



Western Australia

Annual Report

For the year ending 30 June 2018

Adopted by Council 28 February 2019

CONTENTS

SHIRE DETAILS	3
2017-18 Annual Report	3
Shire Information	3
History of the Shire.....	3
Population and Employees.....	3
Location of Shire and Industry	3
Legend of the Emblem	4
PRESIDENT’S REPORT	5
ELECTED MEMBERS REPORT	6
Councillors.....	6
Attendance at Council Meetings.....	6
CHIEF EXECUTIVE OFFICER’S REPORT.....	7
SHIRE OF MURCHISON ORGANISATION STRUCTURE.....	8
SRATEGIC COMMUNITY PLAN	9
NATIONAL COMPETITION POLICY	10
REGISTER OF CERTAIN COMPLAINTS OF MINOR BREACHES.....	10
PUBLIC INTEREST DISCLOSURES	11
DISABILITY ACCESS AND INCLUSION PLAN.....	11
INFORMATION ABOUT CERTAIN EMPLOYEES FOR THE YEAR ENDED 30 TH JUNE 2017.....	12
FREEDOM OF INFORMATION	12
RECORD KEEPING	13
APPENDED: AUDITED FINANCIAL STATEMENTS AND AUDITOR’S REPORT	
APPENDED: FREEDOM OF INFORMATION STATEMENT	

SHIRE DETAILS



2017-18 Annual Report

Shire Information

Murchison Shire Location	3007 Carnarvon Mullewa Road, Murchison WA 6630
Shire Office and Chambers	3007 Carnarvon Mullewa Road, Murchison WA 6630
Postal Address	PO Box 61, MULLEWA WA 6630
Telephone	(08) 9963 7999
Facsimile	(08) 9963 7966
E-mail	admin@murchison.wa.gov.au
Web Page	www.murchison.wa.gov.au
Office Hours	8.00am to 5.00pm Monday to Friday
Road Condition Reports	www.murchison.wa.gov.au/road-conditions

The Shire of Murchison covers an area of approximately 49,500 square kilometres in the Murchison sub region of Western Australia which consists of 7 shires. The Shire Settlement is situated on 708 hectares excised from the Wooleen pastoral lease and vested in the Council 200 km north of Mullewa on the Carnarvon Mullewa Road.

History of the Shire

The name of Murchison was given to the region back in 1839 by early explorer Lt George Grey. He named the area in honour of Sir Roderick Impey Murchison who was the President of the Royal Geographical Society of London. The Murchison and Roderick rivers were also named in his honour. The Shire's logo is based on the coat of arms of the Murchison family.

Population and Employees

With a population of 157 (Australian Bureau of Statistics 2016) and 112 electors, Murchison is the second least populated Local Government in Australia. Another unique feature is that it is thought to be the only Shire in Australia without a gazetted town site. The District and Shire centre is the Murchison Settlement, population nineteen. Council has 12 full time employees.

Location of Shire and Industry

The Shire of Murchison lies within the Mid West region of Western Australia. The Settlement is 650 kilometres north of Perth via the Carnarvon Mullewa road and 300 kilometres north east of Geraldton. The surrounding country is mainly used for pastoral purposes, predominantly cattle and sheep. Tourism

is developing within the region with some stations becoming involved in station stays and with the Murchison Oasis Caravan Park and motel units located at the settlement providing facilities for tourists. The Murchison Radio Astronomy site (MRO) has been developed by CSIRO on a portion of the Boolardy pastoral lease and will be the location for the Australian component of the Square Kilometre Array which will be developed in future years as part of an international ground breaking science project with state of the art radio telescopes gathering data on the universe and beyond. There are also a few mines in exploration stage within the shire.

Legend of the Emblem

The crest we use in the shire today is based on the Murchison Family Coat of Arms. The Murchison family name originated in the remote western coast of Scotland and the Hebrides Islands. The crest is comprised of a lion rampant on an Or (gold) backing, between two pineapples on chief vert (green) and an escallop in base azure (blue).



Western Australia

- | | |
|---------------------|---|
| OR - GOLD | In heraldry indicates generosity, valour and perseverance - all characteristics of Murchison people. |
| VERT - GREEN | Represents hope vitality and plenty. |
| AZURE - BLUE | Indicates loyalty and splendour. |
| PINEAPPLES | Have long been the traditional symbol of hospitality and good fortune; a pleasant connotation—Mt Welcome. |
| ESCALLOP | Indicates travel and can mean having been on Holy Crusade |

PRESIDENT'S REPORT



Hello All,

I think the Shire of Murchison has had a productive 2017/2018 financial year performing the usual services of road maintenance, settlement upkeep along with various office support for community needs.

The office admin crew had a few changes this year with the departure of two long term staff in Peta and also an even longer term staff member in Sharon. All the best for your future endeavours and I just hope you can put up with the semi- retired Barry and Brian ok. Welcome to Bernie, Rose and Tatjana.

The construction and maintenance crews continue their seemingly never ending programmes under the guidance of William Herold, with good access throughout the shire being reward for their persistent efforts. As hinted before Brian and Barry have moved on from their long held roles of works supervisor and leading hand respectively and I also wish them well with whatever they decide to get up to.

The settlement grounds and the roadhouse continue to provide a welcoming atmosphere for those visiting and I thank all those involved.

Thank you also to our CEO Peter and my fellow councillors – I have enjoyed being part of a team that I feel has done some good work for the community during the year.

Cheers

Rossco Foulkes-Taylor

President

Shire of Murchison

ELECTED MEMBERS REPORT

Councillors

As at 30 June 2018:

President:	Cr Roscco Foulkes-Taylor	Term expires 2019
Deputy President:	Cr Andrew Whitmarsh	Term expires 2019
Members:	Cr Quinten Fowler	Term expires 2019
	Cr Paul Squires	Term expires 2021
	Cr Emma Foulkes-Taylor	Term expires 2021
	Cr Greydon Mead	Term Expires 2021
	Cr Miles Williams	Retired September 2017

Attendance at Council Meetings

There were 11 Ordinary Meetings and 2 Special Meetings of Council held between 1 July 2017 and 30 June 2018. A breakdown of Councillors' presence at meetings is detailed in the table below, for Councillors that are and have been in office during the financial year.

Councillor	Ordinary Meeting	Special Meeting
President Roscco Foulkes-Taylor	11/11	2/2
Deputy President Andrew Whitmarsh	10/11	2/2
Cr Quinten Fowler	10/11	1/2
Cr Paul Squires	6/8	1/1
Cr Emma Foulkes Taylor	11/11	2/2
Cr Greydon Mead	8/8	1/1
Cr Miles Williams	3/3	0/1

There were two Special Meetings of Council held during the 2017-18 financial year:

1. The Main Roads Drawings for Stage One of the SKA Route and the Deed For The Construction, Operation, Use And Maintenance Of The Square Kilometre Array Access Roads Project
2. Council to consider awarding Parcel 2 of RFT 2.2017/18 Supply of Plant & Operators for Road Flood Damage Repairs (WANDRRA AGRN 743) following the withdrawal by Red Dust Holdings from the tender.

Other internal meetings attended included Audit Committee, Local Emergency Management Committee, and Tender Assessment Panels.

External meetings attended as Council representatives included Regional Road Group and Murchison sub Regional Road Group, SKA Stakeholders and WALGA Zone Meeting (Cue Parliament).

CHIEF EXECUTIVE OFFICER'S REPORT

During the 2017-18 Financial Year Peta Panting left the shire. In addition Ina and Tom Edwardson joined our staff and later moved back down south. Shortly after the end of the Financial Year Barry Panting as well as Sharon and Brian Wundenberg retired. The Shire once again takes this opportunity to thank these members of staff for their service to the Shire.

The Shire is fortunate to have a dedicated and committed Council. We wished Deputy President Miles Williams farewell and welcomed Cr's Greydon Mead and Paul Squires to the Council.

The January/February rain event which caused extensive damage across the state resulted in \$15.3mil damage within our Shire. The repair work will be funded by WANDRRA and it is expected that contractors will begin working on the damaged areas in early 2018-19. The Shire will establish a line of credit to manage cash flows during the project to cover the gap between contractor payment made by the Shire and reimbursement from WANDRRA.

The Shire of Murchison is continuing to work toward a greening of our settlement power. We will also continue to work toward providing potable water for settlement residents and visitors.

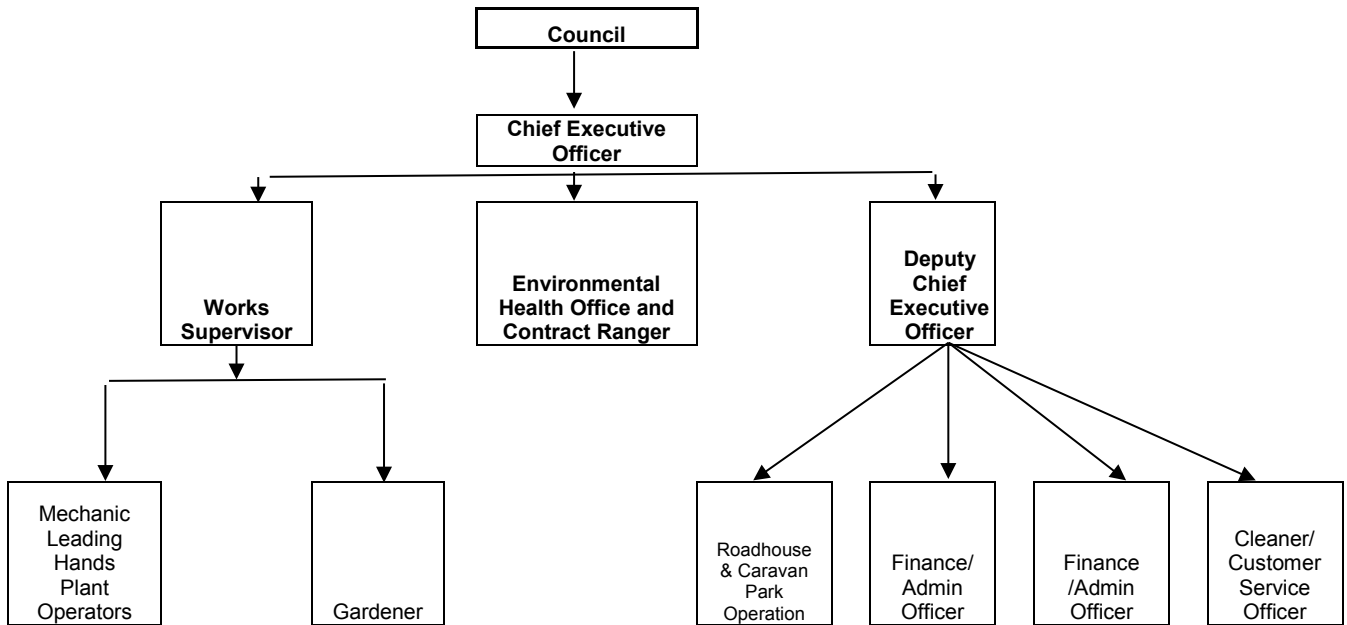
At its March 2018 ordinary meeting Council adopted a new tag line for the Shire of Murchison namely 'Ancient Land Under Brilliant Skies'. This reflects the beautiful part of the country in which we are fortunate to be based.

Council continues to follow the Community Strategic Plan to deliver the services identified by the community. I encourage all residents and ratepayers to respond to surveys and provide feedback to Council on an ongoing basis to help build a stronger and economically resilient community.

Peter Dittrich
Chief Executive Officer
20th November 2018

SHIRE OF MURCHISON ORGANISATION STRUCTURE

Structure For the 2018-19 Financial Year



Administration Staff

Chief Executive Officer
 Deputy Chief Executive Officer
 Finance Officer/Administration Officer
 Finance Officer/Administration Officer
 Cleaner/Customer Service Officer (Part Time)

Mr Peter Dittrich
 Ms Rose Jones
 Ms Tatjana Erak
 Ms Bernie Peril
 Ms Vicki Dumbris

Works Staff

Acting Works Supervisor
 Leading Hand - Construction
 Leading Hand – Maintenance
 Mechanic
 Plant Operator
 Plant Operator
 Plant Operator
 Plant Operator
 Plant Operator
 Gardener

Mr William Herold
 Mr Mark Jones
 Mr Neil Combe
 Mr Stuart Broad
 Mr Glen Pinnegar
 Mr Ivor Dumbris
 Mr Reid Brennick
 Mr Greg Barr
 Vacant
 Mr Ryan Prow

Environmental Health Officer/Building Surveyor

Mr Phillip Swain

Contract Ranger

Mr Peter Smith – Canine Control

STRATEGIC COMMUNITY PLAN

Pursuant to Section 5.56 of the Local Government Act 1995 and Regulations 19C and 19DA of the Local Government (Administration) Regulations 1996, “a local government is to ensure that a strategic community plan is made for its district” and “a local government is to ensure that a corporate business plan is made for its district”.

Section 5.53(e) of the Local Government Act 1995 requires local governments to include in its Annual Report an overview of the Plan for the Future including major initiatives planned to commence or continue in the next year. In accordance with Integrated Planning and Reporting Requirements, the Shire of Murchison has developed a ten year Strategic Community Plan, a fifteen year Long Term Financial Plan and a four year Corporate Business Plan.

The shire’s vision is ***working together to preserve the unique character of the shire, supporting diverse and sustainable lifestyle and economic opportunities.***

The Strategic Community Plan was originally developed in 2013, after extensive community consultation to cover the four major categories of Economic, Environmental, Social and Civic Leadership. The Plan reflects the Community’s vision for the future and is the principal strategic guide for our future planning and activities. A full review of the plan was undertaken and the revised 2016/17 to 2026/27 Strategic Community Plan was adopted by absolute majority of Council on the 29th March 2017. A desk top review will be undertaken in the 2018/19 Financial Year.

Major items included in the plan for the next three years are:-

Action Project	2018-19 \$	2019-20 \$	2020-21 \$
4.3.1.2 Plant replacement	958,636	461,132	493,978
4.3.1.2 Plant and equipment renewals - minor plant	15,300	15,606	15,918
2.2.1.1. Green energy solution	1,100,000		
3.2.1.3 DFES - fast attack		120,000	
1.1.1.3 Road construction and renewal	1,402,899	1,424,529	1,826,808
1.1.1.3 Storage bunkers for road building materials	25,000		
4.3.1.2 Furniture and equipment renewals	15,300	15,606	15,918
1.2.1.1 Interpretive centre	1,500,000		
1.2.1.2 Backpackers accommodation and campers kitchen	500,000		
3.1.1.1 Extend administration offices			500,000
3.1.1.1 Administration office carports			45,000
3.1.1.1 Sports club BBQ rotunda	30,000		
3.1.3.2 Community centre - renewal	50,000		
Grand Total	5,597,135	2,036,873	2,897,622

NATIONAL COMPETITION POLICY

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses.

Local government will also be affected where local laws unnecessarily affect competition.

Local Government is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

It is Council's responsibility to determine whether it is engaged in "significant business activities" within the context of its operations and therefore whether it is required to apply the competitive neutrality principles. Local government is only required to implement the above principles to the extent that the benefits to be realised from implementation outweigh the costs in respect of individual business activities exceeding an annual income of \$500,000.

Regarding Council's responsibilities in relation to National Competition Policy and Competitive Neutrality, the Shire reports that:

- Council does not undertake any business enterprises that are classified as either a Public Trading Enterprise or Public Financial Enterprise.
- Competitive neutrality has not been applied to any activities undertaken by the Shire in 2017-18 and no allegations of non-compliance with competitive neutrality principals have been made by any private entity.
- The Shire continues to monitor Council Polices and Local Laws for anti-competitive practices.

REGISTER OF CERTAIN COMPLAINTS OF MINOR BREACHES

Local Government Act sections 5.121 and 5.110 (6) (b) or (c)

The Act requires the annual report to contain details about entries made during the financial year in the register of complaints, including-

- the number of complaints; and
- how the recorded complaints were dealt with; and
- any other details that the regulations may require.

Generally a minor breach is a breach of a local law or code of conduct and the action taken may be public censure, making the person say sorry or sending them to training. A register must be kept of all such breaches.

The Shire of Murchison, in accordance with s5.120 of the Local Government Act 1995, does not have a designated Complaints Officer and so the Chief Executive Officer fulfils this role in terms of subsection (2).

The Shire reports no complaints as defined under s5.110 (6) (b) or (c) of the Act for the period ending 30 June 2018.

PUBLIC INTEREST DISCLOSURES

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

The Chief Executive Officer is the designated responsible officer under the Act and has complied with all obligations. There were no disclosures or complaints lodged during 2017-18.

DISABILITY ACCESS AND INCLUSION PLAN

The Disability Services Act 1993 states at 29 (2) that a local government or regional local government that has a disability access and inclusion plan must include in its annual report prepared under section 5.53 of the Local Government Act 1995 a report about the implementation of the plan.

The Murchison Shire Council Disability Access & Inclusion Plan was originally adopted in July 2008, then reviewed in the later part of 2015 and the review adopted by Council in February 2016, after community consultation. The Disability Access and inclusion Plan 2016–2020 includes seven outcomes and underpinning strategies to ensure that people with disability have the same opportunities as other people to access the services of public authority.

The seven outcomes and achievements against strategies for 2017-18 are:

1. People with disability have the same opportunities as other people to access the services of and any events organised by a public authority.
Achievement against Strategies:
 - Shire services are monitored to ensure equitable access and inclusion, especially in regard to events being organised or funded;
 - the DAIP is considered a living document and is inclusive to all shire plans and strategies.
2. People with disability have the same opportunities as other people to access the buildings and other facilities of public authority.
Achievement against Strategies:
 - consideration is given to providing wheelchair access for all new development works;
 - all recreational areas are accessible.
3. People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.
Achievement against Strategies:
 - All Shire information is available in alternative format upon request;
 - Staff are aware;
 - Website meets contemporary good practice.
4. People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.
Achievement against Strategies:
 - Staff and Council are aware of disability issues and provide a high standard of customer service to all who attend the Shire.
5. People with disability have the same opportunities as other people to make complaints to public authority.
Achievement against Strategies:

- Grievance mechanisms are in place, but have not yet been utilised by any people with disability.
6. People with disability have the same opportunities as other people to participate in any public consultation by a public authority.
- Achievement against Strategies:
- Through our website, people with disability are encouraged to participate in any public consultation.
7. People with disability have the same opportunity as other people to obtain and maintain employment with public authority.
- Achievement against Strategies:
- People with disability are encouraged to apply for any employment with the Shire.

INFORMATION ABOUT CERTAIN EMPLOYEES FOR THE YEAR ENDED 30TH JUNE 2017

In accordance with Section 5.53 (2) (g) of the Local government Act 1995 and Regulation 19B of the Local Government (Administration) Regulations 1996, there are three employees entitled to an annual salary of \$100,000 per annum or more.

The following information relates to employee remuneration bands and the number of employees within each band:

Salary Band	Number of Employees
\$100,000 to \$109,999	1
\$110,000 to \$119,999	0
\$120,000 to \$129,999	1
\$130,000 to \$139,999	0
\$140,000 to \$149,999	1

FREEDOM OF INFORMATION

The Freedom of Information Act 1992 (FOI Act) that came into effect on 1 November 1993, created a general right of access to documents held by state and local government agencies. The FOI Act requires agencies, including local governments, to make available details about the kind of information they hold and enables persons to ensure that personal information held by government agencies about them is "accurate, complete, up to date and not misleading".

It is the aim of the Shire of Murchison to make information available promptly, at the least possible cost and wherever possible, documents will be provided outside the freedom of information (FOI) process.

An updated information statement will be published at least every twelve months. It is intended that the statement be included in the Annual Report and received each year at the Annual Electors meeting.

Section 96(1) of the Freedom of Information Act 1992 requires each government agency, including local governments, to prepare and publish annually an Information Statement. The Information Statement must set out:-

The Agency's Mission Statement.
Details of legislation administered.
Details of the agency structure.
Details of decision-making functions.
Opportunities for public participation in the formulation of policy and performance of agency functions.
Documents held by the agency.
The operation of FOI in the agency

RECORD KEEPING

Background

The State Records Act 2000 requires that the Shire maintains and disposes of all records in the prescribed matter. An organisation and its employees must comply with the organisations record keeping plan.

The Shire of Murchison has prepared a Record Keeping Plan that is considered to comply with the Act. The record keeping plan is to provide evidence to address that –

- The efficiency and effectiveness of the shires record keeping system is evaluated not less than once every 5 years.
- The shire conducts a record keeping training program. • Information sessions are conducted for staff as required.
- The Shire's Induction Program for new employees includes an introduction to the local government's recordkeeping system and program, and information on their recordkeeping responsibilities.

Review

The State Records Act 2000 s.28 (5) requires that Records Keeping Plan must be reviewed at least every five years. Between reviews, the implementation/continuation of requirements is to be further developed.

The Shire of Murchison completed a full review of its' record keeping plan in November 2018 which will be submitted to the State Records Office.

SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Notes to and forming part of the Financial Report	9
Independent Auditor's Report	48

COMMUNITY VISION

The Shire will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.

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

**SHIRE OF MURCHISON
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

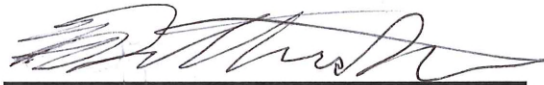
The attached financial report of the Shire of Murchison for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Shire of Murchison at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

15th

day of

DECEMBER 2018



Chief Executive Officer

Peter Dittrich

Name of Chief Executive Officer

SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Rates	19(a)	410,844	400,767	382,924
Operating grants, subsidies and contributions	2(a)	9,960,811	8,315,540	10,146,884
Fees and charges	2(a)	253,121	240,661	254,610
Interest earnings	2(a)	106,000	72,333	91,668
Other revenue	2(a)	117,786	83,690	238,816
		10,848,562	9,112,991	11,114,902
Expenses				
Employee costs		(1,244,639)	(1,202,838)	(1,070,684)
Materials and contracts		(7,206,125)	(7,603,687)	(4,278,992)
Utility charges		(3,106)	0	(1,713)
Depreciation on non-current assets	9(b)	(3,016,206)	(3,174,884)	(3,177,662)
Interest expenses	2(b)	(27,549)	(44,951)	0
Insurance expenses		(155,294)	(189,991)	(165,338)
Other expenditure		(97,711)	(133,989)	(142,707)
		(11,750,630)	(12,350,340)	(8,837,096)
		(902,068)	(3,237,349)	2,277,806
Non-operating grants, subsidies and contributions	2(a)	1,080,545	1,100,259	1,442,989
Profit on asset disposals	9(a)	505	23,520	0
(Loss) on asset disposals	9(a)	(85,763)	(93,965)	(4,670)
(Loss) on revaluation of furniture and equipment	7(b)	(77,245)	0	0
(Loss) on revaluation of Infrastructure - Bridges	8(b)	0	0	(90,983)
		15,974	(2,207,535)	3,625,142
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	(861,227)	0	1,873,064
		(861,227)	0	1,873,064
Total other comprehensive income		(861,227)	0	1,873,064
Total comprehensive income		(845,253)	(2,207,535)	5,498,206

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

SHIRE OF MURCHISON
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
	2(a)			
Governance		8,353	9,201	19,439
General purpose funding		4,005,771	2,257,774	5,748,433
Law, order, public safety		15,262	7,721	16,414
Housing		4,110	4,290	3,825
Recreation and culture		2,717	1,530	1,817
Transport		6,458,494	6,525,095	4,856,869
Economic services		244,700	224,532	313,053
Other property and services		109,155	82,848	155,052
		10,848,562	9,112,991	11,114,902
Expenses				
	2(a)			
Governance		(368,396)	(462,223)	(501,336)
General purpose funding		(28,327)	(46,085)	(29,082)
Law, order, public safety		(126,079)	(92,746)	(91,384)
Health		(17,054)	(24,882)	(18,121)
Housing		(630)	(3,421)	(5,420)
Community amenities		(21,749)	(73,220)	(43,649)
Recreation and culture		(328,428)	(304,223)	(318,638)
Transport		(10,076,097)	(10,442,593)	(7,081,555)
Economic services		(698,373)	(846,772)	(821,977)
Other property and services		(57,948)	(9,224)	74,066
		(11,723,081)	(12,305,389)	(8,837,096)
Finance Costs				
	2(b)			
Transport		(27,549)	(44,951)	0
		(27,549)	(44,951)	0
		(902,068)	(3,237,349)	2,277,806
Non-operating grants, subsidies and contributions	2(a)	1,080,545	1,100,259	1,442,989
Profit on disposal of assets	9(a)	505	23,520	0
(Loss) on disposal of assets	9(a)	(85,763)	(93,965)	(4,670)
(Loss) on revaluation of furniture and equipment	7(b)	(77,245)	0	0
(Loss) on revaluation of Infrastructure - Bridges	8(b)	0	0	(90,983)
		918,042	1,029,814	1,347,336
		15,974	(2,207,535)	3,625,142
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	(861,227)	0	1,873,064
Total other comprehensive income		(861,227)	0	1,873,064
Total comprehensive income		(845,253)	(2,207,535)	5,498,206

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

**SHIRE OF MURCHISON
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018**

	NOTE	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	8,958,904	10,648,447
Trade and other receivables	5	448,580	77,972
Inventories	6	179,191	153,781
TOTAL CURRENT ASSETS		9,586,675	10,880,200
NON-CURRENT ASSETS			
Other receivables	5	0	1,795
Property, plant and equipment	7(a)	9,849,188	10,115,906
Infrastructure	8(a)	72,984,977	72,313,464
TOTAL NON-CURRENT ASSETS		82,834,165	82,431,165
TOTAL ASSETS		92,420,840	93,311,365
CURRENT LIABILITIES			
Trade and other payables	11	270,604	360,159
Current portion of long term borrowings	12(a)	1,065	0
Provisions	13	124,697	118,147
TOTAL CURRENT LIABILITIES		396,366	478,306
NON-CURRENT LIABILITIES			
Long term borrowings	12(a)	18,416	0
Provisions	13	61,897	43,645
TOTAL NON-CURRENT LIABILITIES		80,313	43,645
TOTAL LIABILITIES		476,679	521,951
NET ASSETS		91,944,161	92,789,414
EQUITY			
Retained surplus		27,643,814	27,637,306
Reserves - cash backed	4	5,559,162	5,549,696
Revaluation surplus	10	58,741,185	59,602,412
TOTAL EQUITY		91,944,161	92,789,414

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

**SHIRE OF MURCHISON
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

		RESERVES			
	NOTE	RETAINED SURPLUS	CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2016		27,480,745	2,081,115	57,729,348	87,291,208
Comprehensive income					
Net result		3,625,142	0	0	3,625,142
Changes on revaluation of assets	10	0	0	1,873,064	1,873,064
Total comprehensive income		3,625,142	0	1,873,064	5,498,206
Transfers from/(to) reserves		(3,468,581)	3,468,581	0	0
Balance as at 30 June 2017		27,637,306	5,549,696	59,602,412	92,789,414
Comprehensive income					
Net result		15,974	0	0	15,974
Changes on revaluation of assets	10	0	0	(861,227)	(861,227)
Total comprehensive income		15,974	0	(861,227)	(845,253)
Transfers from/(to) reserves		(9,466)	9,466	0	0
Balance as at 30 June 2018		27,643,814	5,559,162	58,741,185	91,944,161

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

**SHIRE OF MURCHISON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		\$	\$	\$
Receipts				
Rates		403,431	400,767	383,505
Operating grants, subsidies and contributions		9,789,858	1,909,046	12,769,557
Fees and charges		253,121	240,661	254,610
Interest earnings		106,000	72,333	91,668
Goods and services tax		18,056	804,000	431,116
Other revenue		117,786	6,490,184	238,816
		10,688,252	9,916,991	14,169,272
Payments				
Employee costs		(1,220,574)	(1,202,838)	(1,042,937)
Materials and contracts		(7,320,353)	(7,832,413)	(5,406,928)
Utility charges		(3,106)	0	(1,713)
Interest expenses		(27,549)	(44,951)	0
Insurance expenses		(155,294)	(189,991)	(165,338)
Goods and services tax		(208,503)	(804,000)	0
Other expenditure		(97,711)	(133,989)	(142,707)
		(9,033,090)	(10,208,182)	(6,759,623)
Net cash provided by (used in) operating activities	14	1,655,162	(291,191)	7,409,649
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(678,709)	(1,591,230)	(316,481)
Payments for construction of infrastructure		(3,859,886)	(8,352,753)	(2,414,559)
Non-operating grants, subsidies and contributions		1,080,545	1,100,259	1,442,989
Proceeds from sale of fixed assets		93,864	216,625	16,363
Net cash provided by (used in) investment activities		(3,364,186)	(8,627,099)	(1,271,688)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long term borrowings		(3,000,519)	(3,000,512)	0
Proceeds from new long term borrowings		3,020,000	3,015,000	0
Net cash provided by (used in) financing activities		19,481	14,488	0
Net increase (decrease) in cash held		(1,689,543)	(8,903,802)	6,137,961
Cash at beginning of year		10,648,447	10,648,446	4,510,486
Cash and cash equivalents at the end of the year	14	8,958,904	1,744,644	10,648,447

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

**SHIRE OF MURCHISON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)				
		4,913,067	4,870,024	4,180,997
		4,913,067	4,870,024	4,180,997
Revenue from operating activities (excluding rates)				
Governance		8,353	9,201	19,439
General purpose funding		3,594,927	1,857,007	5,365,509
Law, order, public safety		15,262	7,721	16,414
Housing		4,110	4,290	3,825
Recreation and culture		2,717	1,530	1,817
Transport		6,458,999	6,548,615	4,856,869
Economic services		244,700	224,532	313,053
Other property and services		109,155	82,848	155,052
		10,438,223	8,735,744	10,731,978
Expenditure from operating activities				
Governance		(368,396)	(462,223)	(506,006)
General purpose funding		(28,327)	(46,085)	(29,082)
Law, order, public safety		(126,079)	(92,746)	(91,384)
Health		(17,054)	(24,882)	(18,121)
Housing		(630)	(3,421)	(5,420)
Community amenities		(21,749)	(73,220)	(43,649)
Recreation and culture		(328,428)	(304,223)	(318,638)
Transport		(10,189,409)	(10,581,509)	(7,081,555)
Economic services		(698,373)	(846,772)	(821,977)
Other property and services		(135,193)	(9,224)	(16,917)
		(11,913,638)	(12,444,305)	(8,932,749)
Operating activities excluded				
(Profit) on disposal of assets	9(a)	(505)	(23,520)	0
Loss on disposal of assets	9(a)	85,763	93,965	4,670
Loss on revaluation of fixed assets	7(b) 8(b)	77,245	0	90,983
Movement in deferred pensioner rates (non-current)		1,795	0	0
Movement in employee benefit provisions		82,080	0	16,871
Depreciation and amortisation on assets	9(b)	3,016,206	3,174,884	3,177,662
Amount attributable to operating activities		6,700,236	4,406,792	9,270,412
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,080,545	1,100,259	1,442,989
Proceeds from disposal of assets	9(a)	93,864	216,625	16,363
Purchase of property, plant and equipment	7(b)	(678,709)	(1,591,230)	(316,481)
Purchase and construction of infrastructure	8(b)	(3,859,886)	(8,352,753)	(2,414,559)
Amount attributable to investing activities		(3,364,186)	(8,627,099)	(1,271,688)
FINANCING ACTIVITIES				
Repayment of long term borrowings	12(a)	(3,000,519)	(3,000,512)	0
Proceeds from new long term borrowings	12(a)	3,020,000	3,015,000	0
Transfers to reserves (restricted assets)	4	(1,009,075)	(765,012)	(6,418,581)
Transfers from reserves (restricted assets)	4	999,609	4,570,064	2,950,000
Amount attributable to financing activities		10,015	3,819,540	(3,468,581)
Surplus(deficiency) before general rates		3,346,065	(400,767)	4,530,143
Total amount raised from general rates	19(a)	410,844	400,767	382,924
Net current assets at June 30 c/fwd - surplus/(deficit)	20	3,756,909	0	4,913,067

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

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or any other sporting or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

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 report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities

CRITICAL ACCOUNTING ESTIMATES

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 LOCAL GOVERNMENT REPORTING ENTITY

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

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 28 to these financial statements.

2. REVENUE AND EXPENSES

(a) Revenue

Significant revenue

WA Local Government Grants Commission made an early payment of half the 2018-19 grant. This amount was recognised as revenue in 2017-18.

Other revenue

Reimbursements and recoveries
 Other

Fees and Charges

Governance
 Law, order, public safety
 Recreation and culture
 Economic services
 Other property and services

	2018 Actual	2017 Actual
	\$	\$
	1,847,046	1,783,645
	97,462	210,006
	20,324	28,810
	117,786	238,816
	4,656	8,718
	1,340	0
	2,717	1,817
	244,408	232,295
	0	11,780
	253,121	254,610

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Grant Revenue

Grants, subsidies and contributions are included as operating and non-operating revenues in the Statement of Comprehensive Income:

	2018	2017
	\$	\$
Operating grants, subsidies and contributions		
General purpose funding	3,488,792	5,273,601
Law, order, public safety	13,922	16,414
Transport	6,458,097	4,856,869
	<u>9,960,811</u>	<u>10,146,884</u>
Non-operating grants, subsidies and contributions		
Recreation and culture	0	4,700
Transport	1,080,545	1,438,289
	<u>1,080,545</u>	<u>1,442,989</u>
Total grants, subsidies and contributions	<u>11,041,356</u>	<u>11,589,873</u>

SIGNIFICANT ACCOUNTING POLICIES

Grants, donations and other contributions

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over

Grants, donations and other contributions (continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 18.

That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

Interest earnings

- Reserve funds
- Other funds
Other interest revenue (refer note 19(b))

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
- Reserve funds	82,732	61,818	55,265
- Other funds	22,288	10,000	35,951
Other interest revenue (refer note 19(b))	980	515	452
	<u>106,000</u>	<u>72,333</u>	<u>91,668</u>

(b) Expenses

Significant expense

WANDRRA Flood Damage
Expenditure incurred relates to the repair of flood damage sustained in January 2017 (AGRN743). The repair of flood damage sustained in January 2018 (AGRN781) is yet to commence as at 30 June 2018. The estimated cost of these repairs is \$15,336,954.

Auditors remuneration

- Audit of the Annual Financial Report
- Other Services

Interest expenses (finance costs)

Long term borrowings (refer Note 12(a))

	2018	2017
	\$	\$
WANDRRA Flood Damage	6,559,619	3,433,977
Auditors remuneration	<u>22,402</u>	<u>21,269</u>
	1,605	7,048
	<u>24,007</u>	<u>28,317</u>
Interest expenses (finance costs)	27,549	0

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

3. CASH AND CASH EQUIVALENTS

	NOTE	2018	2017
		\$	\$
Unrestricted		3,063,864	3,201,269
Restricted		5,895,040	7,447,178
		8,958,904	10,648,447
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Leave Reserve	4	181,983	121,337
Plant Reserve	4	975,370	791,372
Building Reserve	4	135,114	134,399
Transaction Centre Reserve	4	6,329	6,296
Ballinyoo Bridge Reserve	4	46,115	45,870
Beringarra - Cue Road Reserve Term Deposit	4	3,499,963	3,743,186
Beringarra - Cue Road Reserve	4	125,171	41,550
Flood Damage Reserve	4	69,145	198,202
CSIRO Beringarra Pindar Reserve	4	168,227	167,336
Murchison Settlement Buildings and Facilities Reserve	4	351,745	300,148
Unspent grants	18	330,878	1,897,482
Unspent loans	12(b)	5,000	0
		5,895,040	7,447,178

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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk

Cash and cash equivalents (Continued)

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

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

4. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	121,337	60,646	0	181,983	121,337	62,779	0	184,116	60,869	60,468	0	121,337
Plant Reserve	791,372	542,998	(359,000)	975,370	791,372	546,207	(364,916)	972,663	785,711	5,661	0	791,372
Building Reserve	134,399	715	0	135,114	134,399	3,078	(137,408)	69	133,437	962	0	134,399
Transaction Centre Reserve	6,296	33	0	6,329	6,296	144	0	6,440	6,250	46	0	6,296
Ballinyoo Bridge Reserve	45,870	245	0	46,115	45,870	1,050	0	46,920	15,016	30,854	0	45,870
Beringarra - Cue Road Reserve Term Deposit	3,743,186	50,526	(293,749)	3,499,963	3,784,736	86,671	(3,817,740)	53,667	752,513	2,990,673	0	3,743,186
Beringarra - Cue Road Reserve	41,550	300,481	(216,860)	125,171	0	0	0	0	36,319	2,955,231	(2,950,000)	41,550
Flood Damage Reserve	198,202	943	(130,000)	69,145	198,202	4,539	0	202,741	124,861	73,341	0	198,202
CSIRO Beringarra Pindar Reserve	167,336	891	0	168,227	167,336	3,832	0	171,168	166,139	1,197	0	167,336
Murchison Settlement Buildings and Facilities Reserve	300,148	51,597	0	351,745	300,148	56,712	(250,000)	106,860	0	300,148	0	300,148
	5,549,696	1,009,075	(999,609)	5,559,162	5,549,696	765,012	(4,570,064)	1,744,644	2,081,115	6,418,581	(2,950,000)	5,549,696

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements.
Plant Reserve	Ongoing	To be used for the purchase of plant.
Building Reserve	Ongoing	To be used for the construction of a new administration centre.
Transaction Centre Reserve	Ongoing	To be used for the development of the Central Business District.
Ballinyoo Bridge Reserve	Ongoing	To be used for the replacement of bridge 837.
Beringarra - Cue Road Reserve Term Deposit	Ongoing	To be used to convert the road back from bitumen to gravel as required.
Beringarra - Cue Road Reserve	Ongoing	To be used to convert the road back from bitumen to gravel as required.
Flood Damage Reserve	Ongoing	To be used towards the 'trigger point' for WANDRRA funded flood damage works.
CSIRO Beringarra Pindar Reserve	Ongoing	To be used as additional maintenance works on the road due to CSIRO traffic.
Murchison Settlement Buildings and Facilities Reserve	Ongoing	To be used to fund improvements and maintenance to settlement buildings and facilities.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

5. TRADE AND OTHER RECEIVABLES

Current

Rates outstanding
Sundry debtors
GST receivable
Accrued income

Non-current

Rates outstanding - pensioners

Information with respect to the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

Rates outstanding

Includes:

Past due and not impaired

The table illustrates the rates outstanding aging analysis
Up to one year

Sundry debtors

Includes:

Past due and not impaired

The table illustrates the sundry debtors aging analysis
Up to one month
One to three months

	2018	2017
	\$	\$
Rates outstanding	13,874	4,666
Sundry debtors	2,979	515
GST receivable	230,470	40,023
Accrued income	201,257	32,768
	448,580	77,972
Rates outstanding - pensioners	0	1,795
	0	1,795
Past due and not impaired	13,874	4,666
Up to one year	13,874	4,666
Past due and not impaired	2,374	515
Up to one month	605	515
One to three months	2,374	0
	2,979	515

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

Classification and subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

6. INVENTORIES

Current

Fuel and materials
History books

	2018	2017
	\$	\$
Fuel and materials	172,993	144,893
History books	6,198	8,888
	179,191	153,781

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 MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Buildings - Non Specialised at:		
- Independent valuation 2017 - Level 3	7,107,032	7,107,032
- Additions after valuation - cost	5,932	0
Buildings - Non Specialised - Less: accumulated depreciation	(353,741)	0
	6,759,223	7,107,032
Total buildings	6,759,223	7,107,032
Furniture and equipment at:		
- Independent valuation 2016 - Level 2	0	22,500
- Management valuation 2016 - Level 3	0	85,719
- Independent valuation 2018 - Level 2	16,500	0
- Additions after valuation - cost	0	8,941
Furniture and equipment - Less: accumulated depreciation	0	(11,558)
	16,500	105,602
Plant and equipment at:		
- Independent valuation 2016 - Level 2	0	3,028,877
- Management valuation 2016 - Level 3	0	99,149
- Independent valuation 2018 - Level 2	2,954,633	0
- Additions after valuation - cost	112,297	231,920
Plant and equipment - Less: accumulated depreciation	0	(463,209)
	3,066,930	2,896,737
Work in progress at:		
- At Cost	6,535	6,535
	6,535	6,535
Total property, plant and equipment	9,849,188	10,115,906

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

	Buildings - Non Specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Work in progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	6,851,857	6,851,857	6,851,857	108,220	3,149,129	6,535	10,115,741
Additions	75,621	75,621	75,621	8,940	231,920	0	316,481
(Disposals)	0	0	0	0	(21,034)	0	(21,034)
Revaluation increments/(decrements) transferred to revaluation surplus	511,318	511,318	511,318	0	0	0	511,318
Depreciation (expense)	(331,764)	(331,764)	(331,764)	(11,558)	(463,278)	0	(806,600)
Carrying amount at 30 June 2017	7,107,032	7,107,032	7,107,032	105,602	2,896,737	6,535	10,115,906
Additions	5,932	5,932	5,932	0	672,777	0	678,709
(Disposals)	0	0	0	0	(179,122)	0	(179,122)
Revaluation increments/(decrements) transferred to revaluation surplus	0	0	0	0	150,857	0	150,857
Revaluation (loss)/reversals transferred to profit or loss	0	0	0	(77,245)	0	0	(77,245)
Depreciation (expense)	(353,741)	(353,741)	(353,741)	(11,857)	(474,319)	0	(839,917)
Carrying amount at 30 June 2018	6,759,223	6,759,223	6,759,223	16,500	3,066,930	6,535	9,849,188

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Buildings					
Buildings - Non Specialised	3	Cost approach using depreciated replacement cost	Independent valuer	June 2017	Improvements to land using residual values and remaining useful life assessments inputs.
Furniture and equipment	2	Market approach using recent observable market data for similar assets	Independent valuer	June 2018	Market price per item
Plant and equipment	2	Market approach using recent observable market data for similar assets	Independent valuer	June 2018	Market price per item

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

8 (a). INFRASTRUCTURE

Infrastructure - Roads

- Management valuation 2017 - Level 3
- Management valuation 2018 - Level 3

Infrastructure - Bridges

- Management valuation 2017 - Level 3
- Management valuation 2018 - Level 3

Total infrastructure

	2018	2017
	\$	\$
	0	68,339,000
	68,991,043	0
	68,991,043	68,339,000
	0	3,974,464
	3,993,934	0
	3,993,934	3,974,464
	72,984,977	72,313,464

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Bridges	Total Infrastructure
	\$	\$	\$
Balance at 1 July 2016	66,984,004	4,015,200	70,999,204
Additions	2,323,917	90,642	2,414,559
Revaluation increments/ (decrements) transferred to revaluation surplus	1,361,746	0	1,361,746
Revaluation (loss)/ reversals transferred to profit or loss	0	(90,983)	(90,983)
Depreciation (expense)	(2,330,667)	(40,395)	(2,371,062)
Carrying amount at 30 June 2017	68,339,000	3,974,464	72,313,464
Additions	3,859,886	0	3,859,886
Revaluation increments/ (decrements) transferred to revaluation surplus	(1,071,299)	59,215	(1,012,084)
Depreciation (expense)	(2,136,544)	(39,745)	(2,176,289)
Carrying amount at 30 June 2018	68,991,043	3,993,934	72,984,977

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition residual values and remaining useful life assessments.
Infrastructure - Bridges	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition residual values and remaining useful life assessments.

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

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

9. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, 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 acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

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

Land under control

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 *Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire.

9. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment								
Transport								
Volvo Loader	0	0	0	0	98,000	110,000	12,000	0
Construction Caravan	0	0	0	0	4,900	16,000	11,100	0
Works supervisor's vehicle	25,303	16,364	0	(8,939)	30,500	12,625	0	(17,875)
John Papas Boxtop twin axle trailer	375	0	0	(375)	80	500	420	0
Caterpillar 12H Grader	133,000	60,000	0	(73,000)	135,793	60,000	0	(75,793)
Isuzu Truck tray top 2005	16,995	17,500	505	0	17,797	17,500	0	(297)
Kubota Generator	3,449	0	0	(3,449)	0	0	0	0
	179,122	93,864	505	(85,763)	287,070	216,625	23,520	(93,965)

(b) Depreciation

	2018	2017
	\$	\$
Buildings - Non Specialised	353,741	331,764
Furniture and equipment	11,857	11,558
Plant and equipment	474,319	463,278
Infrastructure - Roads	2,136,544	2,330,667
Infrastructure - Bridges	39,745	40,395
	3,016,206	3,177,662

9. FIXED ASSETS (Continued)

(b) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, 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.

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

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

Depreciation rates

Major depreciation periods used for each class of depreciable asset are:

Buildings	20 years
Furniture and equipment	5 to 20 years
Plant and equipment	5 to 10 years
Sealed roads and streets	
clearing and formation	not depreciated
construction/road base	50 years
gravel sheet	8 years
Formed roads	
clearing and earthworks	not depreciated
construction/road base	50 years
Water supply piping & drainage systems	75 years

Depreciation (Continued)

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

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

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

10. REVALUATION SURPLUS

	2018	2018	2018	2018	2018	2017	2017	2017	2017
	Opening	Revaluation	Revaluation	Total	2018	Opening	Revaluation	Total	2017
	Balance	Increment	(Decrement)	Movement on	Closing	Balance	Increment	Movement on	Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings - Non Specialised	5,397,026	0	0	0	5,397,026	4,885,708	511,318	511,318	5,397,026
Revaluation surplus - Plant and equipment	1,355,447	150,857	0	150,857	1,506,304	1,355,447	0	0	1,355,447
Revaluation surplus - Infrastructure - Roads	52,849,939	0	(1,071,299)	(1,071,299)	51,778,640	51,488,193	1,361,746	1,361,746	52,849,939
Revaluation surplus - Infrastructure - Bridges	0	59,215	0	59,215	59,215	0	0	0	0
	59,602,412	210,072	(1,071,299)	(861,227)	58,741,185	57,729,348	1,873,064	1,873,064	59,602,412

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued salaries and wages
ATO liabilities
Accrued expenses

	2018	2017
	\$	\$
	212,603	179,907
	11,127	11,076
	29,180	29,968
	17,694	139,208
	<u>270,604</u>	<u>360,159</u>

SIGNIFICANT ACCOUNTING POLICIES

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

Trade and other payables (Continued)

of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

12. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Principal	New	Principal Repayments		Principal 30 June 2018		Interest Repayments	
	1 July 2017	Loans	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Transport								
Flood Damage line of credit	0	3,000,000	3,000,000	3,000,000	0	0	27,216	44,384
Plant	0	20,000	519	512	19,481	19,488	333	567
	0	3,020,000	3,000,519	3,000,512	19,481	19,488	27,549	44,951
	0	3,020,000	3,000,519	3,000,512	19,481	19,488	27,549	44,951

All loan repayments were financed by general purpose revenue.

Borrowings

	2018	2017
	\$	\$
Current	1,065	0
Non-current	18,416	0
	19,481	0

12. INFORMATION ON BORROWINGS (Continued)

(b) Unspent Borrowings

Particulars	Date Borrowed	Unspent	Borrowed	Expended	Unspent		
		Balance 1 July 17	During Year	During Year	Balance 30 June 18	2018	2017
Plant	December 2017	\$ 0	\$ 20,000	\$ (15,000)	\$ 5,000		
		0	20,000	(15,000)	5,000		
						2018	2017
						\$	\$
(c) Undrawn Borrowing Facilities							
Loan facilities							
Loan facilities - current					1,065		0
Loan facilities - non-current					18,416		0
Total facilities in use at balance date					19,481		0
Unused loan facilities at balance date					NIL		NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

Borrowing costs

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

13. PROVISIONS

Opening balance at 1 July 2017

Current provisions
Non-current provisions

Additional provision

Balance at 30 June 2018

Comprises

Current
Non-current

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Current provisions	78,884	39,263	118,147
Non-current provisions	0	43,645	43,645
	78,884	82,908	161,792
Additional provision	21,976	2,826	24,802
Balance at 30 June 2018	100,860	85,734	186,594
Current	100,860	23,837	124,697
Non-current	0	61,897	61,897
	100,860	85,734	186,594

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits 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

Other long-term employee benefits (Continued)

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.

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 MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

14. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	8,958,904	1,744,644	10,648,447

**Reconciliation of Net Cash Provided By
Operating Activities to Net Result**

Net result	15,974	(2,207,535)	3,625,142
Non-cash flows in Net result:			
Depreciation	3,016,206	3,174,884	3,177,662
(Profit)/loss on sale of asset	85,258	70,445	4,670
Loss on revaluation of fixed assets	77,245	0	90,983
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(368,813)	0	3,054,370
(Increase)/decrease in inventories	(25,410)	50,000	204
Increase/(decrease) in payables	(89,555)	(278,726)	(1,123,979)
Increase/(decrease) in provisions	24,802	0	23,586
Grants contributions for the development of assets	(1,080,545)	(1,100,259)	(1,442,989)
Net cash from operating activities	1,655,162	(291,191)	7,409,649

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

15. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	1,164,080	781,082
General purpose funding	3,413,616	5,105,212
Law, order, public safety	177,194	206,620
Health	30,013	26,794
Housing	838,561	666,206
Community amenities	50,565	56,429
Recreation and culture	1,216,845	1,732,714
Transport	82,874,657	81,886,690
Economic services	2,016,735	2,511,641
Other property and services	376,783	335,617
Unallocated	261,791	2,360
	92,420,840	93,311,365

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

16. JOINT ARRANGEMENTS

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

Non-current assets

Land and buildings
Less: accumulated depreciation

	2018	2017
	\$	\$
	59,787	59,787
	(6,721)	0
	53,066	59,787

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

In joint arrangements joint operators maintain direct interests in each asset and exposure to each liability of the arrangement, unless otherwise varied contractually.

Interests in joint arrangements (Continued)

The Shire's interests in the assets, liabilities, revenue and expenses of joint arrangements are included in the respective line items of the financial statements.

17. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to councillors and/or the President.

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Meeting fees	55,790	68,520	72,770
President's allowance	6,990	12,000	5,220
Deputy President's allowance	1,750	4,000	1,306
Travelling expenses	14,909	13,824	36,463
Telecommunications allowance	6,699	2,000	8,133
	<u>86,138</u>	<u>100,344</u>	<u>123,892</u>

Key Management Personnel (KMP) Compensation Disclosure

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

	2018	2017
	\$	\$
Short-term employee benefits	345,632	355,122
Post-employment benefits	47,576	47,133
Other long-term benefits	7,270	22,253
Termination benefits	2,104	137,145
	<u>402,582</u>	<u>561,653</u>

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

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 guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:

	2018	2017
	\$	\$
Purchase of goods and services		
- Key management personnel	723,492	352,231
Amounts payable to related parties:		
Trade and other payables		
- Key management personnel	6,353	0
Fees and allowances		
- Elected members	21,057	0

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 elected member, are considered key management personnel.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

18. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/16	Received ⁽²⁾ 2016/17	Expended ⁽³⁾ 2016/17	Closing Balance ⁽¹⁾ 30/06/17	Received ⁽²⁾ 2017/18	Expended ⁽³⁾ 2017/18	Closing Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
Community amenities							
Department of Planning	15,300	0	0	15,300	0	0	15,300
Transport							
MWIP - Ballinyoo Bridge	1,544,269	31,596	(89,459)	1,486,406	0	(1,486,406)	0
CSIRP - Road Construction	293,684	2,092	0	295,776	2,161	(43,400)	254,537
Regional Development - Bridge	100,000	0	0	100,000	12,065	0	112,065
Roads to Recovery	0	0	0	0	1,150,637	(1,201,661)	(51,024)
Total	1,953,253	33,688	(89,459)	1,897,482	1,164,863	(2,731,467)	330,878

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

19. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	2018 Total Revenue \$	2017 Total Revenue \$	2018 Budget Rate Revenue \$	2018 Budget Interim Rate \$	2018 Budget Total Revenue \$
Differential general rate											
Gross rental valuations											
Unimproved valuations											
Pastoral	2.8577	29	1,458,105	41,668	554	200	42,422	39,369	41,668	0	41,668
Mining	29.4002	11	1,135,141	333,734	8,014	0	341,748	317,829	333,734	142	333,876
Exploration / Prospecting	7.2124	34	287,876	20,763	1,451	0	22,214	23,473	20,763	0	20,763
Sub-Total		74	2,881,122	396,165	10,019	200	406,384	380,671	396,165	142	396,307
Minimum payment	\$										
Gross rental valuations											
Unimproved valuations											
Pastoral	277	4	11,763	1,108	0	0	1,108	1,056	1,108	0	1,108
Exploration / Prospecting	419	8	25,193	3,352	0	0	3,352	1,197	3,352	0	3,352
Sub-Total		12	36,956	4,460	0	0	4,460	2,253	4,460	0	4,460
		86	2,918,078	400,625	10,019	200	410,844	382,924	400,625	142	400,767
Total amount raised from general rate							410,844	382,924			400,767
Totals							410,844	382,924			400,767

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

19. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan	Instalment Plan	Unpaid Rates
		Admin Charge	Interest Rate	Interest Rate
		\$	%	%
Option One				
Single full payment	03-Oct-17			8.00%
Option Three				
First instalment	03-Oct-17	0	0.00%	8.00%
Second instalment	04-Dec-17	5	0.00%	8.00%
Third instalment	05-Feb-18	5	0.00%	8.00%
Fourth instalment	05-Apr-18	5	0.00%	8.00%

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Interest on unpaid rates	980	515	452
Charges on instalment plan	135	1,029	240
	1,115	1,544	692

SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

20. NET CURRENT ASSETS

Composition of net current assets for
the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward)	2018 (1 July 2017 Brought Forward)	2017 (30 June 2017 Carried Forward)
	\$	\$	\$
Surplus/(Deficit) 1 July brought forward	3,756,909	4,913,067	4,913,067
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	3,063,864	3,201,269	3,201,269
Restricted	5,895,040	7,447,178	7,447,178
Receivables			
Rates outstanding	13,874	4,666	4,666
Sundry debtors	2,979	515	515
GST receivable	230,470	40,023	40,023
Accrued income	201,257	32,768	32,768
Inventories			
Fuel and materials	172,993	144,893	144,893
History books	6,198	8,888	8,888
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(212,603)	(179,907)	(179,907)
Accrued salaries and wages	(11,127)	(11,076)	(11,076)
ATO liabilities	(29,180)	(29,968)	(29,968)
Accrued expenses	(17,694)	(139,208)	(139,208)
Current portion of long term borrowings	(1,065)	0	0
Provisions			
Provision for annual leave	(100,860)	(78,884)	(78,884)
Provision for long service leave	(23,837)	(39,263)	(39,263)
Unadjusted net current assets	9,190,309	10,401,894	10,401,894
Adjustments			
Less: Reserves - restricted cash	(5,559,162)	(5,549,696)	(5,549,696)
Add: Current portion of long term borrowings	1,065	0	0
Add: Cash backed leave reserve	124,697	60,869	60,869
Adjusted net current assets - surplus/(deficit)	3,756,909	4,913,067	4,913,067

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

21. FINANCIAL RISK MANAGEMENT

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

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

Financial risk management is carried out by the finance area under policies approved by the Council.

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	8,958,904	10,648,447	8,958,904	10,648,447
Receivables	448,580	79,767	448,580	79,767
	9,407,484	10,728,214	9,407,484	10,728,214
Financial liabilities				
Payables	270,604	360,159	270,604	360,159
Borrowings	19,481	0	19,481	0
	290,085	360,159	290,085	360,159

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

Borrowings, held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

21. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*.

	2018	2017
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	89,589	106,484
- Statement of Comprehensive Income	89,589	106,484

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible interest rate movements.

21. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire's credit risk at balance date was:

	2018	2017
Percentage of rates and annual charges	%	%
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of other receivables		
- Current	20.30%	100.00%
- Overdue	79.70%	0.00%
Rates outstanding		
Includes:		
Past due and not impaired	13,874	4,666
The table illustrates the rates outstanding aging analysis		
Up to one year	13,874	4,666
Sundry debtors		
Includes:		
Past due and not impaired	2,374	515
The table illustrates the sundry debtors aging analysis		
Up to one month	605	515
One to three months	2,374	0
	2,979	515

21. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

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

The contractual undiscounted cash flows of the Shire's Payables and Borrowings are set out in the Liquidity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2018					
Payables	270,604	0	0	270,604	270,604
Borrowings	1,705	8,524	14,491	24,720	19,481
	272,309	8,524	14,491	295,324	290,085
2017					
Payables	360,159	0	0	360,159	360,159
	360,159	0	0	360,159	360,159

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year ended 30 June 2018	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Borrowings								
Fixed rate								
Long term borrowings	1,065	1,101	1,138	1,176	1,215	13,786	19,481	3.33%
Weighted average Effective interest rate	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%		

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

22. TRUST FUNDS

Funds held at balance date over which the Shire has no control and which are not included in the financial statements are as follows:

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
Housing bonds	6,850	2,010	(1,510)	7,350
Licensing collection	872	32,279	(33,151)	0
Crosslands Murchsion Community fund	389,395	8,187	0	397,582
Social club	5,674	2,606	0	8,280
	<u>402,791</u>			<u>413,212</u>

23. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Shire.

Management's assessment of the new and amended pronouncements that are relevant to the Shire, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	Title	Issued / Compiled	Applicable (1)	Impact
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend on the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.
(iii)	AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

23. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

Title	Issued / Compiled	Applicable (1)	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

Adoption of New and Revised Accounting Standards

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

(i) AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	1 January 2017
(ii) AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) 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 cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

25. ACTIVITIES/PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAMME	OBJECTIVES	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Administration and operation of facilities and services to members of council. Other costs that relate to the task of assisting elected members and electors on matters which do not concern specific council services.
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision of various by-laws, fire prevention and animal control.
HEALTH	To provide an operational framework for environmental and community health.	Monitor health control standards within the community, provide support and assistance with airstrips to enable all residents access to the Royal Flying Doctor for regular and emergency health services. Analytical services.
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth.	Support of education facilities within the Shire and of any external resources necessary to assist with education programmes for all residents.
HOUSING	To provide and maintain staff housing.	Provision and maintenance of staff housing.
COMMUNITY AMENITIES	To provide services required by the community.	Maintain a refuse site, public conveniences and a cemetery for the Settlement.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social wellbeing of residents.	Provide a library and museum and operation thereof. Maintain recreation centre, sports field, parks, gardens and other recreational facilities.
TRANSPORT	To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, drainage works and traffic signs. Maintenance of settlement airstrip.
ECONOMIC SERVICES	To help promote the shire and its economic wellbeing.	Building control, provision of power and water supplies. Supply and maintenance of television re-broadcasting installation. Provision of radio communication. Maintenance of caravan park. Vermin control and area promotion.
OTHER PROPERTY AND SERVICES	To monitor and control council's overheads operating accounts.	Private works operations, plant repairs and operation costs.

**SHIRE OF MURCHISON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

26. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	13.42	9.53	2.45
Asset consumption ratio	0.82	0.99	0.86
Asset renewal funding ratio	0.35	0.37	0.39
Asset sustainability ratio	1.47	0.83	0.14
Debt service cover ratio	0.65	N/A	N/A
Operating surplus ratio	(1.23)	2.32	(4.39)
Own source revenue coverage ratio	0.07	0.11	0.09

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

27. ECONOMIC DEPENDENCY

A significant portion of revenue is received by way of grants from State and Federal Government. The total of grant revenue from government sources is disclosed with the income statement.



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INDEPENDENT AUDITOR'S REPORT

To the Council of the Shire of Murchison

Report on the financial report

Opinion

We have audited the annual financial report of the Shire of Murchison (**Shire**), which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In our opinion, the annual financial report of the Shire:

- (i) Is based on proper accounts and records; and
- (ii) Fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995 (Act)* and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

We conducted our audit in accordance with the Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibility for the audit of the financial report* section of our report. We are independent of the Shire in accordance with the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. Regulation 16 of the *Local Government (Financial Management) Regulations 1996 (Regulations)*, does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

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

The Chief Executive Officer (**CEO**) of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that 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 and 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 responsibility for the audit of the financial report

The objectives of our 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 our 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with the *Local Government (Audit) Regulations 1996* we report that:

- (i) In our opinion, the following financial ratios, which are disclosed in the notes to the financial report, indicate significant adverse trends in the financial position or the financial management practices of the Shire:
 - a. The Asset Renewal Funding Ratio and Own Source Revenue Coverage Ratio have been below the Department of Local Government, Sport and Cultural Industries standard for the last three years.
- (ii) No instances of material non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other written law were identified during the course of our audit.
- (iii) All required information and explanations were obtained by us.
- (iv) All audit procedures were satisfactorily completed.
- (v) In our opinion, the Asset Consumption Ratio and the Asset Renewal Ratio, disclosed in the notes to the financial report, were supported by verifiable information and reasonable assumptions.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the annual financial report of the Shire for the year ended 30 June 2018 included 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 described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



DAVID WALL
Director
RSM AUSTRALIA PTY LTD

Perth, Western Australia
17 December 2018