



ANNUAL REPORT

2024-2025

*CONNECTING COMMUNITY, COUNTRY
AND COUNCIL*





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Cuballing WA 6311

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Introduction

Council is pleased to present the Annual Report of the Shire of Cuballing for the Financial Year ending 30 June 2025. 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)

Table of Contents

Introduction	2
Table of Contents.....	3
Elected Members	4
Organisational Structure & Staff.....	7
Strategic Community Plan	8
Shire Statistics 2024-25.....	10
Shire President’s Report	11
Chief Executive Officer’s Report	13
Highlights of the Year.....	14
Council.....	20
Annual Financial and Audit Report	20
Required Disclosures.....	20
Plan for the Future.....	22
Register of Complaints.....	23
Freedom of Information	23
Elections.....	23
Public Interest Disclosure	23
State Records Act.....	23
Equal Opportunity.....	24
National Competition Policy	24
Disability Access and Inclusion Plan.....	25
Annual Financial Report	27
Auditor’s Report	64

Elected Members

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

Cr. Adrian Kowald – President

First Elected to Office: 2021

Term Expires: 2029

Address: PO Box 55, Popanyinning WA 6309

Phone: 0408 953 337

Email: cr.kowald@cuballing.wa.gov.au / adrianpoppo@outlook.com

Cr. Robert Harris – Deputy President

First Elected to Office: 2019

Term Expires: 2027

Address: PO Box 28, Cuballing WA 6311

Phone: 0458 939 097

Email: cr.harris@cuballing.wa.gov.au / cubyeast@gmail.com

Cr. Scott Ballantyne – Councillor

First Elected to Office: 2023

Term Expires: 2027

Address: PO Box 201, Cuballing WA 6311

Phone: 0418 814 761

Email: cr.ballantyne@cuballing.wa.gov.au / gunnastay@bigpond.com

Cr. Steven Sexton – Councillor

First Elected to Office: 2023

Term Expires: 2027

Address: 49 Pauley Rd, Cuballing WA 6311

Phone: 0427 836 043

Email: cr.sexton@cuballing.wa.gov.au / glenarkfarms@gmail.com

Cr. Matthew Dent – Councillor

First Elected to Office: 2025

Term Expires: 2029

Address: PO Box 38, Cuballing WA 6311

Phone: 0428 844 959

Email: matthew.dent959@gmail.com

Cr. Sarah Hawksley – Councillor

First Elected to Office: 2025

Term Expires: 2029

Address: PO Box 1161, Narrogin WA 6312

Phone: 0409 919 601

Email: sarah@rmhawksley.com



Popanyinning Community Hub (Old School)



Cuballing Winter Ball June 2025

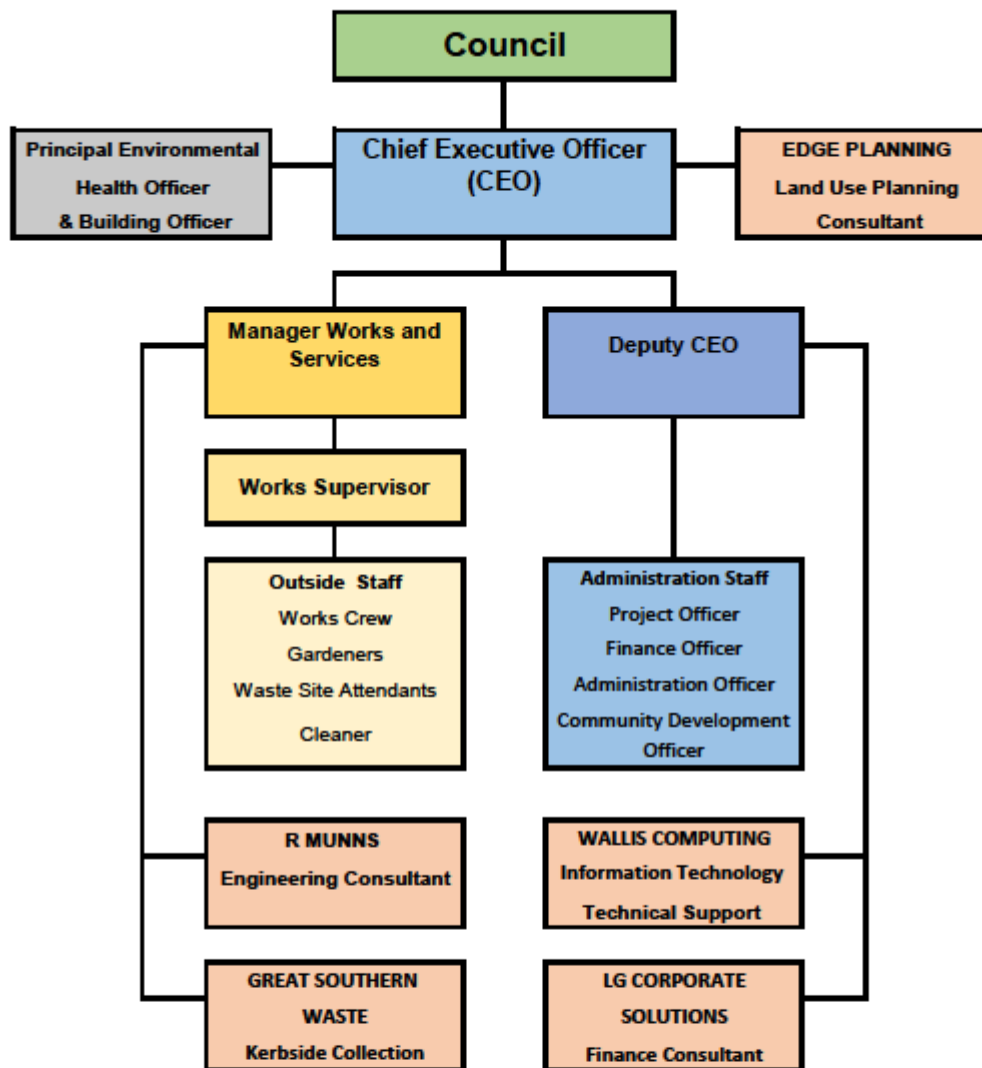


Darcy Street realignment (looking west)



Alton Street widening and footpath

Organisational Structure & Staff





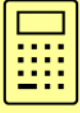



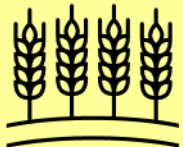
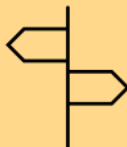







Strategic Community Plan



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Shire Statistics 2024-25

 <p>902</p> <p>Population *Based on 2021 Census</p>	 <p>\$972</p> <p>Minimum Rates-Townsite</p>	 <p>25</p> <p>Number of Staff</p>
 <p>192 km</p> <p>Distance from Perth</p>	 <p>\$1,280,296</p> <p>Operating Grant Revenue</p>	 <p>\$ 1,722,591</p> <p>Rates Levied</p>
 <p>\$ 3,672,001</p> <p>Operating Revenue</p>	 <p>\$ 2,395,579</p> <p>Capital Grant Revenue</p>	 <p>\$1,312</p> <p>Minimum Rates – Rural</p>
 <p>465 km</p> <p>Length of Unsealed Roads</p>	 <p>485</p> <p>Number of Dwellings *Based on 2021 Census</p>	 <p>1195</p> <p>Area (sq. KM)</p>
 <p>\$80,458,257</p> <p>Total Assets</p>	 <p>702</p> <p>Number of Electors</p>	 <p>176 km</p> <p>Length of Sealed Roads</p>

Shire President's Report



The 2024/25 financial year was again a very busy for the Shire of Cuballing. It started in July with a State Government grant of \$182.5K to undertake fire mitigation works throughout the district. This enabled a mulching program to protect critical infrastructure such as timber road bridges, create fire access tracks around the Cuballing townsite, and forestry mulching to high risk areas.

In September 2024 the inaugural 3 day Cuballing GrooveFest music festival was held in Cuballing. The large marquee and facilities attracted good crowds to the Cuballing oval each night, whilst daytime markets, displays and smaller events saw many visitors and locals out and about in the town centre. It was a great opportunity to showcase our town. Positive feedback and encouragement received for this event has resulted in plans being formed to have it again in 2026. Also in September, following the retirement of Stan Scott, we appointed Chris Paget as our new CEO. Chris was the Deputy CEO at the Shire of Lake Grace prior to joining us.

The Wheatbelt Secondary Freight Network road construction program continued during the year. Large sections of the Cuballing East Road and Strathern Road were upgraded to a very high standard to greatly improving safety and efficiency of our major roads. As well our construction crew did an excellent job realigning Darcy Street to connect with Springhill Road and remove the sharp bends to improve traffic flow, and this was done under the "Roads to Recovery" program.

As part of the Strategic Community Plan, the refurbishment of the historic Popanyinning School was completed in May. As has been done with other historic buildings in the Shire, it has successfully created a community space for residents to use. The Popanyinning Progress Association is establishing a Community Hub where people can drop in for a coffee, access a book exchange, use the computer for internet access, or just meet socially. Long term plans are in place for a community garden and shed are to be established on the site.

Again this year, the regular community events were well support. The Popo Bonfire in August, the Kids Fun Day in September, our movie night (held indoors this time), the Australia Day breakfast, Community Markets, the Winter Ball, and of course the Anzac Day services were held in both Popanyinning and Cuballing. These events were all successful through the dedicated effort of volunteers from within our community that organised them, and the support of the wider community to attend.

Finally, on behalf of the Council, I must thank all our shire staff for the dedicated effort and hard work they put in to make it a successful year. I also must acknowledge my predecessor Eliza Dowling who was the Shire President throughout 2024/25. Her tireless work for the community was very much appreciated.

Councillor Adrian Kowald

President



Cuballing Groovefest – Ma Baker



Cuballing Groovefest – Don't Tell Daisy

Chief Executive Officer's Report



It is my pleasure to present the Chief Executive Officer's Report for the Shire of Cuballing for the 2024–25 financial year. This year has been one of significant progress, collaboration, and community-focused achievement, underpinned by sound governance and a commitment to delivering quality services and infrastructure across our district.

Our strategic focus remains centred on enhancing community wellbeing, improving essential infrastructure, supporting local economic development, and fostering sustainable growth, all while maintaining responsible financial stewardship.

During the 2024–25 year, Council and Shire staff worked diligently to deliver key projects and initiatives aligned with the Strategic Community Plan "Our Heart, Our Home." These achievements reflect the dedication of both elected members and staff in responding to community priorities and building long-term resilience for the Shire.

A major highlight was the completion and activation of the Popanyinning Community Hub, which transformed the former Popanyinning School into a multi-purpose community facility. This project not only preserves a valued heritage asset but also provides a central gathering place that strengthens social connection and community participation.

Council also progressed regional collaboration through participation in the feasibility investigation of the Beverley to Narrogin Transport Trail. This initiative has the potential to enhance tourism, encourage active lifestyles, and strengthen economic linkages between Wheatbelt communities.

Throughout the year, continued investment in road maintenance, infrastructure planning, and public facilities supported safe and accessible communities. Improvements to recreational spaces and public amenities were informed by community feedback and remain central to Council's capital works program.

Like many regional local governments, the Shire faced challenges associated with rising costs, workforce availability, and the ongoing responsibility of maintaining an extensive road network. Balancing these pressures with financial sustainability and service delivery remains a key focus.

I would like to acknowledge the Shire President, Councillors, staff, volunteers, and community groups whose dedication and cooperation contributed to the achievements of this year. As we look ahead, Council and staff remain committed to delivering outcomes that enhance quality of life and support a strong and sustainable future for the Shire of Cuballing.

Chris Paget
Chief Executive Officer



Highlights of the Year

Winter Ball 2025

Cuballing Winter Ball was held for the third time; it was not a disappointment. Ticket numbers were on par with 2023 and all sold out within 3 weeks. Still a glamorous event where all patrons dressed to the 9's and danced the night away. This year's theme was 1923

Money was raised for the local LEAP Grant fund. The Shire of Cuballing's LEAP fund is like the community chest fund where local community groups can apply for funding for their community groups providing their application meets Shire of Cuballing guidelines.

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 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, Bronwyn and Steve Lyneham.



Kids Day 2024



The Shire of Cuballing held another very successful Go for 2&5 Cuballing Kid's Day on Wednesday 25th September 2024. Approx. 250 kids wandered in throughout the morning.

Full activities this 2024 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.



Australia Day 2025



On Australia Day 2025 the Shire of Cuballing hosted their annual community BBQ Breakfast

at the Cuballing Rec Centre.

At the breakfast Shire President, Eliza Dowling, presented the 2025 Shire of Cuballing Citizen of the Year Award to Tim Short of Cuballing.

Tim was selected for his years of dedication to the Shire of Cuballing particularly the Cuballing Tennis Club and farming.

Anzac Day 2025

The 2025 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 played 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 Luci and Charlotte Neale raised and lowered the Australian and New Zealand flags.

After the One Minute Silence and The Rouse played by Emily, the flags were raised again by Luci and Charlotte

Mrs Newman 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 for all to enjoy at the completion of the service.



Strength Classes & Art Classes

Strength classes have continued these 24/25 years at the Cuballing Ag hall on Mondays from 9.30am to 10.15am. To assist with the financial cost residents have been paying \$5pp and the classes are open to anyone not just residents 55years and over. These classes are highly popular and with the demand are likely to continue.

Art classes are also held in the CWA hall following the strength classes and social morning tea 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.

The Art classes have been running for over a year now and the paintings/drawing being completed are to a high standard, Peter is doing a wonderful job teaching, passing on his knowledge, his passion for the arts is showing through the works of his students.

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” 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!’



Popanyinning Community Hub

After a 3-year renovation the Popanyinning Community Hub finally opened to the public on May 6th, 2025.

The Old School building was fully gutted and replaced, toilets lightly upgraded, power up grade and air conditioner installed. A community garden was established and is going very well with the garden providing fresh veggies to the community for a donation.

The Community Shed planning is steaming ahead with grant funding secured to purchase the shed.

The Community Hub has provided a welcome haven for all community residents and each we is becoming more and more popular with social morning teas, milestone birthdays, pop up shops, nature club, the start of a craft group and the homeschool group utilising the building.



Council

Council Meetings are held on the third Wednesday of every month except in January where no meeting is planned due to the summer holidays period. Our Ordinary Council Meetings commence at 3.00 pm on Council Chambers located at the old CWA Hall in Campbell St, Cuballing. 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 office or by visiting our website www.cuballing.wa.gov.au

Annual Financial and Audit Report

The Shire of Cuballing Annual Financial report for 30 June 2025 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

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 disclosure in the Annual Report of the number of employees of the local government entitled to an annual salary that falls within each band of \$10 000 over \$130 000:

Salary Range	Number of Employees
\$130,000 – 139,999	0
\$139,999 – 149,999	0
\$149,999 – 159,999	0
\$159,999 – 169,999	0
\$169,999 – 179,999	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 during 2024-25.

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 paid to Mr Christopher Paget in 2024-25 was \$144,507.03.

Councillor Attendance

Regulation 19B(f) requires disclosure of the number of council and committee meetings attended by each council member during the 2024-25 financial year:

Councillor	Council Meetings	Committee Meetings
Cr Eliza Dowling	9	2
Cr Robert Harris	12	2
Cr Adrian Kowald	11	2
Cr Scott Ballantyne	12	2
Cr Steven Sexton	12	2
Cr Dawson Bradford	10	2

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 2024-25 the Shire of Cuballing had a total of 6 Councillors.

Total Councillors	6
Male	5
Female	1
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; there were no such changes made to either plan during the 2024-25 financial year.

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 were 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	\$10,400		\$2,880	\$500		\$13,780.00
Cr Harris		\$3,200	\$2,205	\$500		\$5,905.00
Cr Kowald			\$2,905	\$500	\$688.52	\$4,093.52
Cr Ballantyne			\$2,205	\$500	\$907.14	\$3,612.14
Cr Sexton			\$2,205	\$500		\$2,705.00
Cr Bradford			\$2,205	\$500		\$2,705.00
TOTAL	\$10,400	\$3,200	\$14,605	\$3,000	\$1,595.66	\$32,800.66

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
2024-25	\$2,395,579
2023-24	\$1,903,382
2022-23	\$4,046,791

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 currently under review and update 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 2024-25 financial year there were no reportable complaints.

Freedom of Information

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

In the 2024-2025 financial year there were no Freedom of Information applications or requests received by the Shire.

Elections

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.

There were no elections due or required in the 2024-25 financial year.

Public Interest Disclosure

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 2024-25 reporting period, no public interest disclosures were lodged.

State Records Act

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 Council's record keeping system and program, and information on their record keeping responsibilities.

Equal Opportunity

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 initial Equal Employment Opportunity Management Plan in May 2023. This plan was subsequently replaced by a 2023 to 2026 EEO Management Plan in an updated format and adopted by the Council on 18th October 2023.

National Competition Policy

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 19th June 2019, and a full review undertaken during 2025 with a revised draft DAIP presented to Council in June 2025.

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 30th June 2025 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

The inaugural September 2024 *Cuby Groovefest* community music festival aligned with the Shire of Cuballing Disability Access and Inclusion Plan through several inclusive initiatives. The event featured a design layout for wheelchair-accessible pathways, reserved stage viewing area, and accessible toilets. As a first-time event, Groovefest set a strong foundation, with positive community feedback highlighting increased awareness and appreciation for accessibility features. Feedback from attendees with disability will directly inform improved planning for the 2026 Groovefest, and this is likely to include initiatives such as sensory-friendly quiet zones, and Auslan interpreters being provided on-stage to enhance communications access. The feedback will ensure continued innovation and stronger outcomes in access and inclusion for the 2026 Groovefest event (and every two years thereafter).

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

The construction and installation of dual-use footpaths along Darcy and Alton Streets in Cuballing support outcomes under the Shire of Cuballing Disability Access and Inclusion Plan by improving safe, inclusive mobility for all community members. The project applied universal design principles, with smooth, wide paths accommodating wheelchairs, mobility aids, prams, and pedestrians. These paths addressed a previously identified access gap, linking key community areas and enabling safer, independent movement. The change has resulted in increased visibility and use by people with disability, older residents, and families. Early feedback indicates improved confidence and satisfaction among users, and the project sets a new standard for accessible infrastructure in the Shire.

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.

Following feedback from attendees of large-scale events like the Cuballing Winter Ball, the Shire of Cuballing identified significant accessibility issues with the old ablution facilities at the Cuballing Agricultural Hall, particularly for wheelchair users and those with mobility aids. In response, Council commissioned the development of a new renovation plan to replace the outdated amenities. This plan incorporates universal design principles to ensure the future facilities are accessible, safe, and inclusive for all users. This action demonstrates a commitment to innovation and improvement in disability access, directly addressing community-identified gaps. While construction is yet to begin, the project reflects a positive change in planning processes and shows measurable outcomes in increased community engagement, awareness, and responsiveness under the Shire's forthcoming updated Disability Access and Inclusion Plan.

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 2025

Statement by CEO	2
Statement of comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Statement of cash flows	6
Statement of financial activity	7
Index of notes to the financial report	8
Independent auditor's report	38

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.

Principal place of business:
Campbell Street
Cuballing, WA 6311

**SHIRE OF CUBALLING
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

*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 2025 and the financial position as at 30 June 2025.

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

Signed on the

2nd day of

December 2025



CEO

Chris Paget

Name of CEO

SHIRE OF CUBALLING
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),24	1,722,591	1,686,395	1,572,583
Grants, subsidies and contributions	2(a)	1,280,296	1,085,176	1,214,577
Fees and charges	2(a)	483,488	460,273	312,247
Interest revenue	2(a)	86,707	65,067	68,863
Other revenue	2(a)	98,919	61,270	133,851
		3,672,001	3,358,181	3,302,121
Expenses				
Employee costs	2(b)	(1,153,729)	(1,307,364)	(1,112,849)
Materials and contracts		(1,399,260)	(1,360,402)	(1,048,100)
Utility charges		(153,385)	(165,903)	(116,741)
Depreciation		(2,727,043)	(2,567,301)	(2,585,597)
Finance costs	2(b)	(43,270)	(53,284)	(54,654)
Insurance		(232,784)	(227,382)	(209,144)
Other expenditure	2(b)	(161,436)	(93,080)	(181,651)
		(5,870,907)	(5,774,716)	(5,308,736)
		(2,198,906)	(2,416,535)	(2,006,615)
Capital grants, subsidies and contributions	2(a)	2,395,579	2,760,046	1,903,382
Profit on asset disposals		9,377	10,818	16,136
Loss on asset disposals		(4,238)	(900)	(8,793)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	(1,776)	0	841
		2,398,942	2,769,964	1,911,566
Net result for the period		200,036	353,429	(95,049)
Other comprehensive income for the period		0	0	0
Total comprehensive income for the period		200,036	353,429	(95,049)

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



SHIRE OF CUBALLING
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	1,403,040	1,655,766
Trade and other receivables	5	118,746	284,705
Inventories	6	11,419	16,343
Other assets	7	107,317	31,434
TOTAL CURRENT ASSETS		1,640,522	1,988,248
NON-CURRENT ASSETS			
Trade and other receivables	5	22,767	14,770
Other financial assets	4(a)	39,810	41,586
Property, plant and equipment	8	11,774,681	12,003,056
Infrastructure	9	66,980,477	66,463,367
TOTAL NON-CURRENT ASSETS		78,817,735	78,522,779
TOTAL ASSETS		80,458,257	80,511,027
CURRENT LIABILITIES			
Trade and other payables	12	263,255	268,305
Contract liabilities	13	126,627	156,521
Borrowings	14	176,573	171,275
Employee related provisions	15	196,609	256,648
TOTAL CURRENT LIABILITIES		763,064	852,749
NON-CURRENT LIABILITIES			
Borrowings	14	779,019	953,981
Employee related provisions	15	25,214	13,373
TOTAL NON-CURRENT LIABILITIES		804,233	967,354
TOTAL LIABILITIES		1,567,297	1,820,103
NET ASSETS		78,890,960	78,690,924
EQUITY			
Retained surplus		23,036,083	22,864,197
Reserve accounts	27	706,061	677,911
Revaluation surplus	16	55,148,816	55,148,816
TOTAL EQUITY		78,890,960	78,690,924

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 2025

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		\$	\$	\$	\$
Balance as at 1 July 2023		22,989,131	648,026	55,148,816	78,785,973
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
Balance as at 30 June 2024		22,864,197	677,911	55,148,816	78,690,924
Comprehensive income for the period					
Net result for the period		200,036	0	0	200,036
Total comprehensive income for the period		200,036	0	0	200,036
Transfers to reserve accounts	27	(28,150)	28,150	0	0
Balance as at 30 June 2025		23,036,083	706,061	55,148,816	78,890,960

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 2025

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,758,893	1,620,315
Grants, subsidies and contributions		1,335,748	1,286,458
Fees and charges		516,933	312,247
Interest revenue		86,707	68,863
Goods and services tax received		446,123	590,098
Other revenue		98,919	133,851
		4,243,323	4,011,832
Payments			
Employee costs		(1,252,322)	(1,126,734)
Materials and contracts		(1,431,333)	(721,399)
Utility charges		(153,385)	(116,741)
Finance costs		(43,270)	(54,654)
Insurance paid		(232,784)	(209,144)
Goods and services tax paid		(436,795)	(646,666)
Other expenditure		(161,436)	(181,651)
		(3,711,325)	(3,056,989)
Net cash provided by operating activities		531,998	954,843
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(422,860)	(661,538)
Payments for construction of infrastructure	9(a)	(2,649,991)	(2,431,528)
Proceeds from capital grants, subsidies and contributions		2,395,579	1,903,382
Proceeds from sale of property, plant & equipment		62,212	50,000
Net cash (used in) investing activities		(615,060)	(1,139,684)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	26(a)	(169,664)	(163,031)
Net cash (used in) financing activities		(169,664)	(163,031)
Net (decrease) in cash held		(252,726)	(347,872)
Cash at beginning of year		1,655,766	2,003,638
Cash and cash equivalents at the end of the year		1,403,040	1,655,766

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 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	1,721,929	1,685,733	1,571,970
Rates excluding general rates	24	662	662	613
Grants, subsidies and contributions		1,280,296	1,085,176	1,214,577
Fees and charges		483,488	460,273	312,247
Interest revenue		86,707	65,067	68,863
Other revenue		98,919	61,270	133,851
Profit on asset disposals		9,377	10,818	16,136
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	0	0	841
		3,681,378	3,368,999	3,319,098
Expenditure from operating activities				
Employee costs		(1,153,729)	(1,307,364)	(1,112,849)
Materials and contracts		(1,399,260)	(1,360,402)	(1,048,100)
Utility charges		(153,385)	(165,903)	(116,741)
Depreciation		(2,727,043)	(2,567,301)	(2,585,597)
Finance costs		(43,270)	(53,284)	(54,654)
Insurance		(232,784)	(227,382)	(209,144)
Other expenditure		(161,436)	(93,080)	(181,651)
Loss on asset disposals		(4,238)	(900)	(8,793)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	(1,776)	0	0
		(5,876,921)	(5,775,616)	(5,317,529)
Non-cash amounts excluded from operating activities	25(a)	2,734,155	2,557,383	2,555,544
Amount attributable to operating activities		538,612	150,766	557,113
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,395,579	2,760,046	1,903,382
Proceeds from disposal of assets		62,212	66,318	50,000
		2,457,791	2,826,364	1,953,382
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(422,860)	(745,309)	(661,538)
Acquisition of infrastructure	9(a)	(2,649,991)	(3,070,914)	(2,431,528)
		(3,072,851)	(3,816,223)	(3,093,066)
Amount attributable to investing activities		(615,060)	(989,859)	(1,139,684)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	0	250,000	0
Transfers from reserve accounts	27	0	9,000	30,070
		0	259,000	30,070
Outflows from financing activities				
Repayment of borrowings	26(a)	(169,664)	(193,083)	(163,031)
Transfers to reserve accounts	27	(28,150)	(105,851)	(59,955)
		(197,814)	(298,934)	(222,986)
Amount attributable to financing activities		(197,814)	(39,934)	(192,916)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(b)	898,884	894,518	1,674,371
Amount attributable to operating activities		538,612	150,766	557,113
Amount attributable to investing activities		(615,060)	(989,859)	(1,139,684)
Amount attributable to financing activities		(197,814)	(39,934)	(192,916)
Surplus or deficit after imposition of general rates	25(b)	624,622	15,491	898,884

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



SHIRE OF CUBALLING
FOR THE YEAR ENDED 30 JUNE 2025
INDEX OF NOTES TO THE FINANCIAL REPORT

Note 1	Basis of preparation	9
Note 2	Revenue and expenses	10
Note 3	Cash and cash equivalents	12
Note 4	Other financial assets	12
Note 5	Trade and other receivables	13
Note 6	Inventories	13
Note 7	Other assets	14
Note 8	Property, plant and equipment	15
Note 9	Infrastructure	17
Note 10	Fixed assets	19
Note 11	Leases	21
Note 12	Trade and other payables	23
Note 13	Other liabilities	24
Note 14	Borrowings	25
Note 15	Employee related provisions	26
Note 16	Revaluation surplus	27
Note 17	Restrictions over financial assets	28
Note 18	Undrawn borrowing facilities and credit standby arrangements	28
Note 19	Contingent liabilities	29
Note 20	Capital Commitments	29
Note 21	Related party transactions	30
Note 22	Events occurring after the end of the reporting period	32
Note 23	Other material accounting policies	33
 Information required by legislation		
Note 24	Rating information	34
Note 25	Determination of surplus or deficit	35
Note 26	Borrowing and lease liabilities	36
Note 27	Reserve accounts	37

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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 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 - 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.

Initial application of accounting standards

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

- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
 - AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
 - AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
 - AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
 - AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures
 - AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements
- The amendments have not had a 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 certain non-financial assets on revaluation. The standard is applied prospectively therefore the impact will be quantified upon the next revaluation cycle.

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 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

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

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Rates - General Rates	General Rates	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

Revenue recognition

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

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 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,721,929	662	1,722,591
Grants, subsidies and contributions	326,469	0	0	953,827	1,280,296
Fees and charges	346,790	0	19,307	117,391	483,488
Interest revenue	0	0	17,802	68,905	86,707
Other revenue	12,155	0	2,160	84,604	98,919
Capital grants, subsidies and contributions	0	2,395,579	0	0	2,395,579
Total	685,414	2,395,579	1,761,198	1,225,389	6,067,580

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
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
Total	320,792	1,903,382	1,515,844	1,465,485	5,205,503

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual \$	2024 Actual \$
Interest revenue		
Interest on reserve account	17,038	29,884
Other interest revenue	69,669	38,979
	86,707	68,863

Fees and charges relating to rates receivable

Charges on instalment plan	2,160	1,530
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The 2025 original budget estimate in relation to:
Charges on instalment plan was \$2,000.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	33,800	25,090
- Other services – grant acquittals	4,080	4,600
	37,880	29,690

Employee Costs

Employee benefit costs	1,119,677	1,059,370
Other employee costs	34,052	53,479
	1,153,729	1,112,849

Finance costs

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	43,270	54,654
	43,270	54,654

Other expenditure

Impairment losses on rates and statutory receivables	71,424	90,344
Elected Member Related Costs	69,146	67,735
Sundry expenses	20,866	23,572
	161,436	181,651

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

Note	2025	2024
	\$	\$
Cash at bank and on hand	1,403,040	977,855
Term deposits	0	677,911
Total cash and cash equivalents	1,403,040	1,655,766
Held as		
- Unrestricted cash and cash equivalents	570,352	821,334
- Restricted cash and cash equivalents	832,688	834,432
17	1,403,040	1,655,766

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.

4. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit or loss

Note	2025	2024
	\$	\$
	39,810	41,586
	39,810	41,586
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	41,586	40,745
Movement attributable to fair value increment	(1,776)	841
Units in Local Government House Trust - closing balance	39,810	41,586

MATERIAL ACCOUNTING POLICIES

Financial assets at fair value through profit or loss

The Shire classifies 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 2025

5. TRADE AND OTHER RECEIVABLES

Note	2025	2024
	\$	\$
Current		
Rates and statutory receivables	95,507	133,347
Trade receivables	56,014	141,360
GST receivable	670	9,998
Allowance for credit losses of rates and statutory receivables	(33,445)	0
	118,746	284,705
Non-current		
Rates and statutory receivables	22,767	14,770
	22,767	14,770

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 2025 Actual	30 June 2024 Actual	1 July 2023 Actual
	\$	\$	\$
Contract assets	79,712	24,815	210,951
Total trade and other receivables from contracts with customers	79,712	24,815	210,951

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.

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.

6. INVENTORIES

Note	2025	2024
	\$	\$
Current		
Fuel and materials	11,419	16,343
	11,419	16,343
The following movements in inventories occurred during the year:		
Balance at beginning of year	16,343	33,510
Inventories expensed during the year	(135,857)	(179,028)
Additions to inventory	130,933	161,861
Balance at end of year	11,419	16,343

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 2025

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	5,469	5,700
Accrued income	□□□□□	919
Contract assets	□□□□□	24,815
	107,317	31,434

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.

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

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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	
	Note	Land	Buildings	Land	Buildings	Land	Buildings	Total property	Furniture and equipment	Plant and equipment	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023		512,951	5,240,165	37,000	1,565,478	549,951	6,805,643	7,355,594	0	2,597,034	9,952,628
Additions		0	299,025	0	174,002	0	473,027	473,027	0	188,511	661,538
Disposals		0	0	0	0	0	0	0	0	(42,657)	(42,657)
Right of Use Assets reclassified (at cost)		0	2,094,203	0	0	0	2,094,203	2,094,203	0	0	2,094,203
Right of Use Assets reclassified (depreciation)		0	(174,605)	0	0	0	(174,605)	(174,605)	0	0	(174,605)
Depreciation		0	(123,459)	0	0	0	(123,459)	(123,459)	0	(364,592)	(488,051)
Balance at 30 June 2024		512,951	7,335,329	37,000	1,739,480	549,951	9,074,809	9,624,760	0	2,378,296	12,003,056
Comprises:											
Gross balance amount at 30 June 2024		512,951	8,157,285	37,000	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	0	(821,956)	(821,956)	(31,626)	(1,247,076)	(2,100,658)
Balance at 30 June 2024	8(b)	512,951	7,335,329	37,000	1,739,480	549,951	9,074,809	9,624,760	0	2,378,296	12,003,056
Additions		0	71,542	0	38,822	0	110,364	110,364	62,766	249,730	422,860
Disposals		0	0	0	0	0	0	0	0	(57,073)	(57,073)
Depreciation		0	(177,413)	0	(34,790)	0	(212,203)	(212,203)	(1,032)	(380,927)	(594,162)
Balance at 30 June 2025		512,951	7,229,458	37,000	1,743,512	549,951	8,972,970	9,522,921	61,734	2,190,026	11,774,681
Comprises:											
Gross balance amount at 30 June 2025		512,951	8,228,827	37,000	1,778,302	549,951	10,007,129	10,557,080	89,999	3,759,557	14,406,636
Accumulated depreciation at 30 June 2025		0	(999,369)	0	(34,790)	0	(1,034,159)	(1,034,159)	(28,265)	(1,569,531)	(2,631,955)
Balance at 30 June 2025	8(b)	512,951	7,229,458	37,000	1,743,512	549,951	8,972,970	9,522,921	61,734	2,190,026	11,774,681

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value				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
		549,951	549,951					
Total land	8(a)	549,951	549,951					
Buildings		7,229,458	7,335,329	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
Buildings - specialised		1,743,512	1,739,480	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
Total buildings	8(a)	8,972,970	9,074,809					

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.

(ii) Cost								
Furniture and equipment				N/A	Cost	N/A	Not Applicable	
Plant and equipment				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 2025

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 and footpaths	Infrastructure - bridges	Infrastructure - recreation	Infrastructure - parks, ovals & playgrounds	Infrastructure - other	Total infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	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)
Balance at 30 June 2024	57,393,656	6,584,998	642,273	510,879	1,331,561	66,463,367
Comprises:						
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)
Balance at 30 June 2024	57,393,656	6,584,998	642,273	510,879	1,331,561	66,463,367
Additions	2,625,741	24,250	0	0	0	2,649,991
Depreciation	(1,652,125)	(384,140)	(36,464)	(27,171)	(32,981)	(2,132,881)
Balance at 30 June 2025	58,367,272	6,225,108	605,809	483,708	1,298,580	66,980,477
Comprises:						
Gross balance at 30 June 2025	82,803,891	19,231,263	846,230	618,942	1,451,963	104,952,289
Accumulated depreciation at 30 June 2025	(24,436,619)	(13,006,155)	(240,421)	(135,234)	(153,383)	(37,971,812)
Balance at 30 June 2025	58,367,272	6,225,108	605,809	483,708	1,298,580	66,980,477

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads and footpaths	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
Infrastructure - bridges	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
Infrastructure - recreation	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - parks, ovals & playgrounds	Level 3	Cost approach using depreciated replacement cost	Independent valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	Level 3	Cost approach using depreciated replacement cost	Independent valuation	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
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset class	Useful life
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 2025

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.

Revaluation (continued)

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.

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; or
- (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 2025

11. LEASES

(a) Right-of-use assets

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

	Note	Right-of-use assets - land and buildings	Total right-of-use assets
		\$	\$
Balance at 1 July 2023		1,960,154	1,960,154
Additions		0	0
Transfer to land and buildings		(1,919,598)	(1,919,598)
Depreciation		(40,556)	(40,556)
Balance at 30 June 2024		0	0
Gross balance amount at 30 June 2024		0	0
Accumulated depreciation at 30 June 2024		0	0
Balance at 30 June 2024		0	0
Additions		0	0
Depreciation		0	0
Balance at 30 June 2025		0	0
Gross balance amount at 30 June 2025		0	0
Accumulated depreciation at 30 June 2025		0	0
Balance at 30 June 2025		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:

Depreciation on right-of-use assets
Total amount recognised in the statement of comprehensive income

	2025 Actual	2024 Actual
	\$	\$
Depreciation on right-of-use assets	0	(40,556)
Total amount recognised in the statement of comprehensive income	0	(40,556)
	0	0

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
FOR THE YEAR ENDED 30 JUNE 2025

11. LEASES (Continued)

(c) Lessor - property, plant and equipment subject to lease

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

Less than 1 year

Amounts recognised in profit or loss for property, plant and equipment subject to lease

Rental income

	2025 Actual	2024 Actual
	\$	\$
	0	8,050
	0	8,050
	73,590	35,350

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
FOR THE YEAR ENDED 30 JUNE 2025

12. TRADE AND OTHER PAYABLES

Current

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

	2025	2024
	\$	\$
	147,287	109,102
	46,502	40,043
	0	50,395
	10,932	7,389
	8,856	10,974
	49,678	50,402
	263,255	268,305

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 2025

13. OTHER LIABILITIES

Current

Contract liabilities

Reconciliation of changes in contract liabilities

Opening balance

Additions

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

	2025	2024
	\$	\$
	126,627	156,521
	126,627	156,521
	156,521	96,566
	126,627	156,521
	(156,521)	(96,566)
	126,627	156,521

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 2025

14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		176,573	779,019	955,592	171,275	953,981	1,125,256
Total secured borrowings	26(a)	176,573	779,019	955,592	171,275	953,981	1,125,256

Secured liabilities and assets pledged as security

Bank overdrafts and bank loans are secured over the general funds of the Shire of Cuballing.

The Shire of Cuballing has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 years.

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
FOR THE YEAR ENDED 30 JUNE 2025

15. EMPLOYEE RELATED PROVISIONS

Employee related provisions

	2025	2024
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	94,837	112,985
Long service leave	76,574	111,447
	171,411	224,432
Employee related other provisions		
Employment on-costs	25,198	32,216
	25,198	32,216
Total current employee related provisions	196,609	256,648
Non-current provisions		
Employee benefit provisions		
Long service leave	21,224	11,589
	21,224	11,589
Employee related other provisions		
Employment on-costs	3,990	1,784
	3,990	1,784
Total non-current employee related provisions	25,214	13,373
Total employee related provisions	221,823	270,021

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 2025

16. REVALUATION SURPLUS

	2025 Opening balance	Total Movement on revaluation	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Buildings	4,817,895	0	4,817,895	3,890,862	927,033	4,817,895
Revaluation surplus - Plant and equipment	672,794	0	672,794	672,794	0	672,794
Revaluation surplus - Infrastructure - roads and footpaths	40,021,885	0	40,021,885	40,021,885	0	40,021,885
Revaluation surplus - Infrastructure - bridges	8,032,349	0	8,032,349	8,032,349	0	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 and buildings	0	0	0	927,033	(927,033)	0
	55,148,816	0	55,148,816	55,148,816	0	55,148,816

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual	2024 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	832,688	834,432
		832,688	834,432
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	706,061	677,911
Contract liabilities	13	126,627	156,521
Total restricted financial assets		832,688	834,432

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

Credit standby arrangements

Bank overdraft limit	50,000	400,000
Bank overdraft at balance date	0	0
Credit card limit	30,000	30,000
Credit card balance at balance date	(6,018)	(4,910)
Total amount of credit unused	73,982	425,090

Loan facilities

Loan facilities - current	176,573	171,275
Loan facilities - non-current	779,019	953,981
Total facilities in use at balance date	955,592	1,125,256

Unused loan facilities at balance date	0	0
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SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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. The post closure plan was submitted to the Department of Water and Environmental Regulation (DWER) on 14 October 2024.

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 2025

21. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

Note	2025 Actual	2025 Budget	2024 Actual
	\$	\$	\$
President's annual allowance	10,400	10,400	10,000
President's meeting attendance fees	2,880	3,560	3,445
President's ICT expenses	477	500	250
President's travel and accommodation expenses	0	500	0
	13,757	14,960	13,695
Deputy President's annual allowance	2,600	2,600	2,500
Deputy President's meeting attendance fees	2,205	2,625	2,305
Deputy President's annual allowance for ICT expenses	500	500	250
Deputy President's travel and accommodation expenses	0	500	0
	5,305	6,225	5,055
All other council member's meeting attendance fees	9,400	9,310	8,042
All other council member's annual allowance for ICT expenses	2,000	2,000	1,396
All other council member's travel and accommodation expenses	1,188	2,000	2,059
	12,588	13,310	11,497
21(b)	31,650	34,495	30,247

(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	414,781	400,843
Post-employment benefits	71,179	59,168
Employee - other long-term benefits	23,553	38,713
Employee - termination benefits	17,874	0
Council member costs	31,650	30,247
21(a)	559,037	528,971

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

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

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

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

	2025 Actual	2024 Actual
	\$	\$
Sale of goods and services	5,676	880
Purchase of goods and services	0	2,680
Amounts outstanding from related parties:		
Trade and other receivables	4,270	19
Amounts payable to related parties:		
Trade and other payables	16,961	11,737

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

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 2025**

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
FOR THE YEAR ENDED 30 JUNE 2025

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
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

24. RATING INFORMATION

(a) General rates

RATE TYPE	Basis of valuation	Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
Rate description											
Townsite	Gross rental valuation	0.093137	202	3,540,904	329,789	6,188	335,977	329,789	20,000	349,789	259,061
Rural	Unimproved valuation	0.004838	187	243,290,000	1,177,037	(15,408)	1,161,629	1,179,654	0	1,179,654	1,105,118
Total general rates			389	246,830,904	1,506,826	(9,220)	1,497,606	1,509,443	20,000	1,529,443	1,364,179
Minimum payment											
Townsite	Gross rental valuation	972	129	551,760	125,388	0	125,388	125,388	0	125,388	116,100
Rural	Unimproved valuation	1,312	152	23,363,753	199,424	0	199,424	196,800	0	196,800	183,465
Total minimum payments			281	23,915,513	324,812	0	324,812	322,188	0	322,188	299,565
Total general rates and minimum payments			670	270,746,417	1,831,638	(9,220)	1,822,418	1,831,631	20,000	1,851,631	1,663,744
Ex-gratia rates											
CBH Group		0.045318	1	14,600	662	0	662	662	0	662	613
Total amount raised from rates (excluding general rates)			1	14,600	662	0	662	662	0	662	613
Discounts							(100,489)			(109,898)	(91,242)
Concessions		150434.1		16,060			0			(56,000)	(532)
Total rates							1,722,591			1,686,395	1,572,583
(b) Rates related information											
Rates instalment interest							4,169			1,500	1,739
Rates instalment plan charges							2,160			2,000	1,530
Rates overdue interest							13,633			8,129	14,947
Rates written off							71,424			55,000	90,344

*Rateable Value at time of raising of rate.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget	2023/24
	(30 June 2025 carried forward)	(30 June 2025 carried forward)	(30 June 2024 carried forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(9,377)	(10,818)	(16,136)
Less: Movement in liabilities associated with restricted cash	6,631	0	(14,427)
Less: Fair value adjustments to financial assets at fair value through profit or loss	1,776	0	(841)
Add: Loss on disposal of assets	4,238	900	8,793
Add: Depreciation	2,727,043	2,567,301	2,585,597
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(7,997)	0	(11,706)
Employee benefit provisions	11,841	0	4,264
Non-cash amounts excluded from operating activities	2,734,155	2,557,383	2,555,544
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	27 (706,061)	(774,764)	(677,911)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 176,573	248,032	171,275
- Employee benefit provisions	276,652	256,648	270,021
Total adjustments to net current assets	(252,836)	(270,084)	(236,615)
Net current assets used in the Statement of financial activity			
Total current assets	1,640,522	864,266	1,988,248
Less: Total current liabilities	(763,064)	(578,691)	(852,749)
Less: Total adjustments to net current assets	(252,836)	(270,084)	(236,615)
Surplus or deficit after imposition of general rates	624,622	15,491	898,884

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024
		\$	\$	\$	\$	\$	\$	\$	\$
Aged Accommodation Units		781,151	0	(72,016)	709,135	0	(75,330)	633,805	709,134
Lot 74 Austral Street		100,111	0	(15,798)	84,313	0	(16,143)	68,170	84,313
Caterpillar Grader		407,025	0	(75,217)	331,808	0	(78,191)	253,617	331,808
Industrial Land		0	0	0	0	0	0	0	0
Total		1,288,287	0	(163,031)	1,125,256	0	(169,664)	955,592	1,125,255

Borrowing finance cost payments

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
					\$	\$	\$
Aged Accommodation Units	56	WATC*	4.55%	22/06/2032	(31,055)	(31,410)	(38,880)
Lot 74 Austral Street	64	WATC*	2.18%	13/05/2029	(1,638)	(3,669)	(1,989)
Caterpillar Grader	67	WATC*	3.92%	19/01/2028	(10,577)	(10,705)	(13,786)
Industrial Land	N/A	N/A	N/A	N/A	0	(7,500)	0
Total					(43,270)	(53,284)	(54,655)
Total finance cost payments					(43,270)	(53,284)	(54,655)

* WA Treasury Corporation

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate	Amount borrowed		Amount (used)		Total interest and charges	Actual balance unspent
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
				%	\$	\$	\$	\$	\$	\$
Industrial Land**	WATC	Fixed	5	6.00%	0	250,000	0	(250,000)	43,076	0
					0	250,000	0	(250,000)	43,076	0

** The loan budgeted for the purchase of industrial land was not drawn upon as the Shire did not purchase any land during the 2024/25 financial year.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

27. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Employee Entitlements	270,021	6,631	0	276,652	270,021	12,150	0	282,171	289,811	10,280	(30,070)	270,021
(b) Plant and Equipment	40,658	12,500	0	53,158	40,658	61,823	0	102,481	5,106	35,552	0	40,658
(c) Administration Building, ICT & Office Equipment	9,598	236	0	9,834	9,598	428	(9,000)	1,026	9,270	328	0	9,598
(d) Housing Reserve	82,622	2,029	0	84,651	82,622	3,690	0	86,312	79,492	3,130	0	82,622
(e) Recreation & Community Facility	102,174	2,509	0	104,683	102,174	20,000	0	122,174	97,430	4,744	0	102,174
(f) Refuse Site	47,647	1,170	0	48,817	47,648	2,138	0	49,786	46,015	1,632	0	47,647
(g) Equestrian	5,151	126	0	5,277	5,151	230	0	5,381	4,974	177	0	5,151
(h) Standpipe Maintenance	4,295	106	0	4,401	4,295	194	0	4,489	4,149	146	0	4,295
(i) Road and Bridges	110,168	2,706	0	112,874	110,169	4,950	0	115,119	106,394	3,774	0	110,168
(j) Community and Sporting Club	5,577	137	0	5,714	5,577	248	0	5,825	5,385	192	0	5,577
	677,911	28,150	0	706,061	677,913	105,851	(9,000)	774,764	648,026	59,955	(30,070)	677,911

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Employee 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

2025

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 2025, 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 2025 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 2025, 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.

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 2025 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
4 December 2025