



# **ANNUAL REPORT**

## **2023-2024**





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Cuballing WA 6311

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## Introduction

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Council is pleased to present the Annual Report of the Shire of Cuballing for the Financial Year ending 30 June 2024. The report is prepared in accordance with the requirements of Section 5.53 of the Local Government Act 1995, relevant standards and Regulations.

Council is required to, in its Annual Report, include more on its operations and activities and it is hoped that you will find the information of interest.

Copies of the report are available at the Shire Offices in Campbell Street. Cuballing. Council welcomes any comment from ratepayers and residents of the Shire.



Cuballing East Road – final seal (WSFN)

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## Elected Members

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Listed below are the sitting Council Elected Members at the time this Annual Report was adopted.

**CR. E Dowling – President**

Elected to Office: 2013

Term Expires: 2025

Address: PO Box 2, Popanyinning WA 6309

Phone: 0488 775 095

Email: [president@cuballing.wa.gov.au](mailto:president@cuballing.wa.gov.au)

**CR. R Harris – Deputy President**

Elected to Office: 2019

Term Expires: 2027

Address: PO Box 28, Cuballing WA 6311

Phone: 0458 939 097

Email: [cubyeast@gmail.com](mailto:cubyeast@gmail.com)

**CR. A Kowald – Councillor**

Elected to Office: 2021

Term Expires: 2025

Address: PO Box 55, Popanyinning WA 6309

Phone: 0408 953 337

Email: [adrianpoppo@outlook.com](mailto:adrianpoppo@outlook.com)

**CR. S Ballantyne – Councillor**

Elected to Office: 2023

Term Expires: 2027

Address: PO Box 201, Cuballing WA 6311

Phone: 0418 814 761

Email: [gunnastay@bigpond.com](mailto:gunnastay@bigpond.com)

**CR. S Sexton – Councillor**

Elected to Office: 2023

Term Expires: 2027

Address: 49 Pauley Rd, Cuballing WA 6311

Phone: 0427 836 043

Email: [glenarkfarms@gmail.com](mailto:glenarkfarms@gmail.com)

**CR. D. Bradford – Councillor**

Elected to Office: 2024

Term Expires: 2025

Address: Hillcroft Farms, Popanyinning WA 6309

Phone: 0427 877 055

Email: [hillcroftbradford@gmail.com](mailto:hillcroftbradford@gmail.com)



**Cuballing Cemetery niche wall**

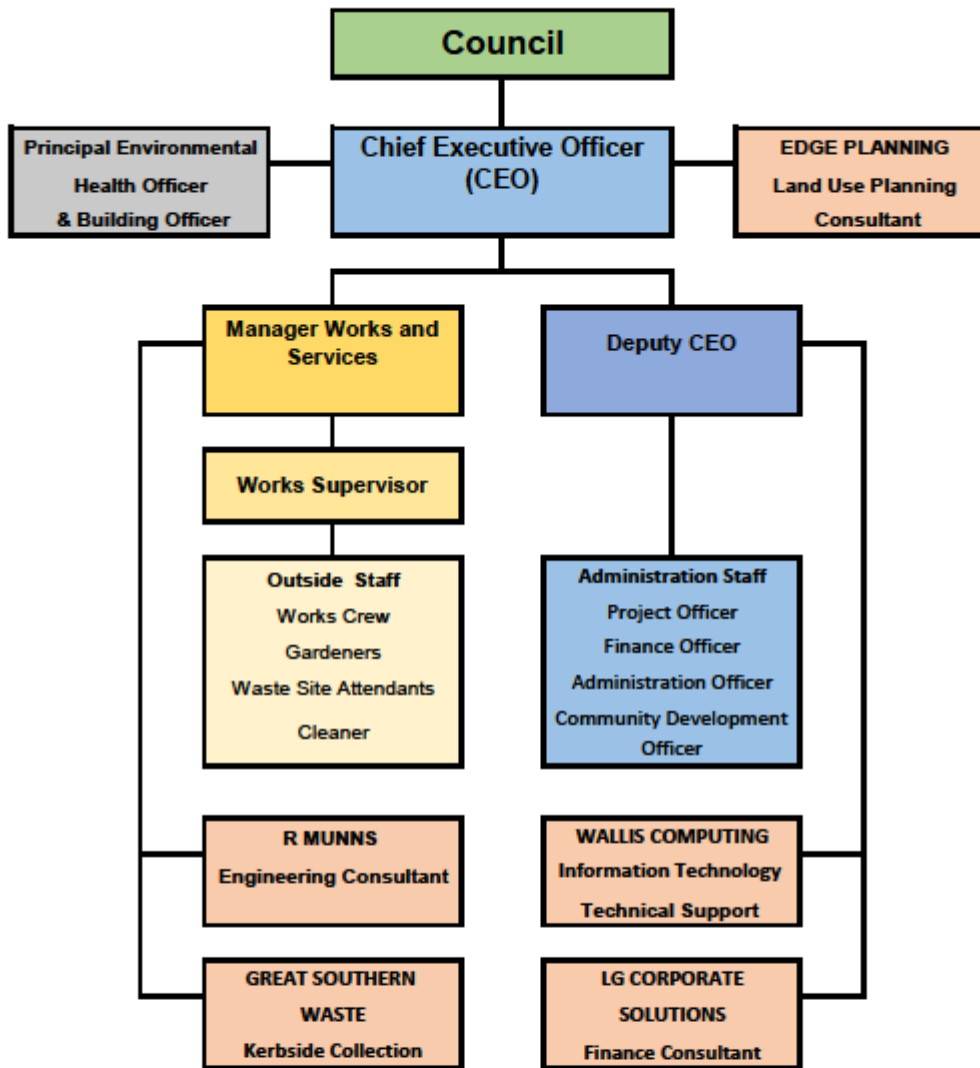


**Cuballing Hall upgrades**



**Popanyinning East Road gravel sheeting**

# Organisational Structure & Staff



# Strategic Community Plan

## OUR COMMUNITY



**Total Population**

2011	870
2016	864
2021	902

**Age Groups**

2011	21%	53%	18%
2016	13%	60%	27%
2021	16%	59%	25%

Children and Young People | Working Age | Seniors

**Volunteering**

2011	12.1%
2016	20.9%
2021	27.7%

**Unemployment Rate**

2011	5.4%
2016	5.2%
2021	3.7%

**Median Age**

2011	41
2016	47
2021	51

**Median Weekly Household Income**

2011	\$695
2016	\$1,103
2021	\$1,238

**We are enjoying modest population growth.**

- We're getting slightly older.
- Incomes are increasing.
- Unemployment is low - it is harder to fill jobs.
- We are phenomenal at volunteering, but mustn't take it for granted.

## OUR ECONOMY



**Agriculture is the mainstay of the local economy. It provides just over half of the Shire's economic output and 62% of jobs.**



**Manufacturing is the second largest industry by economic output.**



**Construction is the third largest industry by economic output.**



## VISION

A charming rural community, in a unique part of the world, growing and prospering while protecting its natural environment.

## GOALS



**Social**  
A place where people of all ages, abilities and stages of life are active and connected.

**Economic**  
Business is thriving, with ample local employment and opportunities for existing and new businesses to grow.

**Natural Environment**  
The natural environment is protected, enhanced, managed, enjoyed by locals, and proudly shared with visitors.

**Built Environment**  
People and goods can move easily in and around the Shire, which is well planned for community needs, respecting the past and building the future.

**Governance**  
Forward thinking leadership, that listens and responds to community needs, with transparent and accountable decision-making.

## STRATEGIC PRIORITIES



**Social**

- Enhancing focus on emergency management (incl. dual use of Equestrian Centre for evacuation).
- Improving Cuballing Recreation Centre.
- Increasing community gatherings and spaces.

**Economic**

- Defining and developing Town Centres.
- Establishing a Light Industrial Area (LIA).
- Increasing tourism, particularly through trail development.
- Developing and promoting the equestrian sector.

**Natural Environment**

- Restoring the river at Popanyinning.
- Establishing Popanyinning wetlands.
- Reducing pests and weeds, working with Peel Harvey Catchment.
- Increasing native planting.

**Built Environment**

- Improving footpaths, linking aged units to Cuballing Town Centre.
- Upgrading major roads (esp. Wheatbelt Secondary Freight Network).
- Improving drainage.
- Increasing heritage protection and telling our story.





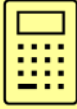



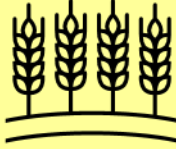
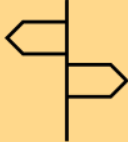

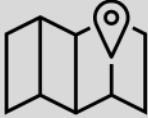



**Governance**

- Enhancing community information and engagement.



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# Shire Statistics 2023-24

 <p>902</p> <p><b>Population</b> *Based on 2021 Census</p>	 <p>\$900</p> <p><b>Minimum Rates-Residential</b></p>	 <p>24</p> <p><b>Number of Staff</b></p>
 <p>192 km</p> <p><b>Distance from Perth</b></p>	 <p>\$1,214,577</p> <p><b>Operating Grant Revenue</b></p>	 <p>\$ 1,572,583</p> <p><b>Rates Levied</b></p>
 <p>\$ 3,302,121</p> <p><b>Operating Revenue</b></p>	 <p>\$ 1,903,382</p> <p><b>Capital Grant Revenue</b></p>	 <p>\$1,215</p> <p><b>Minimum Rates – Rural</b></p>
 <p>465 km</p> <p><b>Length of Unsealed Roads</b></p>	 <p>485</p> <p><b>Number of Dwellings</b> *Based on 2021 Census</p>	 <p>1195</p> <p><b>Area (sq. KM)</b></p>
 <p>\$80,511,027</p> <p><b>Total Assets</b></p>	 <p>688</p> <p><b>Number of Electors</b></p>	 <p>176 km</p> <p><b>Length of Sealed Roads</b></p>

## Shire Presidents Report

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The 2023/24 financial year was another busy year of roadbuilding for the Shire of Cuballing, dominated by the Wheatbelt Secondary Freight Network Program (WSFN) and work on the Cuballing East Road as the WSFN funding makes up 75% of our roadbuilding budget. A ministerial oversight in the second half of the year saw those funds halted but, with a fair bit of reorganisation, the works crew managed to complete some of the other roadworks around the Shire ahead of time. Our works crew, under the leadership of Bruce Brennon and Anthony Mort, have done a great job and continue to build roads to an exemplary standard of which we are justifiably proud.

Upgrading of our old buildings has been completed on both the CWA Hall and Agricultural Hall to make them more usable for community and private functions. In February 2024, the CWA Hall became the regular meeting place of the Shire Council, freeing up space in the Shire building for the administration staff. The CWA Hall is also used by other community groups and the sharing of facilities seems to work well. It is wonderful to see our old building being restored and used by our community. Our four independent living units were also completed to a very high standard by Stallion Homes and are now fully occupied.

We had a few changes on Council as 2023 was an election year. Rob Harris and Scott Ballantyne were elected unopposed in October 2023 and Steve Sexton was elected in an Extraordinary Election in December. Julie Christiansen sadly resigned as councillor in November 2023 to take up the project officer role at the Shire, leaving her position vacant. In May 2024 Dawson Bradford stepped back onto council after his resignation six months earlier.

Our Strategic Community Plan was formally adopted in February 2024. This plan took over six months to develop and involved community consultation in both towns of Popanyinning and Cuballing and input from the Cuballing Community Builders and council. The final document, "Our Heart, Our Home", sets the direction for our shire and highlights the importance of our community events. The August Winter Ball "A touch of blue" was a sell-out event and raised over \$7,000 for mental health in the wheatbelt. Our other community events, such as the Popanyinning Bonfire Night, the Biggest Morning Tea, movie nights, Kids Day Out, Thank a Volunteer, the Popanyinning Markets and the Anzac Day services continue to be well supported. In February 2024, Council formally decided to support the Cuby GrooveFest and allocated considerable resources, particularly in terms of staff time, into this event.

December 2023 and January 2024 saw a spate of deliberately lit fires in the townsite of Cuballing and surrounds. It was an extremely difficult time for the members of the Cuballing

and Popanyinning Fire Brigades and the volunteer fire fighters, who did an amazing job in keeping the residents safe. Bushfires continue to be our greatest threat and the Shire applied for all available DFES funding including for a Community Emergency Services Manager in conjunction with the Shire of Narrogin.

The Shire of Cuballing joined with Boddington, Wandering and Williams to form the Hotham Williams Voluntary Regional Organisation of Councils (VROC) in October 2023 with the aim of working together to share and build resources and networks to improve tourism and business opportunities. This is an exciting initiative and will hopefully ensure the Shire of Cuballing's long term sustainability.

On behalf of Council, I would like to thank all our shire staff for their fantastic effort over the 2023/24 financial year. It has been very much appreciated.

**Councillor Eliza Dowling**  
**President**



**Cuballing Groovefest entry**

# Chief Executive Officer's Report

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I am pleased to report on the highlights for the Shire of Cuballing over the 2023-24 financial year. It has been an enormous privilege to join the Shire as Chief Executive Officer at the end of September 2024, and I have deeply appreciated the welcome that I have received from the Council, community and residents.

The focus of the Shire of Cuballing continues to be the provision of good facilities and improved infrastructure and services across our district, whilst maintaining judicious financial standards and positive community engagement.

During the 2023-24 year the following projects were completed including:

- Refurbishment of the Cuballing CWA Hall to improve useability and functionality. This included the installation of air conditioning and heating, upgrade and replacement of internal electrical services, acoustic panelling, and the installation of disability access. We also upgraded the existing ablutions to better suit all-abilities access.
- Commence refurbishment of the historic Popanyinning School House for use as a community hub – kitchen upgrades, partial re-stumping, refurbishment of the freestanding toilet block, and removal of asbestos which was identified during works and the re-lining of the walls.
- Improvement and enhancement of the Cuballing Cemetery by constructing an extension to the niche wall to accommodate future community needs.
- Improve accessibility of the Shire Administration office by installing disability access ramp to the rear entrance including the extension of the carport and undercover area.
- Continued to complete major road works projects including:
  - Reconstruction, stabilisation and sealing sections of Stratherne Road (Regional Road Group funding);
  - Clearing and pavement design for SLK 0.00 to 32.38 on the Wandering-Narrogin Road;
  - Final seal / shoulder widening on Wandering-Narrogin Road SLK 30.82 to 31.73;
  - Drainage, reconstruction and final seal on various sections of Cuballing East Road;
  - Shoulder widening, primer seal and kerbing on Austral St Cuballing SLK 0.00 to 0.40;
  - Construction of an asphalt footpath along Campbell St Cuballing SLK 0.45 to 0.61
  - Gravel sheeting of Popanyinning East Road section SLK 10.92 to 13.14.
  - Additionally, the works crew carried out our regular maintenance program across our road network assets of summer and winter grading, shoulder grading, bitumen

patching, culvert clearing and installation, roadside spraying, tree mulching and bridge maintenance.

As in previous years, the Shire's works program remains our most significant investment. Maintaining and improving the standard of the roads infrastructure that supports local agriculture and lifestyle is an extremely important priority to Council. The Shire receives support for its roads program from:

- Commonwealth Financial Assistance Grants
- Commonwealth Roads to Recovery Program
- Joint Commonwealth (80%), State (13.5%) and Local Government funding under the Wheatbelt Secondary Freight Network (WSFN) Program
- Direct Grant from Main Roads WA
- State funded Regional Roads Group

We have also received funding via the Commonwealth's *Local Roads and Community Infrastructure Program* that supports the installation of new recreation/public facilities and upgrades to our important roads and community buildings.

With regards to strategic and administrative management matters, during the past year the Council adopted its new Strategic Community Plan along with the supporting Long-Term Financial Plan and Asset Management Plan. Statutory reviews of the Shire's risk management, internal controls and legislative compliance (Regulation 17 review) and the financial management systems (Regulation 5 review) were also undertaken and reported to the Audit Committee and Council for consideration and endorsement.

I want to note and acknowledge the efforts of all the Shire administration, works and outdoors staff who always go above and beyond in performing their duties for the Council and our residents – we have a relatively small but excellent team at the Shire of Cuballing and I most sincerely appreciate their endeavours and support. I also extend my gratitude to former CEO Stan Scott, for his dedicated service and contribution both to the Shire during his tenure here, and the wider Western Australian local government sector over his career. I wish he and Laurel the very best in their well-deserved retirement.

I also deeply appreciate the many volunteers in our communities who give their time freely and readily for all manner of events and functions in our area. Of special note is the Shire's Work Supervisor Anthony "Morty" Mort, who volunteers as our Chief Bushfire Control Officer, Brigade Captain and chairs the Upper Great Southern Regional Operational Advisory Committee (ROAC). In 2024 Morty was recognised with the WA Fire and Emergency Services Murray Lang Bushfire Service award for his volunteering efforts over more than 25 years in going "above and beyond" for the community and region. This is the highest individual honour a WA bushfire service volunteer can receive.

Finally, I would like to acknowledge the vision, enthusiasm and support of Council and the invaluable contribution of the Elected Members under the leadership of President Councillor Eliza Dowling. The Shire of Cuballing is very fortunate to have such a stable and strong Council that possesses an understanding and strategic focus to work with the administration to determine what goals we can achieve and deliver the best outcomes for our residents and district.

**Chris Paget**  
**Chief Executive Office**



## Highlights of the Year

### Winter Ball 2023

Cuballing Winter Ball was held for the second year in a row, it was not a disappointment. Ticket numbers were slightly higher than 2022 and all sold out within 3 weeks. Still a glamorous event where all patrons dressed to the 9's and danced the night away.

Money was raised for a local Suicide prevention project – Holyoake. Holyoake cover the entire area from Northam to Esperance and far out east to Hyden. This time round instead of a live auction (some feedback from 2022 was the auction was slightly distracting) a silent auction was held where patrons could bid throughout the entire evening.

The night went off without any glitches! And after a week of setting up the Cuballing Agricultural Hall was transformed into magical hall fit for a glamorous ball

Many businesses got behind this event with their generous donations which helped to raise approximately \$7,000. Many thankyou's are to be made—Elders Narrogin, Sports Power Narrogin, Westrac Cat, Cuballing Roadhouse, Patmore Feeds, Farmworks Narrogin, Wheatbelt Strength and Melchiorre Seeds.

Many hard-working volunteers worked behind the scenes through the week that helped make this night run smoothly

The bar was well supported throughout the night, thanks for keeping our bar tenders, Sally Haslam, Bronwyn and Steve Lyneham, busy.



## Kids Day 2023



The Shire of Cuballing held another very successful Go for 2&5 Cuballing Kid's Day on Wednesday 27th September 2023. Approx. 250 kids wandered in throughout the morning.

Full activities this 2023 includes, petting zoo, face painting, merry go round, ferries wheel, and clown heads

One comment that is made by the entertainment providers each year is they love coming down to rural events as the

children as so much better behaved!

Cuballing Kid's Day was supported by Healthway and the Shire of Cuballing.

## Bike Month 2023

The Shire of Cuballing along with Bike Month and Wheatbelt Cycle Collective hosted a Mountain bike skills session on Saturday the 28<sup>th</sup> of October. The workshop was well attended, and it was great to see some mums join in and learn some new skills.

Tracey Chapman from CycleSense was contracted to coach the skills session. The session started with simple skills like breaking, position and navigating corners before Michael and Tracey headed the eager participants up the trails to test out their newly learnt skills. These eager riders were well equipped with their brand new gloves all courtesy of the Bike Month Grant funding.

The Griffon track is a novice track at the Railway Dam in Narrogin and is full of jumps, manmade and natural, along with berms which kept the riders busy for hours under the watchful eye of Tracey who is a level two Mountain bike coach and state champion mountain bike rider. The Mountain Bike trails at the Railway Dam in Narrogin along with the trails at the Yornaning Dam were all constructed By the Chin Family and Wheatbelt Cycle Collective.

Funded by WestCycle.





## The Anchormen

The Anchormen held a concert in the Cuballing Ag Hall in September 2023. Also offered was a sea shanty signing workshop but unfortunately that was not supported by the public.

About 15 people ventured out for the sea shanty concert though and were pleasantly surprised. The Anchormen are based in Bunbury WA

This event was supported by the Shire of Cuballing and free to the public.



## Australia Day 2024

On Australia Day 2024 the Shire of Cuballing hosted their annual community BBQ Breakfast at the new all-weather shelter at the Popanyinning Oval. At the breakfast Shire President, Eliza Dowling, presented the 2024 Shire of Cuballing Citizen of the Year Award to John & Lesley Young of Cuballing and Group of the Year Cuballing Golf Club for their vital part in the LGIS Golf Tournament.

John and Lesley Young were selected for their years of dedication to the Cattle and Horse breeding/racing industry.



## Anzac Day 2024

The 2024 Shire of Cuballing Anzac Day Service was well attended on a crisp morning.

Shire President Cr Eliza Dowling made a moving tribute to those who served followed by the Prayer of Remembrance. Mrs Robin Newman and Mrs Pat McDougall then led us in singing the hymn "O God Our Help in Ages Past"

The wreaths were laid by Mr Ries Chattillon, and Cr Robert Harris. Mr Chattillon spoke The Ode which was followed by Emily Ballantyne playing The Last Post. Locals Arthur Taylor and Robyn Sewell raised and lowered the Australian and New Zealand flags.

After the One Minute Silence and The Rouse played by Emily, the flags were raised by & Arthur Taylor & Robyn Sewell.

Mrs Newman and Mrs McDougall then led the group in singing the National Anthems of New Zealand and Australia.

Grace and Adam from the Cuballing Tavern had prepared a morning tea of scones, Bacon and eggs and fruit platters for all to enjoy at the completion of the service.



## Strength Classes & Art Classes

Strength classes have begun at the Cuballing Ag hall on Mondays from 9.30am to 10.15am and Tuesday same time in Popanyinning. These classes are free to residents 55 years and over and fully funded through a grant program Age-friendly Communities Connectivity Grants. These classes are highly popular and will continue over a 6-month period.



Within the same funding social morning tea and Art classes are also held in the CWA hall following the strength classes on Mondays. The Art classes are run by local Peter Denton and are also popular with those who were looking for a creative social outing. One comment coming from a local who has lived in Cuballing town for the past 8 years *“I used to see the locals at the PO and we would nod and go on our way now, I am more comfortable to be able to strike up a conversation with them because of this program, thank you”* and also, *“I find myself being able to get off the couch easier due to these classes, I was very doubtful at the start but now I don’t miss a class!”*



## Council

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Council Meetings are held on the third Wednesday of every month except in January where no meeting is planned. All Ordinary Council Meetings commenced at 2.00pm. From February 2024 the starting time will change to 3.00 pm. All Council meetings are open to the public, except for matters raised by Council under “confidential items”

Members of the public may ask a question at a council meeting during ‘Public Question Time’

Minutes of the meetings are available at the Council offices or by visiting our website [www.cuballing.wa.gov.au](http://www.cuballing.wa.gov.au)

## Annual Financial and Audit Report

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The Shire of Cuballing Annual Financial report for 30 June 2024 was audited by AMD Chartered Accountants and endorsed by the Office of the Auditor General. A copy of the Annual Financial return and Audit Report is tabled later in this report.

## Required Disclosures

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Local Government (Administration) Regulations 1996 require certain information in relation to remuneration, Councillor behaviour and levels of participation to be disclosed in the Annual Report.

## Employee Remuneration

Local Government Administration Regulation 19B requires Council's employee remuneration over \$130,000, and in every \$10,000 increment above \$130,000 to be disclosed in the Annual Report.

Salary Range	Number of Employees
<b>\$130,000 – 139,999</b>	0
<b>\$139,999 – 149,999</b>	1

## Payment to Members of the Standards Panel

Regulation 19B(c) requires disclosure of any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year. There were no such allowances paid by the Shire of Cuballing.

## Financial Penalties

Regulation 19B(d) any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year. No Cuballing Councillors were the subject of any complaint to the Standards Panel.

## CEO Remuneration

Regulation 19B(e) requires disclosure of the remuneration paid or provided to the CEO during the financial year. Total remuneration provided to Mr Stan Scott in 2023-24 was \$194,978.71.

## Councillor Attendance

Regulation 19B(f) the number of council and committee meetings attended by each council member during the financial year.

Councillor	Council Meetings	Committee Meetings
Cr Eliza Dowling	12	4
Cr Rob Harris	11	2
Cr Adrian Kowald	11	2
Cr Scott Ballantyne (from Oct 2023)	7	2
Cr Julie Christensen (until Nov 2023)	6	1
Cr Steve Sexton (from Dec 2023)	5	1
Cr Dawson Bradford (*Jul-Oct 2023 then from May 2024 onwards)	4	0

## Councillor Demographics

Regulation 19B(g), (h) and (i) require the reporting of demographic information on Councillors' if known, including gender, country of birth, linguistic background and whether or not Councillors Identify as Aboriginal or Torres Strait Islander, as well as the ages of Councillors. Where the information is known it is reported below. During 2023-24 the Shire of Cuballing had a total of 7 Councillors occupy the 6 positions on Council (Cr Christensen resigned in November 2023).

Total Councillors	6
Male	5
Female	2
Identify as Aboriginal or Torres Strait Islander	0

## Integrated Planning and Reporting

Regulation 19B(j) and (k) require the disclosure of any significant changes to the Strategic Community Plan or Corporate Business Plan

Following extensive community consultation, the Council adopted a new Strategic Community Plan 2023-2033 and the associated Companion Document on 21<sup>st</sup> February 2024. Council started the process of developing a new Strategic Community Plan in October 2022. The concept for the plan was that all key information should be presented on a single A3 Sheet so that it may be folded into an A4 booklet. There were a number of different approaches used to collect community input; postcards were distributed to the community with the questions:

- What do you like most about living in Cuballing?
- Is there something you feel the Shire of Cuballing could do better?
- Do you have an idea or suggestion for the future of our community?

Face to face community engagement sessions were held in Popanyinning and Cuballing; the engagement questions were replicated in an on-line survey. We had a number of community members involved in the Community Builders program, and feedback from their Community Opportunities Workshop was also considered in compiling the final document that Council endorsed.

## Trading Undertakings

Regulation 19BB requires information about major trading undertakings. There are no such trading undertakings requiring disclosure.

## Land Transactions

Regulation 19BC requires information about major land transactions. There are no major land transactions requiring disclosure.

## Elected Member Fees, Expenses and Allowances

Regulation 19BD requires information requires that all fees, expenses and allowances paid to Elected members be disclosed in the Annual Report. These details are set out in the table below.

Elected Member	Presidents Allowance	Deputy President	Sitting Fees	ICT Allow	Travel	Total
Cr Dowling	\$10,000		\$3,445	\$250		<b>\$13,695.00</b>
Cr Harris		\$2,500	\$2,305	\$250		<b>\$5,055.00</b>
Cr Kowald			\$2,955	\$500	\$498.72	<b>\$3,953.72</b>
Cr Christensen			\$890			<b>\$890</b>
Cr Ballantyne			\$1,320	\$333	\$326.04	<b>\$1,979.04</b>
Cr Sexton			\$990	\$292	\$156.00	<b>\$1,438.00</b>
Cr Bradford			\$660	\$20.83		\$680.83
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$2,500</b>	<b>\$12,565</b>	<b>\$1,645.83</b>	<b>\$980.76</b>	<b>\$27,691.59</b>

## Capital Grants Subsidies and Contributions

Regulation 19BE requires that the amount of all capital grants, subsidies and contributions for the financial year and the two previous financial years be set out in Annual Report. The current and previous year can also be found at Note 2(a) in the Statement of Comprehensive Income by Nature and Type.

Financial Year	Capital Grants Subsidies and Contributions
2023-24	\$1,903,382
2022-23	\$4,046,791
2021-22	\$ 1,175,096

## Plan for the Future

Local Government Act 1995 Section 5.51(2) (e) and section 5.56 requires a local government to plan for the future of the district. The following plans are available from the Shire Administration Office:

- Strategic Community Plan 2023-2033
- Long Term Financial Plan 2024-2034
- Corporate Business Plan 2020-2024
- Asset Management Plan 2024-2034

All Plans are regularly reviewed in accordance with the requirements of the Act.

## Register of Complaints

Section 5.121 of the Local Government Act 1995 requires Council to maintain a register of complaints which records all complaints that result in an action under the Local Government Act s5.121(6)(b) or (c)

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

- Name of Council Member or person about whom the complaint is made;
- Name of the person who makes the complaint;
- A description of the minor breach that the standards Panel finds has occurred; and
- Details of the action taken under LGA s5.110(6)(b) or (c)

During the 2023-24 year there were no reportable complaints.

## **Freedom of Information**

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The Freedom of Information (FOI) Act 1992 gives the public the right to apply for access to information held by the Shire of Cuballing. In the event that a request for information goes beyond the scope of the usual requests received, then the Shire would consider using the FOI process.

A copy of the FOI process is contained within the Shire's FOI Information Statement, which is available at [www.cuballing.wa.gov.au](http://www.cuballing.wa.gov.au)

In the 2023-2024 financial year, there were no Freedom of Information applications or requests received by the Shire.

## **Elections**

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

At the ordinary Council elections held in October 2023 there were two nominations for three vacant positions, with Rob Harris and Scott Ballantyne thus being elected unopposed. Council then decided to undertake an extraordinary election on 16<sup>th</sup> December 2023 to fill the remaining vacancy, with Steve Sexton unopposed as the successful candidate.

No nominations were received by 25<sup>th</sup> January 2024 for the extraordinary vacancy created by the resignation of Cr Julie Christensen, thus Council had to call a further extraordinary election for the 4<sup>th</sup> of May 2024. Dawson Bradford was returned to Council at this time.

## **Public Interest Disclosure**

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In accordance with the Public Interest Disclosure Act 2003, procedures have been implemented to facilitate receiving, reporting and action on public interest disclosures.

During the 2023-24 reporting period, no public interest disclosures were lodged.

## **State Records Act**

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State Records Commission Standard 2 (Record Keeping Plan), Principle 6 (Compliance) states that the Government Organisations, including Local Governments, should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities under their Record Keeping Plan.

Council is guided by its record keeping plan to maintain compliance with the State Records Commission. The Shire of Cuballing's Record Keeping Plan was endorsed by the Commission in July 2021 and is due for review prior to July 2026.

Staff continually work on implementing the strategies outlined in the Record Keeping Plan.

The Shire's Administration Officer and Projects/Finance Officer are delegated the responsibility of maintaining the filing and record system. The officers attend appropriate training courses both online and in-person to build knowledge in this area. All staff are trained to use the system as well as being trained in their record keeping responsibilities. Staff training and development in this area is ongoing to ensure best practise.

The Shire of Cuballing's Induction Program for new employees includes an introduction to Councils record keeping system and program, and information on their record keeping responsibilities.

## **Equal Opportunity**

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Under the Western Australian Equal Opportunity Act, 1984 (PART IX) it is the responsibility of Local Government Authorities to prepare and implement an equal opportunity management plan in order to achieve the objects of the Act. These objects are:

- A. to eliminate and ensure the absence of discrimination in employment on the ground of sex, marital status, pregnancy, family responsibility or family status, sexual orientation, race, religious or political conviction, impairment or age;
- B. to eliminate and ensure the absence of discrimination in employment against gender reassigned persons on gender history grounds; and
- C. to promote equal employment opportunity for all persons.

The Shire of Cuballing Adopted its Equal Employment Opportunity Management Plan in May 2023. This plan was subsequently replaced by a revised plan in an updated format in November 2023.

## **National Competition Policy**

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The Clause 7 Statement on the application of National Competition Policy to local government requires certain information to be provided in the Annual Report.

### **Competitive Neutrality**

Council has reviewed all areas of operations to determine the existence or otherwise of significant business activities.

A significant business activity is defined as an activity with an income in excess of \$200,000 pa, which is not a regulatory service (community service obligation) and which is not already contracted out.

Accordingly, it has been determined that Council has no significant business activity for the purposes of competitive neutrality as it relates to the National Competition Policy Clause 7 Statement.

### **Structural Reform**

As required by the Australian Accounting Standards and the Financial Management Regulations, an activity-based costing system has been implemented. This assists the regulatory functions of Council to be separately identified from the service delivery functions, with a proper record of cost of provision of those functions.

Due to the compactness of the staff and range of activities undertaken by the Shire, there is little scope for further change.



## **Disability Access and Inclusion Plan**

The Shire of Cuballing first adopted a Shire of Cuballing Disability Access and Inclusion Plan in 1995. The Shire of Cuballing Disability Access and Inclusion Plan 2019-2024 was adopted on 19<sup>th</sup> June 2019.

The Disability Services Amendment Act 1999 requires local governments to report annually on their Disability Access and Inclusion Plan achievements. The achievements for the year ended 30<sup>th</sup> June 2024 are listed below and grouped into the outcome areas addressed in the Shire of Cuballing's Disability Access and Inclusion Plan.

**Outcome 1 People with disability have the same opportunity as other people to access the services of, and any events organised in the Shire of Cuballing**

Council is responsive to the needs of the community in relation to the adaptation of services to suit particular needs. During the year, no areas of service delivery were identified as requiring modification.

**Outcome 2 People with disability have the same opportunity as other people to access the buildings and other facilities of the Shire of Cuballing**

Council owned buildings are reviewed annually to see what modifications are required to improved access for members of the community that have difficulty with mobility. Upgrades to the Cuballing CWA Hall were undertaken during the 2023-24 financial year which included:

- Modification of the rear entry to allow for compliant access for mobility impaired customers;
- Upgrade to the existing ablutions to better suit all-abilities access and usage.

**Outcome 3 People with disability receive information pertaining to Council functions facilities and services in a format that will enable them to access the information as readily as other people are able to access it**

Information about the functions, facilities and services provided by the Shire is prepared using clear and concise language. If necessary, this information can be made in alternative formats i.e., large print, verbal etc on request. During the year no such requests were received.

**Outcome 4 People with disability will receive the same level and quality of service from the staff of the Shire of Cuballing as other people receive.**

Staff training is reviewed annually and where a need for training is identified, the staff are given the appropriate training.

**Outcome 5 People with disability have the same opportunities as other people to make complaints to the Shire of Cuballing**

All grievance procedures are accessible, and staff are available to assist where required to ensure diverse needs are met to ensure grievances and complaints can be made known to the Shire. Procedures are reviewed regularly, and staff are provided with training as required.

**Outcome 6 People with disability have the same opportunities as other people to participate in any public consultation by the Shire of Cuballing**

Venues which are utilised for community participation in Council process are selected with the objective of ensuring access for all members of the community.

**Outcome 7 People with disability have the same opportunities as other people to obtain and maintain employment with the Shire of Cuballing**

Council or staff responsible for recruitment will ensure that the right person is selected for the position regardless of disability. At all stages of the recruitment process, staff will ensure that the position description, interviews and the workplace are accessible to all.

Plans are in place to provide an accessible staff entry for use by staff and Councillors which should eliminate any physical barriers to participation for potential candidates for employment or election.

**SHIRE OF CUBALLING**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

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The Shire of Cuballing conducts the operations of a local government with the following Community vision:

*A progressive, diverse and caring community, with access to modern services and infrastructure, in a unique part of the world.*

Campbell Street  
Cuballing, WA 6311

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

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

**STATEMENT BY CEO**

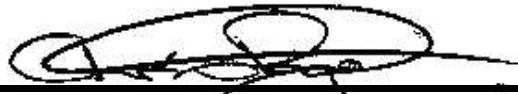
The accompanying financial report of the Shire of Cuballing has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

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

Signed on the

12th day of

December 2024



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CEO Signature

Chris Paget

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Name of CEO



**SHIRE OF CUBALLING  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>Revenue</b>				
Rates	2(a),24	1,572,583	1,417,951	1,409,045
Grants, subsidies and contributions	2(a)	1,214,577	476,885	1,527,727
Fees and charges	2(a)	312,247	367,691	358,652
Interest revenue	2(a)	68,863	83,550	47,151
Other revenue	2(a)	133,851	88,270	114,276
		<b>3,302,121</b>	<b>2,434,347</b>	<b>3,456,851</b>
<b>Expenses</b>				
Employee costs	2(b)	(1,112,849)	(1,086,640)	(993,158)
Materials and contracts		(1,048,100)	(1,201,509)	(862,024)
Utility charges		(116,741)	(180,803)	(162,427)
Depreciation		(2,585,597)	(2,277,131)	(2,209,250)
Finance costs		(54,654)	(52,020)	(51,251)
Insurance		(209,144)	(226,979)	(175,136)
Other expenditure	2(b)	(181,651)	(76,245)	(64,013)
		<b>(5,308,736)</b>	<b>(5,101,327)</b>	<b>(4,517,259)</b>
		<b>(2,006,615)</b>	<b>(2,666,980)</b>	<b>(1,060,408)</b>
Capital grants, subsidies and contributions	2(a)	1,903,382	3,379,313	4,046,791
Profit on asset disposals		16,136	5,137	21,327
Loss on asset disposals		(8,793)	(10,840)	(64,671)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	841	0	1,843
		<b>1,911,566</b>	<b>3,373,610</b>	<b>4,005,290</b>
<b>Net result for the period</b>		<b>(95,049)</b>	<b>706,630</b>	<b>2,944,882</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	999,417
<b>Total other comprehensive income for the period</b>	16	<b>0</b>	<b>0</b>	<b>999,417</b>
<b>Total comprehensive income for the period</b>		<b>(95,049)</b>	<b>706,630</b>	<b>3,944,299</b>

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



**SHIRE OF CUBALLING**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

	NOTE	2024	2023
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	1,655,766	2,003,638
Trade and other receivables	5	284,705	326,368
Inventories	6	16,343	33,510
Other assets	7	31,434	210,951
<b>TOTAL CURRENT ASSETS</b>		<b>1,988,248</b>	<b>2,574,467</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	14,770	3,064
Other financial assets	4(a)	41,586	40,745
Property, plant and equipment	8	12,003,056	9,952,628
Infrastructure	9	66,463,367	66,088,829
Right-of-use assets	11(a)	0	1,960,154
<b>TOTAL NON-CURRENT ASSETS</b>		<b>78,522,779</b>	<b>78,045,420</b>
<b>TOTAL ASSETS</b>		<b>80,511,027</b>	<b>80,619,887</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	268,305	155,504
Other liabilities	13	156,521	96,566
Borrowings	14	171,275	163,031
Employee related provisions	15	256,648	284,448
<b>TOTAL CURRENT LIABILITIES</b>		<b>852,749</b>	<b>699,549</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14	953,981	1,125,256
Employee related provisions	15	13,373	9,109
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>967,354</b>	<b>1,134,365</b>
<b>TOTAL LIABILITIES</b>		<b>1,820,103</b>	<b>1,833,914</b>
<b>NET ASSETS</b>		<b>78,690,924</b>	<b>78,785,973</b>
<b>EQUITY</b>			
Retained surplus		22,864,197	22,989,131
Reserve accounts	27	677,911	648,026
Revaluation surplus	16	55,148,816	55,148,816
<b>TOTAL EQUITY</b>		<b>78,690,924</b>	<b>78,785,973</b>

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



SHIRE OF CUBALLING  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2022</b>		<b>19,614,195</b>	<b>1,078,080</b>	<b>54,149,399</b>	<b>74,841,674</b>
Comprehensive income for the period					
Net result for the period		2,944,882	0	0	2,944,882
Other comprehensive income for the period	16	0	0	999,417	999,417
Total comprehensive income for the period		2,944,882	0	999,417	3,944,299
Transfers from reserve accounts	27	442,943	(442,943)	0	0
Transfers to reserve accounts	27	(12,889)	12,889	0	0
<b>Balance as at 30 June 2023</b>		<b>22,989,131</b>	<b>648,026</b>	<b>55,148,816</b>	<b>78,785,973</b>
Comprehensive income for the period					
Net result for the period		(95,049)	0	0	(95,049)
Total comprehensive income for the period		(95,049)	0	0	(95,049)
Transfers from reserve accounts	27	30,070	(30,070)	0	0
Transfers to reserve accounts	27	(59,955)	59,955	0	0
<b>Balance as at 30 June 2024</b>		<b>22,864,197</b>	<b>677,911</b>	<b>55,148,816</b>	<b>78,690,924</b>

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



**SHIRE OF CUBALLING  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2023 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		1,620,315	1,397,842
Grants, subsidies and contributions		1,286,458	1,500,901
Fees and charges		312,247	358,652
Interest revenue		68,863	47,151
Goods and services tax received		590,098	312,674
Other revenue		133,851	114,276
		<b>4,011,832</b>	<b>3,731,496</b>
<b>Payments</b>			
Employee costs		(1,126,734)	(958,257)
Materials and contracts		(721,399)	(1,021,131)
Utility charges		(116,741)	(162,427)
Finance costs		(54,654)	(51,251)
Insurance paid		(209,144)	(175,136)
Goods and services tax paid		(646,666)	(296,237)
Other expenditure		(181,651)	(64,013)
		<b>(3,056,989)</b>	<b>(2,728,452)</b>
<b>Net cash provided by operating activities</b>		<b>954,843</b>	<b>1,003,044</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a)	(661,538)	(1,878,774)
Payments for construction of infrastructure	9(a)	(2,431,528)	(3,928,046)
Payments for right of use assets	11	0	(207,630)
Capital grants, subsidies and contributions		1,903,382	3,376,709
Proceeds from sale of property, plant & equipment		50,000	308,079
<b>Net cash (used in) investing activities</b>		<b>(1,139,684)</b>	<b>(2,329,662)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	26(a)	(163,031)	(84,310)
Proceeds from new borrowings	26(a)	0	407,025
<b>Net cash provided by (used in) financing activities</b>		<b>(163,031)</b>	<b>322,715</b>
<b>Net (decrease) in cash held</b>		<b>(347,872)</b>	<b>(1,003,903)</b>
Cash at beginning of year		2,003,638	3,007,541
<b>Cash and cash equivalents at the end of the year</b>		<b>1,655,766</b>	<b>2,003,638</b>

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



**SHIRE OF CUBALLING**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	24	1,571,970	1,417,338	1,408,478
Rates excluding general rates	24	613	613	567
Grants, subsidies and contributions		1,214,577	476,885	1,527,727
Fees and charges		312,247	367,691	358,652
Interest revenue		68,863	83,550	47,151
Other revenue		133,851	88,270	114,276
Profit on asset disposals		16,136	5,137	21,327
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	841	0	1,843
		<b>3,319,098</b>	<b>2,439,484</b>	<b>3,480,021</b>
<b>Expenditure from operating activities</b>				
Employee costs		(1,112,849)	(1,086,640)	(993,158)
Materials and contracts		(1,048,100)	(1,201,509)	(862,024)
Utility charges		(116,741)	(180,803)	(162,427)
Depreciation		(2,585,597)	(2,277,131)	(2,209,250)
Finance costs		(54,654)	(52,020)	(51,251)
Insurance		(209,144)	(226,979)	(175,136)
Other expenditure		(181,651)	(76,245)	(64,013)
Loss on asset disposals		(8,793)	(10,840)	(64,671)
		<b>(5,317,529)</b>	<b>(5,112,167)</b>	<b>(4,581,930)</b>
Non cash amounts excluded from operating activities	25(a)	2,555,544	2,282,834	2,193,452
<b>Amount attributable to operating activities</b>		<b>557,113</b>	<b>(389,849)</b>	<b>1,091,543</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		1,903,382	3,379,313	4,046,791
Proceeds from disposal of assets		50,000	75,955	308,079
		<b>1,953,382</b>	<b>3,455,268</b>	<b>4,354,870</b>
<b>Outflows from investing activities</b>				
Right of use assets received - non cash	11(a)	0	0	(207,630)
Purchase of property, plant and equipment	8(a)	(661,538)	(1,071,484)	(1,878,774)
Purchase and construction of infrastructure	9(a)	(2,431,528)	(3,808,560)	(3,928,046)
		<b>(3,093,066)</b>	<b>(4,880,044)</b>	<b>(6,014,450)</b>
<b>Amount attributable to investing activities</b>		<b>(1,139,684)</b>	<b>(1,424,776)</b>	<b>(1,659,580)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	26(a)	0	250,000	407,025
Transfers from reserve accounts	27	30,070	0	442,943
		<b>30,070</b>	<b>250,000</b>	<b>849,968</b>
<b>Outflows from financing activities</b>				
Repayment of borrowings	26(a)	(163,031)	(164,504)	(84,310)
Payments for principal portion of lease liabilities	26(c)	0	(2,000)	0
Transfers to reserve accounts	27	(59,955)	(48,921)	(12,889)
		<b>(222,986)</b>	<b>(215,425)</b>	<b>(97,199)</b>
<b>Amount attributable to financing activities</b>		<b>(192,916)</b>	<b>34,575</b>	<b>752,769</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	25(b)	1,674,371	1,805,569	1,489,639
Amount attributable to operating activities		557,113	(389,849)	1,091,543
Amount attributable to investing activities		(1,139,684)	(1,424,776)	(1,659,580)
Amount attributable to financing activities		(192,916)	34,575	752,769
<b>Surplus or deficit after imposition of general rates</b>	25(b)	<b>898,884</b>	<b>25,519</b>	<b>1,674,371</b>

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

**SHIRE OF CUBALLING**  
**FOR THE YEAR ENDED 30 JUNE 2024**  
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# SHIRE OF CUBALLING

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

### 1. BASIS OF PREPARATION

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

#### Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards.

The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

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

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

The Local Government (Financial Management) Regulations 1996 provide that:

- land and buildings classified as property, plant and equipment; or
  - infrastructure; or
  - vested improvements that the local government controls;
- and are measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

#### Critical accounting estimates and judgements

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

#### Critical accounting estimates and judgements (continued)

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 8
  - Infrastructure - note 9

Measurement of employee benefits can be found in note 15

Fair value hierarchy information can be found in note 23

#### The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 27 of the financial report.

#### Initial application of accounting standards

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

- AASB 2021-2 Amendments to Australian Accounting Standards - *Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

#### New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 Amendments to Australian Accounting Standards - *Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c Amendments to Australian Accounting Standards - *Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 Amendments to Australian Accounting Standards - *Lease Liability in a Sale and Leaseback*
- AASB 2022-6 Amendments to Australian Accounting Standards - *Non-current Liabilities with Covenants*

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards - *Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

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

- AASB 2023-1 Amendments to Australian Accounting Standards - *Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

<b>Revenue Category</b>	<b>Nature of goods and services</b>	<b>When obligations typically satisfied</b>	<b>Payment terms</b>	<b>Returns/Refunds/Warranties</b>	<b>Timing of revenue recognition</b>
Rates - General Rates	General Rates	Over time	Payment dates are adopted by Council during the year. Payment on an annual basis in advance.	None	When rates notice is issued.
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance or on normal trading terms if credit provided	None	On entry to facility
Other revenue - private works	Contracted private works	Single point in time	Payment in advance or on normal trading terms if credit provided	None	At point of service

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

**Revenue Recognition**

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

**For the year ended 30 June 2024**

<b>Nature</b>	<b>Contracts with customers</b>	<b>Capital grant/contributions</b>	<b>Statutory Requirements</b>	<b>Other</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rates	0	0	1,481,627	90,956	1,572,583
Grants, subsidies and contributions	80,927	0	0	1,133,650	1,214,577
Fees and charges	222,269	0	16,001	73,977	312,247
Interest revenue	0	0	16,686	52,177	68,863
Other revenue	17,596	0	1,530	114,725	133,851
Capital grants, subsidies and contributions	0	1,903,382	0	0	1,903,382
<b>Total</b>	<b>320,792</b>	<b>1,903,382</b>	<b>1,515,844</b>	<b>1,465,485</b>	<b>5,205,503</b>

**For the year ended 30 June 2023**

<b>Nature</b>	<b>Contracts with customers</b>	<b>Capital grant/contributions</b>	<b>Statutory Requirements</b>	<b>Other</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rates	0	0	1,409,045	0	1,409,045
Grants, subsidies and contributions	184,847	0	0	1,342,880	1,527,727
Fees and charges	107,523	0	27,847	223,282	358,652
Interest revenue	0	0	10,254	36,897	47,151
Other revenue	2,797	0	2,080	109,399	114,276
Capital grants, subsidies and contributions	0	4,046,791	0	0	4,046,791
<b>Total</b>	<b>295,167</b>	<b>4,046,791</b>	<b>1,449,226</b>	<b>1,712,458</b>	<b>7,503,642</b>

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

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

**(a) Revenue (Continued)**

Note	2024 Actual	2023 Actual
	\$	\$
<b>Interest revenue</b>		
Interest on reserve account	29,884	12,891
Other interest revenue	38,979	34,260
	68,863	47,151
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	1,530	2,080
The 2024 original budget estimate in relation to: Charges on instalment plan was \$2,000.		

**(b) Expenses**

<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	25,090	23,200
- Other services – grant acquittals	4,600	0
	29,690	23,200
<b>Employee Costs</b>		
Employee benefit costs	1,059,370	929,515
Other employee costs	53,479	63,643
	1,112,849	993,158
<b>Other expenditure</b>		
Impairment losses on rates and statutory receivables	90,344	0
Elected Member Related Costs	67,735	64,013
Sundry expenses	23,572	0
	181,651	64,013

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**3. CASH AND CASH EQUIVALENTS**

Note	2024	2023
	\$	\$
Cash at bank and on hand	977,855	1,355,611
Term deposits	677,911	648,027
<b>Total cash and cash equivalents</b>	<b>1,655,766</b>	<b>2,003,638</b>
Held as		
- Unrestricted cash and cash equivalents	821,334	1,355,612
- Restricted cash and cash equivalents	834,432	648,026
17	<b>1,655,766</b>	<b>2,003,638</b>

**MATERIAL ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

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

**Restricted financial assets**

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

**4. OTHER FINANCIAL ASSETS**

**(a) Non-current assets**

Financial assets at fair value through profit or loss

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

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

Note	2024	2023
	\$	\$
	41,586	40,745
	<b>41,586</b>	<b>40,745</b>
	40,745	38,902
	841	1,843
	<b>41,586</b>	<b>40,745</b>

**SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**5. TRADE AND OTHER RECEIVABLES**

	Note	2024	2023
		\$	\$
<b>Current</b>			
Rates and statutory receivables		133,347	173,082
Trade receivables		141,360	153,286
GST receivable		9,998	0
		<u>284,705</u>	<u>326,368</u>
<b>Non-current</b>			
Rates and statutory receivables		14,770	3,064
		<u>14,770</u>	<u>3,064</u>

**Disclosure of opening and closing balances related to contracts with customers**

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

	Note	30 June 2024 Actual	30 June 2023 Actual	1 July 2022 Actual
		\$	\$	\$
Contract assets	7	24,815	210,951	0
Total trade and other receivables from contracts with customers		<u>24,815</u>	<u>210,951</u>	<u>0</u>

**MATERIAL ACCOUNTING POLICIES**

**Rates and statutory receivables**

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

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

**Trade receivables**

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

**Other receivables**

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

**Measurement**

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

**Classification and subsequent measurement**

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

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

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**6. INVENTORIES**

	Note	2024	2023
<b>Current</b>		<b>\$</b>	<b>\$</b>
Fuel and materials		16,343	33,510
		16,343	33,510
The following movements in inventories occurred during the year:			
<b>Balance at beginning of year</b>		33,510	13,432
Inventories expensed during the year		(179,028)	(209,553)
Additions to inventory		161,861	229,631
<b>Balance at end of year</b>		16,343	33,510

**MATERIAL ACCOUNTING POLICIES**

**General**

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

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



**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**7. OTHER ASSETS**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Other assets - current</b>		
Prepayments	5,700	0
Accrued income	919	0
Contract assets	24,815	210,951
	<b>31,434</b>	<b>210,951</b>

**Contract Assets**

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration.

**MATERIAL ACCOUNTING POLICIES**

**Other current assets**

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

**Contract assets**

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**8. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Assets not subject to operating lease		Assets subject to operating lease		Total Property			Plant and equipment		Total property, plant and equipment
	Land	Buildings	Buildings		Land	Buildings	Total Property	Furniture and equipment	Plant and equipment	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2022</b>	549,951	4,308,018	1,565,478		549,951	5,873,496	6,423,447	1,709	2,456,130	8,881,286
Additions	0	1,061,439	0		0	1,061,439	1,061,439	0	817,335	1,878,774
Disposals	0	0	0		0	0	0	0	(351,423)	(351,423)
Depreciation	0	(129,292)	0		0	(129,292)	(129,292)	(1,709)	(325,008)	(456,009)
<b>Balance at 30 June 2023</b>	549,951	5,240,165	1,565,478		549,951	6,805,643	7,355,594	0	2,597,034	9,952,628
<b>Comprises:</b>										
Gross balance amount at 30 June 2023	549,951	5,764,057	1,565,478		549,951	7,329,535	7,879,486	31,626	3,515,753	11,426,865
Accumulated depreciation at 30 June 2023	0	(523,892)	0		0	(523,892)	(523,892)	(31,626)	(918,719)	(1,474,237)
<b>Balance at 30 June 2023</b>	549,951	5,240,165	1,565,478		549,951	6,805,643	7,355,594	0	2,597,034	9,952,628
Additions	0	299,025	174,002		0	473,027	473,027	0	188,511	661,538
Disposals	0	0	0		0	0	0	0	(42,657)	(42,657)
Right of Use Assets reclassified (at cost)	0	2,094,203	0		0	2,094,203	2,094,203	0	0	2,094,203
Right of Use Assets reclassified (depreciation)	0	(174,605)	0		0	(174,605)	(174,605)	0	0	(174,605)
Depreciation	0	(123,459)	0		0	(123,459)	(123,459)	0	(364,592)	(488,051)
<b>Balance at 30 June 2024</b>	549,951	7,335,329	1,739,480		549,951	9,074,809	9,624,760	0	2,378,296	12,003,056
<b>Comprises:</b>										
Gross balance amount at 30 June 2024	549,951	8,157,285	1,739,480		549,951	9,896,765	10,446,716	31,626	3,625,372	14,103,714
Accumulated depreciation at 30 June 2024	0	(821,956)	0		0	(821,956)	(821,956)	(31,626)	(1,247,076)	(2,100,658)
<b>Balance at 30 June 2024</b>	549,951	7,335,329	1,739,480		549,951	9,074,809	9,624,760	0	2,378,296	12,003,056

Note: Right of Use Assets have been reclassified as Land and Buildings in the 2023/24 financial year.

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

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

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value - as determined at the last valuation date</b>					
<b>Land and buildings</b>					
Land	Level 2	Market approach using recent observable market data for similar properties	Independent Licensed Valuer	June 2022	Price per hectare, with reference to current zoning of land. Market values were used unless there were some restrictions or other factors associated with the land
Buildings	Level 3	Cost approach using depreciated replacement cost	Independent Licensed Valuer	June 2022	Sales Comparison Approach (market data) to market type properties and Cost Approach (replacement) to non-market properties
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>		N/A	Cost	N/A	Not Applicable
<b>Plant and equipment</b>		N/A	Cost	N/A	Not Applicable

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**9. INFRASTRUCTURE**

**(a) Movements in Balances**

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

	Infrastructure - roads & footpaths \$	Infrastructure - bridges \$	Infrastructure - recreation \$	Infrastructure - parks, ovals & playgrounds \$	Infrastructure - other \$	Total Infrastructure \$
<b>Balance at 1 July 2022</b>	54,694,376	5,632,352	715,201	565,199	1,270,303	62,877,431
Additions	3,776,303	34,492	0	0	117,251	3,928,046
Revaluation increments / (decrements) transferred to revaluation surplus	(394,629)	1,394,046	0	0	0	999,417
Depreciation	(1,499,582)	(122,378)	(36,464)	(27,160)	(30,481)	(1,716,065)
<b>Balance at 30 June 2023</b>	56,576,468	6,938,512	678,737	538,039	1,357,073	66,088,829
<b>Comprises:</b>						
Gross balance at 30 June 2023	77,783,961	19,176,987	846,230	618,942	1,444,650	99,870,770
Accumulated depreciation at 30 June 2023	(21,207,493)	(12,238,475)	(167,493)	(80,903)	(87,577)	(33,781,941)
<b>Balance at 30 June 2023</b>	56,576,468	6,938,512	678,737	538,039	1,357,073	66,088,829
Additions	2,394,189	30,026	0	0	7,313	2,431,528
Depreciation	(1,577,001)	(383,540)	(36,464)	(27,160)	(32,825)	(2,056,990)
<b>Balance at 30 June 2024</b>	57,393,656	6,584,998	642,273	510,879	1,331,561	66,463,367
<b>Comprises:</b>						
Gross balance at 30 June 2024	80,178,150	19,207,013	846,230	618,942	1,451,963	102,302,298
Accumulated depreciation at 30 June 2024	(22,784,494)	(12,622,015)	(203,957)	(108,063)	(120,402)	(35,838,931)
<b>Balance at 30 June 2024</b>	57,393,656	6,584,998	642,273	510,879	1,331,561	66,463,367

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**9. INFRASTRUCTURE (Continued)**

(b) Carrying Amount Measurements

Asset Class Fair Value Hierarchy	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value - as determined at the last valuation date</b>					
<b>Infrastructure - roads &amp; footpaths</b>	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
<b>Infrastructure - bridges</b>	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
<b>Infrastructure - recreation</b>	Level 3	Cost approach using depreciated replacement cost	Independent Licensed Valuer	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
<b>Infrastructure - parks, ovals &amp; playgrounds</b>	Level 3	Cost approach using depreciated replacement cost	Independent Licensed Valuer	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
<b>Infrastructure - other</b>	Level 3	Cost approach using depreciated replacement cost	Independent Licensed Valuer	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Land & Buildings	30 to 50 years
Furniture and equipment	3 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - Roads & Footpaths	
Formation	not depreciated
Sealed Roads	
- pavement	50 years
- bituminous seals	20 years
- asphalt surfaces	20 years
Gravel roads	
- pavement	50 years
Footpaths	20 years
Water supply piping and drainage systems	75 years
Infrastructure - Bridges	50 years
Infrastructure - Recreation	20 to 50 years
Infrastructure - Parks, Ovals & Playgrounds	20 to 50 years
Infrastructure - Other	20 to 50 years

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**10. FIXED ASSETS (Continued)**

**MATERIAL ACCOUNTING POLICIES**

**Initial recognition**

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

**Measurement after recognition**

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

**Reportable Value**

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are *land and buildings classified as property, plant and equipment*, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

**Revaluation**

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

**Revaluation (continued)**

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

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

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

**Depreciation on revaluation**

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

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

**Impairment**

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Gains or losses on disposal**

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

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**11. LEASES**

**(a) Right-of-Use Assets**

	Note	Right-of-use assets - land and buildings	Right-of-use assets Total
		\$	\$
Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.			
<b>Balance at 1 July 2022</b>		1,789,700	1,789,700
Additions		207,630	207,630
Depreciation		(37,176)	(37,176)
<b>Balance at 30 June 2023</b>		1,960,154	1,960,154
Gross balance amount at 30 June 2023		2,094,204	2,094,204
Accumulated depreciation at 30 June 2023		(134,050)	(134,050)
<b>Balance at 30 June 2023</b>		1,960,154	1,960,154
Transfer to Land & Buildings		(1,919,598)	(1,919,598)
Depreciation		(40,556)	(40,556)
<b>Balance at 30 June 2024</b>		0	0

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

	2024 Actual	2023 Actual
	\$	\$
Depreciation on right-of-use assets	(40,556)	(37,176)
<b>Total amount recognised in the statement of comprehensive income</b>	(40,556)	(37,176)
	0	0

Note: Right of Use Assets have been reclassified as Land and Buildings in the 2023/24 financial year.

**MATERIAL ACCOUNTING POLICIES**

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

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

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

**Right-of-use assets - depreciation**

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



**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**11. LEASES (Continued)**

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

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

Less than 1 year

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

Rental income

2024 Actual	2023 Actual
\$	\$
8,050	0
8,050	0
35,350	0

The Shire leases houses to staff and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community.

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

**MATERIAL ACCOUNTING POLICIES**

**The Shire as Lessor**

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

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

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

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

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**12. TRADE AND OTHER PAYABLES**

**Current**

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

	2024	2023
	\$	\$
	109,102	73,040
	40,043	20,340
	50,395	28,055
	0	12,689
	7,389	8,574
	10,974	12,806
	50,402	0
	<b>268,305</b>	<b>155,504</b>

**MATERIAL ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

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

**Prepaid rates**

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**13. OTHER LIABILITIES**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Current</b>		
Contract liabilities	156,521	96,566
	156,521	96,566
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	96,566	694,224
Additions	156,521	(597,658)
Revenue from contracts with customers included as a contract liability at the start of the period	(96,566)	0
	156,521	96,566

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

**MATERIAL ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**14. BORROWINGS**

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Bank loans		171,275	953,981	1,125,256	163,031	1,125,256	1,288,287
<b>Total secured borrowings</b>	26(a)	171,275	953,981	1,125,256	163,031	1,125,256	1,288,287

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Details of individual borrowings required by regulations are provided at Note 26(a).

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	<b>2024</b>	<b>2023</b>
<b>Current provisions</b>	<b>\$</b>	<b>\$</b>
<b>Employee benefit provisions</b>		
Annual leave	112,985	98,398
Long service leave	111,447	153,129
	<b>224,432</b>	<b>251,527</b>
<b>Employee related other provisions</b>		
Employment on-costs	32,216	32,921
	<b>32,216</b>	<b>32,921</b>
<b>Total current employee related provisions</b>	<b>256,648</b>	<b>284,448</b>
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	11,589	8,000
	<b>11,589</b>	<b>8,000</b>
<b>Employee related other provisions</b>		
Employment on-costs	1,784	1,109
	<b>1,784</b>	<b>1,109</b>
<b>Total non-current employee related provisions</b>	<b>13,373</b>	<b>9,109</b>
<b>Total employee related provisions</b>	<b>270,021</b>	<b>293,557</b>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

**MATERIAL ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**16. REVALUATION SURPLUS**

	2024 Opening Balance	2024 Reclassification of Asset Classes	2024 Closing Balance	2023 Opening Balance	2023 Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings	3,890,862	927,033	4,817,895	3,890,862	0	3,890,862
Revaluation surplus - Plant and equipment	672,794	0	672,794	672,794	0	672,794
Revaluation surplus - Infrastructure - roads & footpaths	40,021,885	0	40,021,885	40,416,514	(394,629)	40,021,885
Revaluation surplus - Infrastructure - bridges	8,032,349	0	8,032,349	6,638,303	1,394,046	8,032,349
Revaluation surplus - Infrastructure - recreation	656,161	0	656,161	656,161	0	656,161
Revaluation surplus - Infrastructure - parks, ovals & playgrounds	482,844	0	482,844	482,844	0	482,844
Revaluation surplus - Infrastructure - other	464,888	0	464,888	464,888	0	464,888
Revaluation surplus - Right of use assets - land & buildings	927,033	(927,033)	0	927,033	0	927,033
	55,148,816	0	55,148,816	54,149,399	999,417	55,148,816

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**17. RESTRICTIONS OVER FINANCIAL ASSETS**

	Note	2024 Actual \$	2023 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	834,432	744,592
		834,432	744,592
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	677,911	648,026
Contract liabilities	13	156,521	96,566
<b>Total restricted financial assets</b>		834,432	744,592

**18. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS**

Bank overdraft limit		400,000	100,000
Bank overdraft at balance date		0	0
Credit card limit		30,000	30,000
Credit card balance at balance date		(4,910)	(7,829)
<b>Total amount of credit unused</b>		425,090	122,171
<b>Loan facilities</b>			
Loan facilities - current		171,275	163,031
Loan facilities - non-current		953,981	1,125,256
<b>Total facilities in use at balance date</b>		1,125,256	1,288,287
<b>Unused loan facilities at balance date</b>		Nil	Nil

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

**Popanyinning Waste Management Facility**

In April 2016 the Shire of Cuballing was granted a works approval under the Environmental Protection (Rural Landfill) Regulations 2002 for the approval to receive material containing asbestos at the Popanyinning Waste Management Facility. The works approval was granted for a period of 20 years and is due to be reviewed in April 2036.

As a condition of the works approval a post closure plan for the Popanyinning Waste Management Facility is required under Regulation 17 of the Environmental Protection (Rural Landfill) Regulations 2002.

Due to the uncertainty of the nature of the works likely to be required, the Shire did not have a reliable estimate of the cost to implement the post closure plan at the time of compiling the financial statements.

**20. CAPITAL COMMITMENTS**

The Shire had no capital commitments to disclose at the end of reporting period.



**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**21. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

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

	<b>2024</b>	<b>2024</b>	<b>2023</b>
<b>Note</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	\$	\$	\$
President's annual allowance	10,000	10,000	8,200
President's meeting attendance fees	3,445	2,860	2,380
President's annual allowance for ICT expenses	250	500	750
President's travel and accommodation expenses	0	1,500	0
	<b>13,695</b>	<b>14,860</b>	<b>11,330</b>
Deputy President's annual allowance	2,500	2,500	2,050
Deputy President's meeting attendance fees	2,305	2,080	2,120
Deputy President's annual allowance for ICT expenses	250	500	750
Deputy President's travel and accommodation expenses	0	500	0
	<b>5,055</b>	<b>5,580</b>	<b>4,920</b>
All other council member's meeting attendance fees	8,042	10,100	5,420
All other council member's annual allowance for ICT expenses	1,396	2,500	2,000
All other council member's travel and accommodation expenses	2,059	800	59
	<b>11,497</b>	<b>13,400</b>	<b>7,479</b>
21(b)	<b>30,247</b>	<b>33,840</b>	<b>23,729</b>

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

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

Short-term employee benefits	400,843	395,875
Post-employment benefits	59,168	49,756
Employee - other long-term benefits	38,713	6,437
Council member costs	30,247	23,729
21(a)	<b>528,971</b>	<b>475,797</b>

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Council member costs*

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**21. RELATED PARTY TRANSACTIONS (continued)**

**Transactions with related parties**

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

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

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

	<b>2024 Actual</b>	<b>2023 Actual</b>
	<b>\$</b>	<b>\$</b>
Sale of goods and services	880	0
Purchase of goods and services	2,680	61,017
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	19	0
<b>Amounts payable to related parties:</b>		
Trade and other payables	11,737	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 Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b).*

*ii. Other Related Parties*

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

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

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

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

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

**SHIRE OF CUBALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**23. OTHER MATERIAL ACCOUNTING POLICIES**

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

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest revenue**

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

**i) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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



**SHIRE OF CUBALLING**  
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**FOR THE YEAR ENDED 30 JUNE 2024**

**25. DETERMINATION OF SURPLUS OR DEFICIT**

		2023/24 Budget	2022/23
	(30 June 2024 Carried Forward)	(30 June 2024 Carried Forward)	(30 June 2023 Carried Forward)
Note	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	(16,136)	(5,137)	(21,327)
Less: Movement in liabilities associated with restricted cash	(14,427)	0	13,694
Less: Fair value adjustments to financial assets at fair value through profit or loss	(841)	0	(1,843)
Add: Loss on disposal of assets	8,793	10,840	64,671
Add: Impairment of Plant and Equipment	0	0	0
Add: Depreciation	2,585,597	2,277,131	2,209,250
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(11,706)	0	(3,064)
Employee benefit provisions	4,264	0	4,495
Other provisions	0	0	(72,424)
<b>Non-cash amounts excluded from operating activities</b>	<b>2,555,544</b>	<b>2,282,834</b>	<b>2,193,452</b>
<b>(b) Surplus or deficit after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	27 (677,911)	(696,947)	(648,026)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 171,275	215,543	163,031
- Current portion of lease liabilities	11 0	2,000	0
- Employee benefit provisions	15 270,021	270,754	284,448
<b>Total adjustments to net current assets</b>	<b>(236,615)</b>	<b>(208,650)</b>	<b>(200,547)</b>
<b>Net current assets used in the Statement of Financial Activity</b>			
Total current assets	1,988,248	1,275,307	2,574,467
Less: Total current liabilities	(852,749)	(1,041,138)	(699,549)
Less: Total adjustments to net current assets	(236,615)	(208,650)	(200,547)
<b>Surplus or deficit after imposition of general rates</b>	<b>898,884</b>	<b>25,519</b>	<b>1,674,371</b>

**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**26. BORROWING AND LEASE LIABILITIES**

**(a) Borrowings**

Purpose	Note	Actual						Budget		
		Principal at 30 June 2023		Principal at 30 June 2024		Principal Repayments During 2023-24	Principal at 1 July 2023	New Loans		Principal at 30 June 2024
		During 2022-23	During 2022-23	During 2023-24	During 2023-24			During 2023-24		
Lot 74 Austral St		\$ 115,572	\$ 0	\$ (15,461)	\$ 100,111	\$ 84,313	\$ 100,111	\$ 0	\$ 84,313	
Aged Persons Housing		\$ 850,000	\$ 0	\$ (68,849)	\$ 781,151	\$ 709,135	\$ 781,151	\$ 0	\$ 709,134	
Caterpillar Grader		\$ 0	\$ 407,025	\$ 0	\$ 407,025	\$ 331,808	\$ 407,025	\$ 0	\$ 330,336	
Industrial Land		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,000	\$ 250,000	
<b>Total</b>		\$ 965,572	\$ 407,025	\$ (84,310)	\$ 1,288,287	\$ 1,125,256	\$ 1,288,287	\$ 250,000	\$ 1,373,783	
<b>Borrowing Finance Cost Payments</b>										
Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023			
Lot 74 Austral St	64	WATC*	2.18%	13/05/2029	\$ (1,989)	\$ (2,087)	\$ (2,327)			
Aged Persons Housing	56	WATC*	4.55%	22/06/2032	\$ (38,880)	\$ (34,724)	\$ (40,493)			
Caterpillar Grader	67	WATC*	3.92%	19/01/2028	\$ (13,786)	\$ (15,209)	\$ (7,431)			
<b>Total</b>					\$ (54,655)	\$ (52,020)	\$ (50,251)			
<b>Total Finance Cost Payments</b>					\$ (54,655)	\$ (52,020)	\$ (50,251)			

\* WA Treasury Corporation

**(b) New Borrowings - 2023/24**

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)	
					2024 Actual	2024 Budget	2024 Actual	2024 Budget
Industrial Land	WATC	Fixed	5	6.00%	\$ 0	\$ 250,000	\$ 0	\$ (250,000)
<b>Total</b>					\$ 0	\$ 250,000	\$ 0	\$ (250,000)

\* WA Treasury Corporation

**(c) Lease Liabilities**

Purpose	Note	Actual						Budget		
		Principal at 30 June 2023		Principal at 30 June 2024		Principal Repayments During 2023-24	Principal at 1 July 2023	New Leases		Principal at 30 June 2024
		During 2022-23	During 2022-23	During 2023-24	During 2023-24			During 2023-24		
Springhill Dam		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,000	\$ 0	\$ 4,000	
<b>Total Lease Liabilities</b>		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,000	\$ 0	\$ 4,000	



**SHIRE OF CUBALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**27. RESERVE ACCOUNTS**

	2024		2024		2024		2024		2024		2024		2023		2023	
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Budget Opening Balance	Budget Transfer to	Budget Transfer (from)	Budget Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance
<b>Restricted by council</b>																
(a) Employee Entitlements	289,811	10,280	(30,070)	270,021	289,812	11,592	0	301,404	286,387	3,424	0	289,811	286,387	3,424	0	289,811
(b) Plant and Equipment	5,106	35,552	0	40,658	5,106	23,204	0	28,310	341,028	4,078	(340,000)	5,106	341,028	4,078	(340,000)	5,106
(c) Administration Building, ICT & Office Equipment	9,270	328	0	9,598	9,270	371	0	9,641	9,160	110	0	9,270	9,160	110	0	9,270
(d) Housing Reserve	79,492	3,130	0	82,622	79,491	3,180	0	82,671	98,316	1,176	(20,000)	79,492	98,316	1,176	(20,000)	79,492
(e) Recreation & Community Facility	97,430	4,744	0	102,174	97,430	3,897	0	101,327	178,242	2,131	(82,943)	97,430	178,242	2,131	(82,943)	97,430
(f) Refuse Site	46,015	1,632	0	47,647	46,015	1,841	0	47,856	45,472	543	0	46,015	45,472	543	0	46,015
(g) Equestrian	4,974	177	0	5,151	4,974	199	0	5,173	4,915	59	0	4,974	4,915	59	0	4,974
(h) Standpipe Maintenance	4,149	146	0	4,295	4,149	166	0	4,315	4,101	48	0	4,149	4,101	48	0	4,149
(i) Road and Bridges	106,394	3,774	0	110,168	106,394	4,256	0	110,650	105,137	1,257	0	106,394	105,137	1,257	0	106,394
(j) Community and Sporting Club	5,385	192	0	5,577	5,385	215	0	5,600	5,322	63	0	5,385	5,322	63	0	5,385
	<b>648,026</b>	<b>59,955</b>	<b>(30,070)</b>	<b>677,911</b>	<b>648,026</b>	<b>48,921</b>	<b>0</b>	<b>696,947</b>	<b>1,078,080</b>	<b>12,889</b>	<b>(442,943)</b>	<b>648,026</b>	<b>1,078,080</b>	<b>12,889</b>	<b>(442,943)</b>	<b>648,026</b>

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

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

Name of reserve account	Purpose of the reserve account
<b>Restricted by council</b>	
(a) Employee Entitlements	To be used to fund employee entitlements.
(b) Plant and Equipment	To be used to maintain and fund plant replacement program.
(c) Administration Building, ICT & Office Equipment	To be used to maintain the administration building and for the purchase of new and/ or replacement of office equipment or furniture.
(d) Housing Reserve	To be used to fund maintenance or construction of new housing.
(e) Recreation & Community Facility	To be used to upgrade the oval and associated facilities.
(f) Refuse Site	To be used to fund the upgrade of the refuse sites.
(g) Equestrian	To be used to maintain and upkeep the equestrian centre.
(h) Standpipe Maintenance	To be used to maintain and upkeep the standpipe network.
(i) Road and Bridges	To be used to maintain and fund road and bridge projects through the district.
(j) Community and Sporting Club	To be used to fund Community and Sporting Club Small Grants (LEAP)





# Auditor General

## INDEPENDENT AUDITOR'S REPORT

2024

### Shire of Cuballing

To the Council of the Shire of Cuballing

#### Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### Basis for opinion

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

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

#### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

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

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

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

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

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

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

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

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

## **Auditor's responsibilities for the audit of the financial report**

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

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

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

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

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

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

This auditor's report relates to the financial report of the Shire of Cuballing for the year ended 30 June 2024 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

*Mark Ambrose*

Mark Ambrose  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
13 December 2024