 years	0	0
3 to 4 years	0	0
4 to 5 years	0	0
> 5 years	0	0
	16,471	1,322,340

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 by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

14. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		11,817	172,112	183,929	19,738	183,928	203,666
Total secured borrowings	27(a)	11,817	172,112	183,929	19,738	183,928	203,666

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

The Shire of Dumbleyung has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Total non-current employee related provisions

Total employee related provisions

	2023	2022
	\$	\$
	132,675	125,769
	58,089	65,866
	<u>190,764</u>	<u>191,635</u>
	190,764	191,635
	38,112	41,282
	<u>38,112</u>	<u>41,282</u>
	38,112	41,282
	<u>228,876</u>	<u>232,917</u>

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.

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 DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPOF
FOR THE YEAR ENDED 30 JUNE 2023

16. OTHER PROVISIONS

	Make good provisions	Total
	\$	\$
Opening balance at 1 July 2022		
Non-current provisions	38,353	38,353
	38,353	38,353
Charged to profit or loss		
- unwinding of discount	1,588	1,588
Balance at 30 June 2023	39,941	39,941
Comprises		
Non-current	39,941	39,941
	39,941	39,941

Provisions

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

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

17. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	8,701,035	0	8,701,035	9,131,185	(430,150)	8,701,035
Revaluation surplus - Plant and equipment	798,793	0	798,793	798,793	0	798,793
Revaluation surplus - Infrastructure - roads	52,290,986	16,812,331	69,103,317	52,290,986	0	52,290,986
Revaluation surplus - Sewerage	1,365,941	200,279	1,566,220	1,365,941	0	1,365,941
Revaluation surplus - Other infrastructure	6,860,516	2,169,917	9,030,433	6,860,516	0	6,860,516
	70,017,271	19,182,527	89,199,798	70,447,421	(430,150)	70,017,271

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

18. NOTES TO THE STATEMENT OF CASH FLOWS

a) Restrictions

	Note	2023 Actual \$	2022 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	1,972,159	4,339,906
- Financial assets at amortised cost	4	7,819,173	5,648,450
		9,791,332	9,988,356
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	9,318,370	7,952,545
Contract liabilities	13	456,491	79,301
Capital grant liabilities	13	16,471	1,929,802
Bonds and deposits held		0	26,708
Total restricted financial assets		9,791,332	9,988,356
b) Undrawn Borrowing Facilities and Credit Standby Arrangements			
Bank overdraft limit		0	0
Bank overdraft at balance date		0	0
Credit card limit		12,500	13,500
Credit card balance at balance date		(4,853)	(7,045)
Total amount of credit unused		7,647	6,455
Loan facilities			
Loan facilities - current		11,817	19,738
Loan facilities - non-current		172,112	183,928
Total facilities in use at balance date		183,929	203,666
Unused loan facilities at balance date		0	0

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

19. CONTINGENT LIABILITIES

The Shire is currently under investigation by the Department of Water and Environmental Regulation (DWER) for alleged clearing of native vegetation on Hills Road. The clearing of native vegetation is legislated by the Environmental Protection Act 1986 which prescribes that it is an offence to clear native vegetation unless it is done under a clearing permit or the clearing is for an exempt purpose. Exempt purposes are limited to either a requirement of written law or authorised under certain statutory processes which are listed in schedule 6 of the Act, or exempt due to being a low impact day-to-day activity as listed in the Environmental Protection (Clearing of Native Vegetation) Regulations 2004. Further correspondence from DWER is required to understand the full extent of the allegation and potential prosecution. As at the end of the reporting period it is not possible to make a reasonable estimate of the financial impact that may arise from possible prosecution.

In compliance with the Contaminated Sites Act 2003, the Kukerin Air Strip site is listed to be a possible sources of contamination. Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the AASB 137.91 need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

20. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	433,829	57,840
	433,829	57,840
Payable:		
- not later than one year	433,829	57,840

The capital expenditure projects outstanding at the end of the current reporting period represent the ongoing Wheatbelt Secondary Freight Network funded road projects (the prior year commitment was for the same purpose).

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
President's annual allowance	14,120	14,121	13,500
President's meeting attendance fees	6,800	6,500	6,500
President's other expenses	0	1,143	2,326
President's ICT expenses	449	0	381
President's travel and accommodation expenses	4,338	1,714	2,856
	25,707	23,478	25,563
Deputy President's annual allowance	1,830	1,831	1,750
Deputy President's meeting attendance fees	3,920	3,750	5,250
Deputy President's other expenses	0	1,143	1,519
Deputy President's ICT expenses	449	0	477
Deputy President's travel and accommodation expenses	2,854	1,714	1,030
	9,053	8,438	10,026
All other council member's meeting attendance fees	19,250	19,720	18,900
All other council member's other expenses	45	5,714	2,595
All other council member's ICT expenses	2,246	0	2,005
All other council member's travel and accommodation expenses	6,729	8,571	3,085
	28,270	34,006	26,585
21(b)	63,030	65,922	62,174

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual	2022 Actual
	\$	\$
Short-term employee benefits	399,692	317,389
Post-employment benefits	50,267	40,546
Employee - other long-term benefits	2,592	892
Council member costs	63,030	62,174
21(a)	515,580	421,001

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 DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

21. RELATED PARTY TRANSACTIONS (continued)

Transactions with related parties

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

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

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

	2023 Actual	2022 Actual
	\$	\$
Sale of goods and services	1,524	2,639
Purchase of goods and services	17,088	25,397
Amounts outstanding from related parties:		
Trade and other receivables	1,524	330
Amounts payable to related parties:		
Trade and other payables	17,088	12,448

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 and are detailed in Notes 21(a) and 21(b)

ii. Other Related Parties

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

iii. Entities subject to significant influence by the Shire

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

22. JOINT ARRANGEMENTS

Share of joint operations

The Shire shares ownership of the following properties;

- 27 Manser Street, Kukerin. 13% is owned by the Shire and 87% is owned by the Department of Housing.
- 34 Bath Street, Kukerin. 15% is owned by the Shire and 85% is owned by the Department of Housing.
- 17 McIntyre Street, Dumbleyung. 18% is owned by the Shire and 82% is owned by the Department of Housing.
- 37 & 39 Harvey Street (Aged Care Units), Dumbleyung. 13% is owned by the Shire and 87% is owned by the Department of Housing.

The Shire manages the properties and tenancies of the joint operations and the effects of its interest in the joint operations are as follows:

	2023 Actual	2022 Actual
Statement of Financial Position		
	\$	\$
Land and Buildings	1,140,829	1,140,829
Less: accumulated depreciation	(17,836)	0
Total assets	1,122,993	1,140,829
Statement of Comprehensive Income		
Other revenue	57,497	42,716
Depreciation	(17,836)	(16,686)
Other expense	(77,398)	(78,924)
Profit/(loss) for the period	(37,737)	(52,894)
Other comprehensive income	0	0
Total comprehensive income for the period	(37,737)	(52,894)
Statement of Cash Flows		
Other revenue	57,497	42,716
Other expense	(77,398)	(78,924)
Net cash provided by (used in) operating activities	(19,901)	(36,208)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

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

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

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events which occurred subsequent to 30 June 2023 which materially affected the 30 June 2023 Financial Report

**SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

24. 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 report is presented.

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's 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.

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

25. RATING INFORMATION

(a) General Rates

RATE TYPE		2022/23	2022/23	2022/23	2022/23	2022/23	2021/22		
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value*	Actual Rate Revenue	Actual Interim Rates	Actual Total Revenue	Budget Total Revenue	Actual Total Revenue
		\$		\$	\$	\$	\$	\$	\$
Differential general rate / general rate									
	Gross rental valuation	0.121327	167	1,222,960	148,378		148,378	150,054	140,840
	Unimproved valuation	0.008263	286	215,217,500	1,778,342	322	1,778,664	1,779,716	1,699,011
Total general rates			453	216,440,460	1,926,720	322	1,927,042	1,929,770	1,839,851
Minimum payment									
	Gross rental valuation	478	74	91,412	35,373	356	35,729	33,696	34,200
	Unimproved valuation	478	52	754,528	24,856	682	25,538	23,400	22,388
Total minimum payments			126	845,940	60,229	1,038	61,267	57,096	56,588
Total general rates and minimum payments			579	217,286,400	1,986,949	1,361	1,988,310	1,986,866	1,896,439
Ex-gratia Rates									
	Ex-gratia Rates				14,737		14,737	14,737	14,035
Total amount raised from rates (excluding general rates)			0	0	14,737	0	14,737	14,737	14,035
Discounts							(70,705)	(74,463)	(70,917)
Total Rates							1,932,341	1,927,141	1,839,557
Rate instalment interest							3,375	3,000	2,410
Rate overdue interest							6,703	9,000	6,291

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

*Rateable Value at time of raising of rate.

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

26. DETERMINATION OF SURPLUS OR DEFICIT

	2022/23 (30 June 2023 Carried Forward)	2022/23 Budget (30 June 2023 Carried Forward)	2021/22 (30 June 2022 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 Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(74,300)	(29,500)	(60,260)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(2,764)	0	(2,998)
Add: Loss on disposal of assets	17,874	56,600	6,321
Add: Depreciation	2,518,936	2,585,366	2,515,890
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	12,760	0	3,804
Employee benefit provisions	(3,170)	0	13,555
Other provisions	1,588	0	38,353
Non-cash amounts excluded from operating activities	2,470,924	2,612,466	2,514,665
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	28 (9,318,370)	(7,589,777)	(7,952,545)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 11,817	(1)	19,738
Total adjustments to net current assets	(9,306,553)	(7,589,778)	(7,932,807)
Net current assets used in the Statement of Financial Activity			
Total current assets	14,369,993	8,249,160	12,863,509
Less: Total current liabilities	(2,540,429)	(659,382)	(2,726,768)
Less: Total adjustments to net current assets	(9,306,553)	(7,589,778)	(7,932,807)
Surplus or deficit after imposition of general rates	2,523,011	0	2,203,934

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget										
		Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at	New Loans	Principal	Principal at							
		1 July 2021	During 2021-22	Repayments	June 2022	During 2022-23	Repayments	30 June 2023	During 2022-23	Repayments	30 June 2023							
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Education and welfare					0													0
Aged Care Housing		80,979	0	(3,827)	77,152	0	(3,965)	73,187		77,152	0	(3,965)	73,186					0
Recreation and culture					0													0
Mens Shed Contribution		4,713	0	(4,713)	0	0	0	0		0	0	0	0					0
Transport					0													0
WANDRRA Contribution		20,921	0	(20,920)	1	0	0	0		0	0	(1)	(1)					0
Economic services					0													0
28 Absolon Street		125,029	0	(6,962)	118,067	0	(7,325)	110,742		118,067	0	(7,325)	110,742					0
Fence Rd Drainage Repairs		25,035	0	(16,588)	8,447	0	(8,447)	0		8,447	0	(8,447)	0					0
Total		256,677	0	(53,010)	203,667	0	(19,737)	183,929		203,666	0	(19,738)	183,927					0
Borrowing Finance Cost Payments																		
Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due		Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022									
							\$	\$	\$									
Aged Care Housing		93	WATC *	3.58%	01 Jun 37		(2,704)	(2,727)	(2,865)									
Mens Shed Contribution		89	WATC *	3.81%	14 Jun 22		0	0	(135)									
WANDRRA Contribution		94	WATC *	2.29%	01 Jun 22		0	0	(360)									
28 Absolon Street		92	WATC *	5.15%	07 Mar 34		(5,756)	(5,987)	(6,350)									
Fence Rd Drainage Repairs		95	WATC *	2.50%	04 Dec 22		(58)	(104)	(515)									
Total							(8,518)	(8,818)	(10,225)									
Total Finance Cost Payments							(8,518)	(8,818)	(10,225)									

* WA Treasury Corporation

SHIRE OF DUMBLEYUNG
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2023

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease Liabilities

Purpose	Note	Actual						Budget			
		Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23
Phone System		5,741	0	(5,741)	0	0	0	0	0	0	0
Computer System		2,939	0	(2,939)	0	0	0	0	0	0	0
Total Lease Liabilities		8,680	0	(8,680)	0	0	0	0	0	0	0

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
Phone System			Telstra			\$ 0	\$ 0	\$ (433)	5 years
Total Finance Cost Payments						0	0	(433)	

SHIRE OF DUMBLEYUNG
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

28. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Employee Entitlement Reserve	232,076	7,283		239,359	232,076	1,027	0	233,103	128,592	103,484	0	232,076
(b) Emergency Response Reserve	540,626	160,946		701,572	540,626	144,643	(335,401)	349,868	158,397	382,229	0	540,626
(c) IT & Office Equipment Reserve	30,127	202,077		232,204	30,127	127	0	30,254	30,014	113	0	30,127
(d) Plant, Vehicle and Equipment Reserve	393,113	112,281	(5,000)	500,394	393,114	1,653	0	394,767	391,638	230,451	(228,976)	393,113
(e) Buildings Reserve	687,322	120,762	(71,500)	736,584	687,321	2,891	(66,000)	624,212	684,742	2,580	0	687,322
(f) Dam Clearing Reserve	37,955	1,191		39,146	37,955	160	0	38,115	37,812	143	0	37,955
(g) Dumbleyung Sewerage Works Reserve	454,414	314,261		768,675	454,413	1,911	0	456,324	452,708	1,706	0	454,414
(h) Landcare Development Reserve	65,079	2,043		67,122	65,019	0	0	65,019	88,897	18,023	(41,841)	65,079
(i) Fence Road Drain Maintenance Reserve	17,978	6,762		24,740	17,978	11,754	0	29,732	6,227	11,751	0	17,978
(j) Bain Estate Reserve	5,493,855	172,456	(26,160)	5,640,151	5,492,362	23,381	(147,360)	5,368,383	4,790,390	881,005	(177,540)	5,493,855
(k) Swimming Pool Reserve	0	368,423		368,423	0	0	0	0	0	0	0	0
	7,952,545	1,468,485	(102,660)	9,318,370	7,950,991	187,547	(548,761)	7,589,777	6,769,417	1,631,485	(448,357)	7,952,545
	7,952,545	1,468,485	(102,660)	9,318,370	7,950,991	187,547	(548,761)	7,589,777	6,769,417	1,631,485	(448,357)	7,952,545

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Employee Entitlement Reserve	Ongoing To fund current and past employee leave entitlements.
(b) Emergency Response Reserve	Ongoing To fund expenses arising for unforeseen circumstances, or other urgent expenditure.
(c) IT & Office Equipment Reserve	Ongoing To fund the purchase and upgrade of computer equipment, software and office equipment.
(d) Plant, Vehicle and Equipment Reserve	Ongoing To support the purchase/replacement of motor vehicles and heavy plant and equipment.
(e) Buildings Reserve	Ongoing To support the maintenance, acquisition, upgrade, enhancement or future renewal of buildings within the district.
(f) Dam Clearing Reserve	Ongoing To fund the cleaning of the Kukerin Dam.
(g) Dumbleyung Sewerage Works Reserve	Ongoing To fund maintenance, upgrades and future renewal of the Dumbleyung Sewerage Scheme.
(h) Landcare Development Reserve	Ongoing To contribute to Landcare development.
(i) Fence Road Drain Maintenance Reserve	Ongoing To fund maintenance on the Fence Road Drainage Scheme.
(j) Bain Estate Reserve	Ongoing To hold funds from the Bain Estate prior to distribution to the community through the Bain Estate Future Funds and the annual budget.
(k) Swimming Pool Reserve	Ongoing To fund a proposed redevelopment of the Dumbleyung Swimming Pool

INDEPENDENT AUDITOR'S REPORT



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Shire of Dumbleyung

To the Council of the Shire of Dumbleyung

Opinion

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

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- notes comprising a summary of 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 2023 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, the Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

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

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

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

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

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

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Dumbleyung for the year ended 30 June 2023 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.



Nayna Raniga
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 November 2023