



# 2021-2022 ANNUAL REPORT





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### ADMINISTRATION CENTRE

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 Address: PO Box 38 QUAIRADING WA 6383  
 Telephone: (08) 9645 2400



### FACEBOOK

ShireofQuairading  
 QuairadingCaravanPark

### INSTAGRAM

shireofquairading

### WEBSITE

[www.quairading.wa.gov.au](http://www.quairading.wa.gov.au)

### LINKEDIN

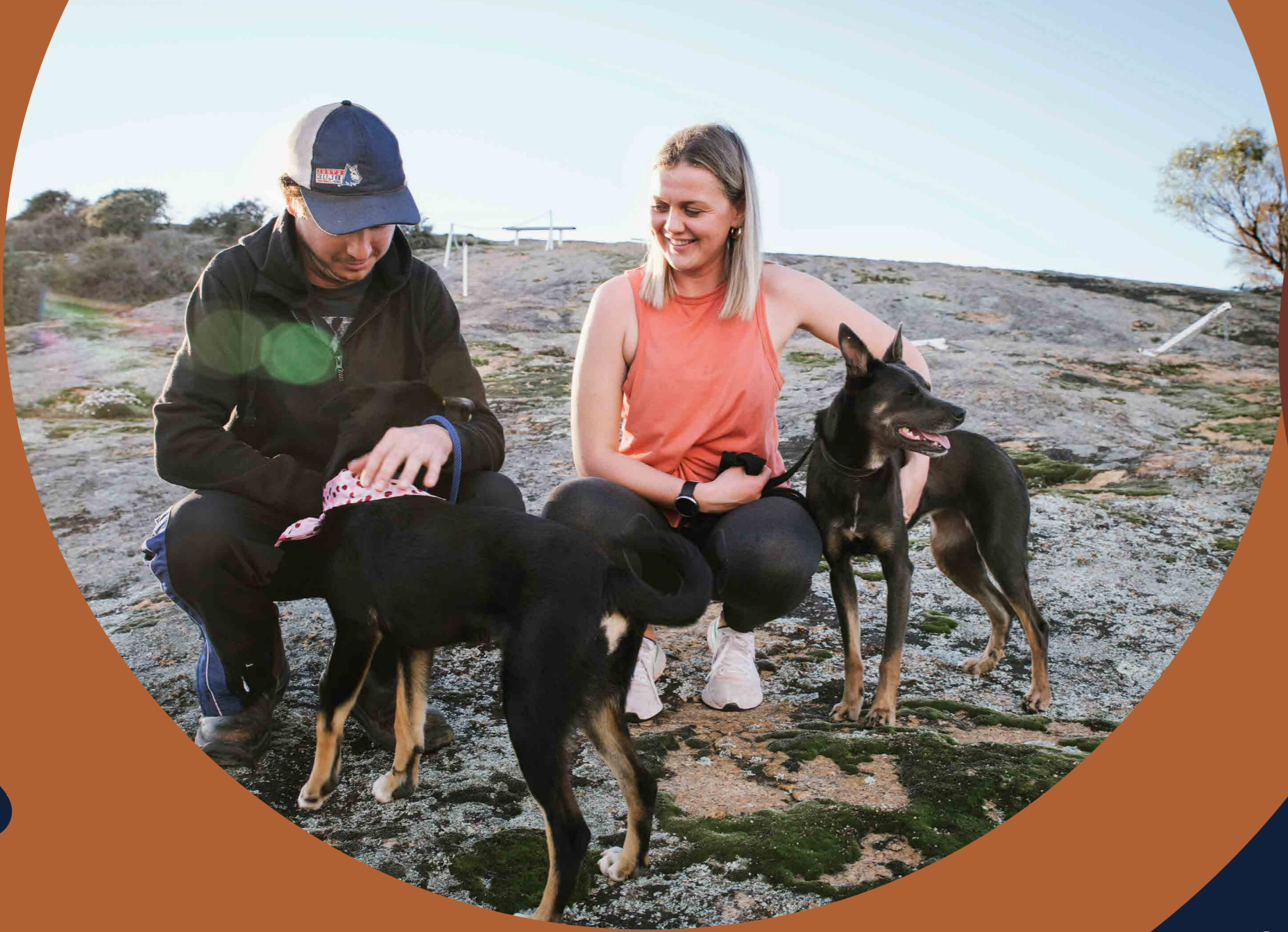
[www.linkedin.com/company/shire-of-quairading/](https://www.linkedin.com/company/shire-of-quairading/)

### Photos courtesy of the following Facebook pages:

The Quairading Community Resource Centre  
 Quairading Agricultural Society  
 Quairading Rainmakers Inc  
 Quairading District High School

Angie Roe Photography  
 Visit Quairading WA  
 Quairading Farmers Co-Op  
 Quairading Tennis Club

The Quairading Hotel  
 Quairading Ladies Hockey Club  
 Quairading Football Club



# WELCOME

## ACKNOWLEDGEMENT OF COUNTRY

Council acknowledges the Traditional Owners of country across the Shire of Quairading. We pay our respects to the Ballardong/Noongar people and to their elders past and present.



# OUR VISION

“Our Shire is a place of welcome for all, where we work together, with thriving industry creating jobs, a bright future for our young people, and a bustling town in a beautiful and productive rural setting.”

# OVERVIEW

## 2021/2022 ANNUAL REPORT

We are pleased to present the Shire of Quairading's 2021/2022 Annual Report. Every year the Shire provides vital community services and infrastructure. The Annual Report details our performance, achievements, challenges and progress towards realising the strategic goals identified in our **Strategic Community Plan 2021 - 2031**:

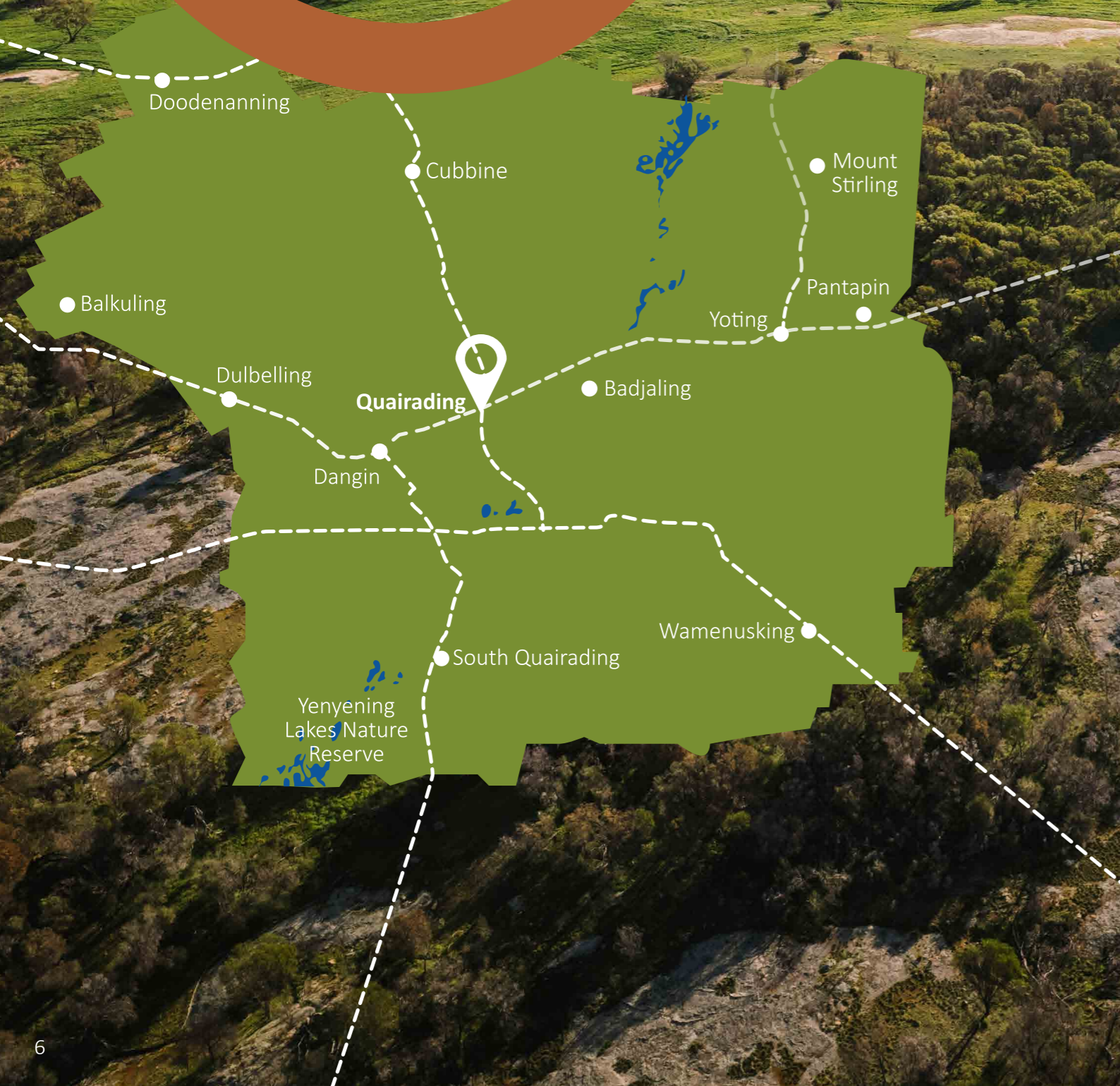
				
<b>ECONOMIC</b>	<b>BUILT ENVIRONMENT</b>	<b>NATURAL ENVIRONMENT</b>	<b>GOVERNANCE</b>	<b>SOCIAL</b>
Growing economy and employment opportunities.	Planning and infrastructure to meet the needs of the community.	To preserve and sustain our natural environment.	Strong governance and community engagement.	Active, healthy, safe, and inclusive community.

Through this strategic planning approach, the different roles we undertake as a local government, and the diversity of the many products and services we deliver, we are recognised as being responsive to the ever-changing needs of our community, businesses, industry, government and other key stakeholders.

Council's website provides additional information about Council's plans, policies, and activities. Please visit [www.quairading.wa.gov.au](http://www.quairading.wa.gov.au)

# OVERVIEW

## OUR SHIRE AT A GLANCE



### KAYA QUAIRADING KOORT BALLADONG BOODJAR (HEART OF BALLADONG COUNTRY)

Quairading is a beautiful town nestled in the Central Wheatbelt of Western Australia, just 170km east of Perth on the York-Merredin Road.

The Shire's main localities are Quairading, Pantapin, Yoting, Badjaling, Dangin, South Caroling, Balkuling, Doodenanning, and Wamenusking. Occupying a land area of approximately 2040 km<sup>2</sup>, the Shire borders eight other Local Governments consisting of the Shires of Beverley, Brookton, Bruce Rock, Corrigin, Cunderdin, Kellerberrin, Tammin and York.

We are a farming community with a population of just over 1000 persons, producing cereal and grain crops, sandalwood plantation, wool, sheep and cattle, supported by rural service industries. Our community provides a variety of volunteer-run cultural, sporting and social activities.

#### Amenities and Facilities include:

- Early childhood education centre
- District high school
- Youth centre
- District hospital
- Medical Practice
- General shopping
- Agricultural retail
- Fuel
- Automotive and gas supplies
- Sports ground (football, hockey, cricket, tennis, basketball, netball)
- 18-hole golf course
- Town Hall (community theatre, events, badminton, seniors fitness, etc.)
- Community Resource Centre (including arts centre and community gym)
- Aquatic centre
- Caravan Park and cabins
- Vintage Machinery Club.

#### FOLLOW US

Keep up to date with important local information and news:

#### FACEBOOK

ShireofQuairading  
QuairadingCaravanPark

#### INSTAGRAM

shireofquairading

#### WEBSITE

[www.quairading.wa.gov.au](http://www.quairading.wa.gov.au)



## STATS AT A GLANCE



1282  
Caravan park bookings



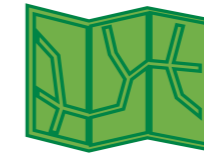
2363  
Gym entries



460  
kerbside bins were collected



135  
Streetlights



2,040km<sup>2</sup>  
Land Area  
9,000Ha  
Bushland



156  
Cat & dog registrations



12  
DOT Theory tests completed



313  
Occupied private dwellings



1009  
Facebook followers



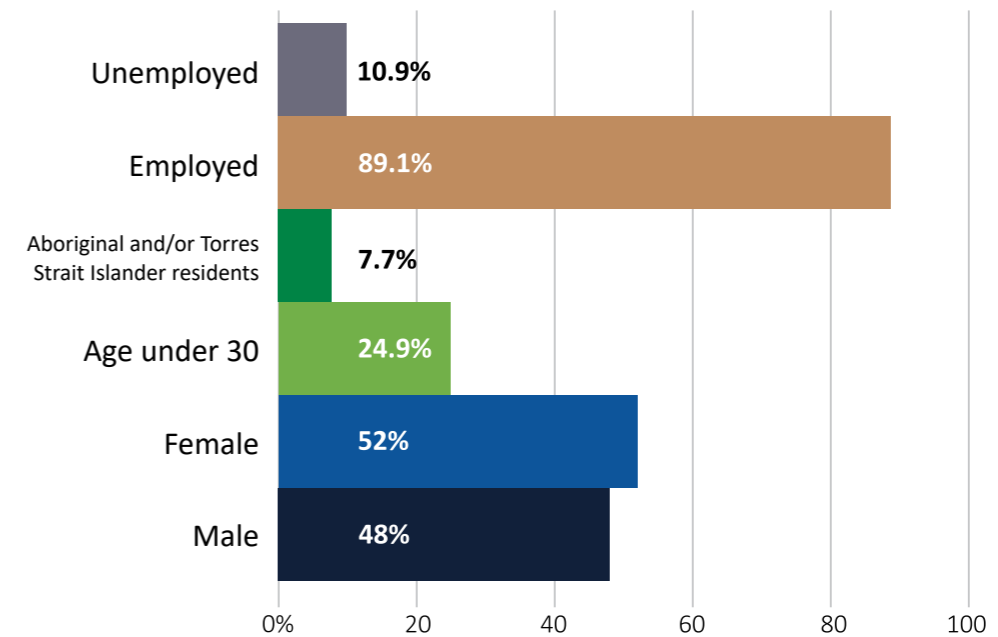
2 Citizenship Ceremonies Held  
5 Residents became Australian Citizens



105 Community building bookings  
134 Shire hall bookings



54  
Median age  
205  
Families with children



# OVERVIEW

## A YEAR IN REVIEW – FROM THE SHIRE PRESIDENT

It is my privilege to present the annual  
President's Report for the year  
ended 30 June 2022.

### QUAIRADING SHIRE HALL

#### RETIREMENTS

Firstly, may I recognise and acknowledge our long time CEO, Mr Graeme Fardon, who completed 28 years of service to our town in December of 2021. Graeme's retirement plans include more family time, and perhaps more sailing time. At some point in the future, Graeme may undertake some relief work for Local Government CEO's in need of a well-earned break.

Also retiring from Council, after 12 years' service as councillor, committee chair-person, Deputy President and President, Wayne Davies is taking a well-earned break from community service. Wayne has served many different organisations and taken leadership roles over many years and I thank him on behalf of our community, and personally, for his dedicated service to Quairading.

June of 2022 saw the resignation of Cr Brett McGuinness. Brett served on council for 5 years and his experience, gained over years of senior management positions in the private sector, underpinned his leadership in the important reforms to policies and procedures adopted by council during his tenure. Brett, and wife Annie, moved to a new property south of Perth.

#### STAFF MOVEMENT

One of the greatest challenges for our town is the recruitment and retention of employees, in all facets of administration and works depot roles and positions.

Mr Nathan Gilfellow, Executive Manager of Corporate Services (EMCS) moved on in July followed by Mr Allan Rourke, Executive Manager of Works and Services (EMWS), who left in November 2021.

Mrs Leah Horton, appointed to the role of EMCS on Nathan's departure, continues to serve very capably, diligently and with great enthusiasm in that role.

Mr Darren Wallace was appointed EMWS in January of 2022. Darren stayed on for a couple of months then moved on to a new opportunity with Main Roads WA in Northam.

(I can report that Mrs Sarah Caporn, after years of dedication as a shire employee, and is very well qualified, has been appointed to the EMWS role).

#### NEW CEO

December 2021 saw a new chapter unfold for Quairading Shire with the appointment of Ms Nicole Gibbs as CEO. Nicole brings with her a wealth of knowledge, experience and contacts, gained from years of past positions with the WA State Government and the Federal Government parliamentary civil services. Nicole has also held several CEO positions in Non-Government Organisations (NGO's) and Not-For-Profit (NFP) organisations.

## AUSTRALIA DAY

The councillors once again cooked for our community to celebrate Australia Day with a full breakfast. During the celebrations, three new citizens swore allegiance to Australia and were welcomed into our community.

Mrs Helen Fraser, recognised for her outstanding contribution to our community, was proclaimed Citizen of the Year 2021. A very well deserved honour, gratefully received and acknowledged by Helen on the day.

There were significant achievements by community members which were also recognised at the Australia Day breakfast, including Claudia Caporn for her fine arts photography and being an awardee of the Minderoo Foundation Arts Scholarship. Brittany Hadlow won the Eastern Districts Agricultural Societies Rural Ambassador award and competed at the Royal Agricultural Society in Claremont. The Quairading Agricultural Society was recognised for producing the 100th Ag Show in 2021.

Every-one is very welcome at the Australia Day celebration each year and I look forward to catching up with our residents again next year.

## WORKS DEPOT

The shire lost a number of experienced operators from the works depot during the year. This, along with the amount of rain received, made it very difficult to complete the road maintenance and construction programs. Dean Mastin, works team leader, capably assisted management in the completion and acquittal of many of the shire's funded road works.



## THANKS

I would like to say a sincere thank-you to our councillors for the time, dedicated service and leadership, they provide to our community. I also personally thank them for their support during the year.

Cr Trevor Stacey, Deputy President, is very supportive and I thank him for his service to community and for our valued "after-hours" phone calls and conversations.

Our new CEO, Nicole, has faced some challenges through the early part of the year and I thank her for her dedication and unwavering service and commitment to the council and community. I look forward to continuing working with Nicole in the coming year.

To the administration, works depot and all staff, thank-you for your service and dedication to our town.

## COMMUNITY

It is the role of council to provide leadership to our community and be good custodians of the shire assets and finances. Council takes its guidance from the Strategic Community Plan as reviewed periodically.

Council also supports and participates in a number of community groups, i.e. RAP Committee, Tourism Committee and sporting groups. Council will continue this support into the future.

The Community Grant and Business Grant programs are very sought after and will continue.

It is council's intention, as in recent times, to continue to consult with and seek feedback from our community members. I urge all residents to make their thoughts and aspirations known to council and shire officers at every opportunity.

Whilst there are regular reviews of plans and documents of council in which all can participate, the shire office is always open to residents and visitors. Your thoughts, positive and negative, are always welcome.

Wishing council, staff and residents every success in the next challenging twelve months

**Peter Smith**  
Shire President



# OVERVIEW

## A YEAR IN REVIEW – FROM THE CEO

Our Annual Report 2021-2022 has a strong focus on financial sustainability and viability and how these impact on social, economic, environmental and governance outcomes for the community. As a small local government that will continue to grow through the life of this plan and beyond, we want to ensure the decisions made by the Shire today consider the needs of the community into the future.



Our Strategic Community Plan 2021- 2031 details the vision and aspirations for the future of our community over the next decade, and the Corporate Business Plan focuses on achieving those objectives by operationalising the strategic initiatives within. The Annual Report is one of many tools used to measure our progress against those strategies and to report this progress to the community. Achieving the initiatives will rely on a collective and collaborative approach, as we continue to work with community groups, other local governments, state and federal government agencies, residents, partners and the broader business sector.

Our 'locals first' approach allows us to focus on what the residents of our local area see as the priorities and to plan, commit resources and budget appropriately.

We are embracing technological change to enhance and improve connection, participation and engagement for community and business, and to provide efficient and improved services. As we do so we continue to provide quality in-person and phone service for those customers who need it.



As part of our commitment to making the Shire of Quairading a welcoming place to establish and grow businesses, we are streamlining and improving our approvals processes, while at the same time, continuing to meet legislative and health and safety obligations.

A key objective is to solidify support for local business and stimulate investment, drive economic growth and diversify our economic base. Protecting our key environmental resources is also vital to the Shire's future.



The Shire has identified key resource capabilities which include an integrated planning and reporting approach to workforce planning, asset management planning and long-term financial planning. Integrated planning provides the Shire with an in-depth understanding of its capacity to resource not only current activities but those planned for the future.

I would like to take this opportunity to congratulate our Elected Members and employees for leading, embracing and making the change we need to succeed in the new and changing paradigm that is local government today. This includes our newly elected, progressive and proactive Shire President, Mr Peter Smith.



I would also like to take this opportunity to thank our valued predecessors for their immeasurable contribution to the community of Quairading. This of course includes our long-serving President, Mr Wayne Davies and our long-serving CEO, Mr Graeme Fardon.

Most importantly, I would like to thank our small, diverse and yet close community for their on-going support, collaboration and contribution to our community's future.

I am pleased to present the Shire of Quairading's Annual Report.

**Nicole Gibbs**  
Chief Executive Officer





# COUNCIL

## OUR COUNCIL – ELECTED MEMBERS

Council is elected by the local community to represent the interests and needs of rate payers in our community. The Elected Members work together to provide good governance by making decisions on all aspects of community, social, environmental and economic wellbeing.

Council oversees the allocation of the Shire's finances and resources, determines its policies, and ensures that the Shire's statutory and community responsibilities are performed effectively and efficiently.

Council meets on the last Thursday of each month, with a recess in January. The December Council meeting is held on the third Thursday. Occasionally, Special Council Meetings are held to consider specific urgent Council business.

Council meetings are open to the public, but members of the public may be asked to leave the Chambers at times if Councillors need to discuss confidential items. All Council and Committee meetings are conducted in accordance with the *Local Government Act 1995*.

Members of the Council can be contacted by the public to discuss any local issue, by calling on their listed phone number or by email. The Elected Members' contact details can be found on the Shire's [Website](#).

### SHIRE PRESIDENT

The Shire President's duties include providing leadership and guidance to the community, carrying out civic and ceremonial duties, speaking on behalf of the Council, liaising with the CEO on Council's affairs and performance, and presiding at meetings.

### COUNCILLORS

Councillors (or Elected Members) represent the interests of electors, ratepayers and residents. Councillors facilitate communication between the community and Council by providing information to the community about the policies and decisions of Council. Councillors sit formally as the Council to make decisions to meet the needs of the whole Quairading District by relaying community desires, concerns and opinions to Council.

During the year Councillors also attend committee meetings of Council and a range of advisory group meetings that are not included in the Elected Members attendance table.

In 2021/22 Shire President Cr Wayne Davies retired from his role. Cr Davies was a Councillor from 2011 – 2016 and Shire President from 2017 – 2021.

Cr John Haythornthwaite (2019-2021) and Cr Brett McGuinness (2015-2021) also retired from their role as Councillors.

We thank Cr Davies, Cr Haythornthwaite and Cr McGuinness for their efforts and contribution to the Quairading community over their time on Council.

In this same year we welcomed Cr EJ Cheang and Cr Jo Hayes onto Council. We look forward to working with these valuable members as we progress Council business.

## COUNCIL CODE OF CONDUCT

The Code of Conduct for Council Members, Committee Members and Candidates establishes acceptable standards of ethical conduct for Councillors and Committee Members. The Code addresses probity and responsibility and encourages greater transparency and accountability.

The Code was adopted by Council in March 2021 in accordance with the *Local Government Act 1995* (the Act) and the new regulations Local Government (Model Code of Conduct) Regulations 2021 (new regulations) taking effect on the 3rd of February 2021.

The Code achieves compliance with statutory obligations and provides a framework for achieving high ethical standards.

The Code and associated Councillors' Behaviour Complaint Policy provides a process for complaints being made regarding the behaviour of an individual Councillor (an Election Candidate). There have been nil behaviour complaints received up until the 30th of June 2022.

## OUR COUNCIL – ELECTED MEMBERS

### MEETINGS ATTENDED

The number of Council meetings and Standing Committee meetings held during the year ended 30 June 2022 and the numbers of those meetings attended by each Elected Member is as follows:

	Strategic Planning Committee Meeting (5)	Audit & Risk Committee Meeting (5)	Annual Electors Meeting (1)	Special Ordinary Council Meeting (3)	Ordinary/Special Council Meeting (11)	Total
Cr Cheang	3	4	0	2	8	17
Cr Cowcill	5	5	0	3	10	23
Cr Davies	2	1	0	1	2	6
Cr Hayes	3	4	0	2	8	17
Cr Jo Haythornthwaite	5	5	1	3	11	25
Cr John Haythornthwaite	1	0	0	1	2	4
Cr Hippisley	5	5	0	3	11	24
Cr McGuinness	4	4	1	3	9	21
Cr Smith	5	5	1	3	11	25
Cr Stacey	5	5	1	3	11	25

## OUR ELECTED MEMBERS



Shire President:  
**Cr Peter Smith**  
Term Expires: 2025



Deputy Shire President:  
**Cr Trevor Stacey**  
Term Expires: 2025



**Cr Jo Hayes**  
Term Expires: 2025



**Cr Becky Cowcill**  
Term Expires: 2023



**Cr Johnathon Hippisley**  
Term Expires: 2023



**Cr EJ Cheang**  
Term Expires: 2025



**Cr Jo Haythornthwaite**  
Term Expires: 2023

## PAST COUNCILLORS



**Cr John Haythornthwaite**  
Term Expired: October 2021



**Cr Wayne Davies**  
Term Expired: October 2021



**Cr Brett McGuinness**  
Resigned from Council: June 2022

We would like to sincerely thank past Councillors Cr Davies, Cr Haythornthwaite and Cr McGuinness for their contribution to the Quairading community during their time on Council.

# COUNCIL ALLOWANCES & FEES

The Shire's Councillor Allowances and Attendance at Events Policy outlines what support will be provided by the Shire to Councillors, taking into account the responsibilities and commitment of Councillors serving as community representatives.

Councillor remuneration is determined by the Salaries and Allowances Tribunal according to Band Classification for local governments in Western Australia. The Shire of Quairading is classified as Band 4 local government.

Allowances and fees paid by the Shire of Quairading to Councillors for the financial year are outlined below.	Shire President's Allowance	Deputy Shire President Allowance	Total Meeting Fees	Travelling reimbursement
<b>Shire President</b> Cr Peter Smith	\$513	-	\$5,937	-
<b>Deputy Shire President</b> Cr Trevor Stacey	-	\$0	\$3,390	-
<b>Elected Members</b>				
Cr EJ Cheang	-	-	\$1,878	-
Cr Becky Cowcill	-	-	\$3,100	-
Cr Jo Hayes	-	-	\$2,230	-
Cr Haythornthwaite	-	-	\$3,540	-
Cr Hippisley	-	-	\$3,542	-
Cr Wayne Davies	-	-	\$2,199	-
Cr John Haythornthwaite	-	-	\$642	-
Cr Brett McGuinness	-	-	\$3,114	-

## DEMOGRAPHIC STATS

### ELECTED MEMBER DEMOGRAPHICS

English as first language	9
English as second language	1
<b>Country of Birth</b>	
Australia	8
Malaysia	1
England	1
Councillors that identify as Aboriginal or Torres Strait islander	0

	Age Range 30 June 2021	Elected Members
<b>Aged between</b>	18-24 years	-
	25-34 years	-
	35-44 years	1
	45-54 years	-
	55-64 years	5
	over 64 years	4



### ENHANCING KNOWLEDGE OF COUNCIL

The Shire supports the ongoing development of its Elected Members to enable them to engage in the decision-making process with the appropriate knowledge, skills and competencies to undertake their role. Elected Members are required to undertake compulsory training following their election and encouraged to attend additional professional development opportunities.

In accordance with the *Local Government Act 1995* and the Elected Member Continuing Professional Development Policy, the Shire maintains a register that provides the details of the courses/forums completed by Elected Members during the year. A copy of the register can be viewed on the Shire's website at [www.quairading.wa.gov.au/documents](http://www.quairading.wa.gov.au/documents).

CEO Approved (Date): 19/1/2023

# COUNCIL

## OUR LEADERSHIP & PEOPLE

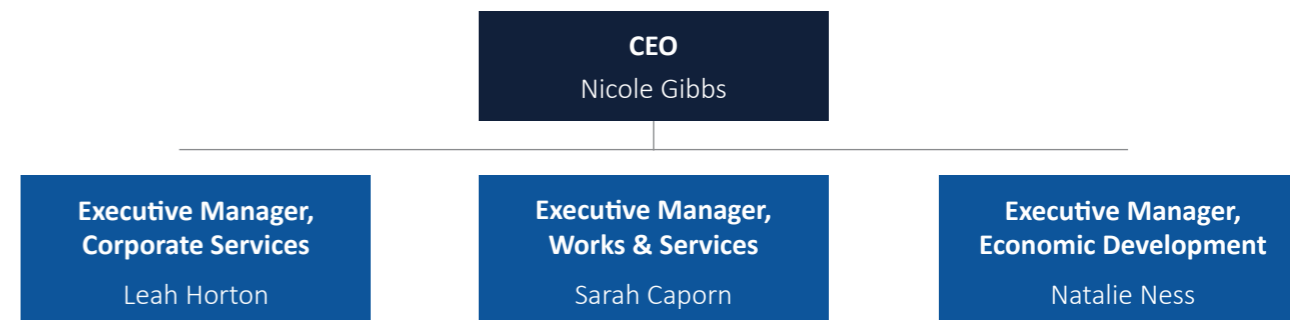


### EXECUTIVE MANAGEMENT TEAM

The Council's administration is led by the Chief Executive Officer (CEO) appointed by the Council. In December 2021, the Shire of Quairading said farewell to long-standing CEO, Mr Graeme Fardon, who had been the CEO since August of 1993. Council thanks Mr Fardon for all his work over the 28 years he was in service and wish him all the best in his retirement.

Council welcomes new CEO, Ms Nicole Gibbs. Ms Gibbs has over 20 years' experience as a CEO across a diverse spectrum of sectors and is already enjoying living and working in Quairading.

### THE EXECUTIVE MANAGEMENT TEAM COMPRISES



Through the CEO, the Executive Management Team provides strategic advice to Council, building organisational capacity and leadership capability to deliver the strategies defined in the Strategic Community Plan. The Team is also responsible for coordinating the day-to-day management of the District. The Team monitors and facilitates the implementation of service delivery and major projects. Identified opportunities for improvement are prioritised and addressed through the integrated planning process. This ensures services are delivered in line with community expectations while continuing to strengthen the long-term sustainability of the Shire.

### COUNCIL STAFF

On behalf of Council, the CEO employs a number of specialist and multi-skilled staff across the departments including administration, customer services, construction and maintenance, community services and health.

### DELEGATIONS OF AUTHORITY

Delegations of authority provide officers with the power to carry out duties and make determinations. Under the Local Government Act, both the Council and the CEO are given certain powers and duties to be discharged.

The Council, by absolute majority, may delegate in writing to the CEO the exercise of any of its powers or the discharge of any of its duties under various Acts, apart from those specified in s.5.43 of the Local Government Act.

The CEO may delegate to any employee the exercise of a number of the CEO's powers or the discharge of any CEO duties, other than the power of delegation, including those powers and duties delegated by the Council, subject to any conditions imposed by the Council.

The Local Government Act requires the CEO to keep a register of delegations and arrange once every financial year for those delegations to be reviewed by Council.

## THE SHIRE'S WORKFORCE PLAN

The Shire's Workforce Plan outlines how the Shire will invest in its workforce and ensure it continues to respond to communities' service expectations and identified capital projects.

The Plan describes a range of initiatives and actions in the areas of recruitment and retention, cross-departmental collaboration, leadership, and decision-making, customer service, communication, diversity, safety, and health and wellbeing.

### The strategies within the Plan enable the Shire to achieve its Strategic Community Plan and Corporate Business Plan objectives through consideration of:

How the workforce will need to change over the short term to achieve immediate strategic priorities of Council.

Who is responsible for managing key Shire projects and expected service levels.

External factors that may influence the workforce.

Data about the current workforce and trends.

Identifying "pressure points" where further capacity needs to be funded and directed.

## CHANGES TO THE ORGANISATIONAL STRUCTURE

The Shire continues to make incremental adjustments and realignments to our structure to allow us to continue to deliver high-quality services to the community.

## EMPLOYEE PERFORMANCE REVIEW PROCESS

Our workforce capability requirements are diverse and varied, with roles that span entry level administration and customer service through to professional specialist roles. Council, the CEO and management conduct annual employee performance reviews to set clear expectations, along with measuring and monitoring results.

## CONDITIONS OF EMPLOYMENT

Employees at the Shire are covered by the Local Government Award 2020. The Shire contributes the statutory component of each employee's salary to a complying superannuation fund of their choice and will increase the superannuation contributions in line with legislation. Employees also have the option to make additional contributions to their superannuation fund.

## TRAINEESHIP PROGRAM

The Shire continued to have a school-based trainee attend the Shire one day a week over 2021/22. This year the trainee was exposed to some different and more challenging professional development opportunities within the Shire.

The traineeship arrangement enables the student to participate in a challenging learning arrangement by attending high school, TAFE and working at the Shire concurrently to complete a nationally recognised qualification. The Traineeship will continue in the 2022/2023 Year.

## CULTURAL AWARENESS

The Shire continues to strive to be a place where people choose to live, work, visit and invest. This translates into a workplace culture where people know what they can do to enable the Shire to serve the community and where they feel encouraged to make contributions and suggestions on how we can improve.

The Reconciliation Action Plan committee continues to meet on a bi-monthly basis where members of the Noongar community, Council and other local businesses and residents meet to discuss issues relevant to the Noongar community.

Council Elected Members and staff also attend the annual Reconciliation Walk with the Quairading District High School students and Quairading community and hold NAIDOC celebrations through the Youth Centre.

## CHANGES TO WORK HEALTH & SAFETY LEGISLATION

The *Work Health & Safety Act 2020* was enacted in March 2022. This act supersedes the *Occupational Safety & Health Act 1984*. The introduction of the new WHS Act brings WA in line with other States and Territories (excluding Victoria), meaning businesses will have similar health and safety obligations and requirements across Australia.

Some key changes that the enactment of this act brought about are:

- The introduction of "PCBU" or a "person conducting a business or undertaking". This has the potential to affect Council Members, Executive and other decision-makers within Council.
- Under the *OSH Act 1984*, duty of care was largely based around the employer-employee relationship. Under the *WHS Act 2020*, all PCBUs have a primary duty of care to ensure the health and safety of their workers and others who may be affected by the carrying out of work. Due to this, the PCBU is required to undertake action to eliminate risks to health & safety as reasonably practicable.
- The introduction of "industrial manslaughter" whereby a PCBU that is seen as negligent in the event of the death of an employee can be help professionally and personally liable for the incident e.g if a risk known to the PCBU, though nothing is done to rectify the matter.
- The introduction of reporting requirements for what are known as 'notifiable incidents', which includes serious illness, injury or death and dangerous incidents which might happen during the conduct of a business or undertaking.

## LEARNING AND DEVELOPMENT

As part of the new WHS laws, it is imperative that Council staff are adequately trained for the position they hold within the Shire.

With the introduction of the WHS Act, in 2021/22 Council committed to investing in our Works & Services employees to contribute to organisational culture and capacity building when the new budget is created for 2022/23. This will ensure workers will be able to safely operate any Council machinery and legally perform any role in the Works department.

The Acting Executive Manager, Works & Services and Leading Hand are currently working with the works crew to identify any gaps in training. A training plan will be developed for each staff member to implement in the 2022/23 financial year.

Employee Profile by Business Unit - Headcount as at 30 June 2022	Full Time		Part Time		Casual		
	M	F	M	F	M	F	
Community & Strategic Projects	-	-	-	3	-	-	3
Community Emergency Services	1	-	-	-	-	-	1
Corporate Services	-	3	1	3	-	2	9
Legislative & Development Services	-	-	-	-	-	-	0
Medical Services	-	-	-	2	-	1	3
Office of the CEO	-	2	-	-	-	1	3
Works & Services	10	1	2	1	1	-	15
<b>Total</b>	<b>11</b>	<b>6</b>	<b>3</b>	<b>9</b>	<b>1</b>	<b>3</b>	<b>34</b>

# COUNCIL COMMUNITY GRANTS PROGRAMME

Our Community Grants Program provides funding towards community projects, events and equipment purchases to support community organisations and groups operating within the Quairading Shire for the benefit of the community.

Council noted that in 2021/22, 28 applicants were granted a total of \$32,317.80 as part of the Shire's Community Grants Program. This Program supported a variety of projects including the Community Christmas Party, a race timing system for the Aquatic Club, archery equipment at Wamenusking and assisting the School's Crunch & Sip Program, just to name a few.

The total amount granted represented nearly 92% of the Program's \$35,000.00 2021/22 budget, reflecting the Program's popularity. Overall, 20 not-for-profits or community groups received funding, including 2 Aboriginal organisations, 5 arts and cultural organisations and 9 sporting clubs. The most popular grants in 2021/22 were the Grant 1 (In-Kind) grants.

# COUNCIL WORKS & SERVICES OVERVIEW

This year has seen significant changes within the Works & Services team. The Executive Manager position has seen multiple personnel move through the role with several vacancies currently within our operational staffing positions following the retirement of several long term staff members. Covid infections are currently being experienced by a large number of our team but we expect them to make a full recovery shortly.

The Shire currently maintains 288km of sealed roads, 654km of unsealed roads and 13,891m<sup>2</sup> of footpaths.

## CAPITAL WORKS:

Notable achievements during this year includes:

	Road Name	Job Description	Main Funding Source
ROADS	Doodenanning- Mawson Rd	Road Reseal- SLK 2.52-10.44 (7.92km)	Roads to Recovery
	Winmar (Junction) Rd	Upgrade of drainage (100m)	
	Arthur Kelly Village Access Rd	Reseal including sink well for stormwater	Federal Drought Communities Funding
	Quairading- Cunderdin Rd	Reconstruct, widen and seal - SLK 13.04-14.12 (1.08km)	WSFN, Stage 4
	Badjaling North Rd	Gravel Resheet SLKs	
	Mt Stirling Rd	Gravel Resheet- SLK 13.30-19.30 (6km)	
	Livingstone Rd	Gravel Resheet SLKs	LRCI, Phase 1
	Pannell Rd	Gravel Resheet SLK	
	Stacey Bus Rd	Gravel Resheet- SLK 0.00 to 0.96	

	Road Name	Job Description	Main Funding Source
FOOTPATHS	McLennan St	Upgrade- 464m <sup>2</sup> Heal St to Wood St	LRCI, Phase 2
	McLennan St	Upgrade- 1088m <sup>2</sup> Harris St to Stacey St	



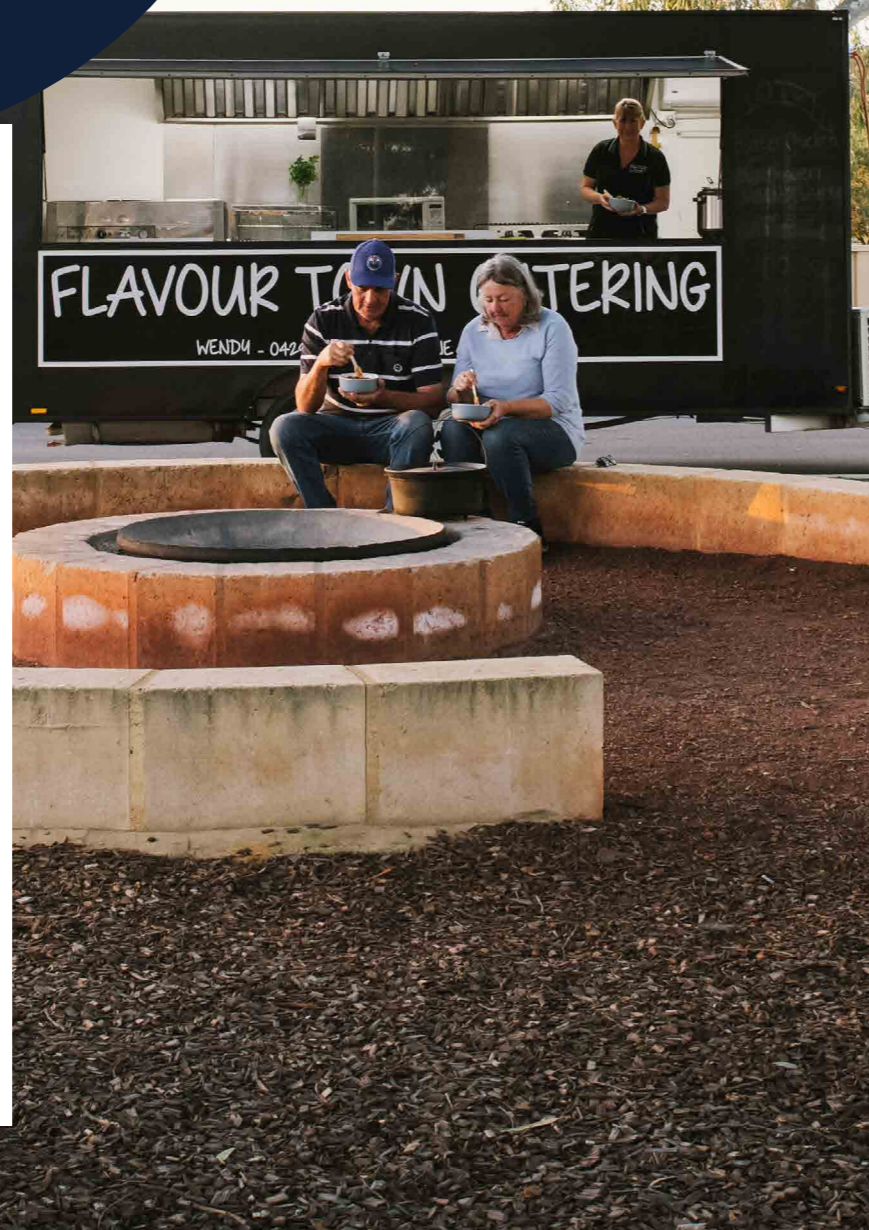
# COUNCIL OTHER PROJECTS

## CARAVAN PARK

The Shire has now completed all the latest upgrades within the Park including 4 new Single Person rooms as well as a Caretaker Office and Residence. The Shire recruited a 2-person management team who commenced in early January 2022. The team lived on staff and handled all aspects of the Caravan Park including the bookings, cleaning of the accommodation, ablutions and camp kitchen, park administration and grounds maintenance. The Park and Cabins continue to prove very popular with visitors to the Shire with bookings now exceeding 3000 nights.

## CARAVAN PARK – RECEPTION & RESIDENCE

Works staff completed site preparation prior to the installation of these modular units at the Caravan Park. 20mm of rain fell the night before delivery of the second module so it was quite the feat shoring up the pad. Works staff assisted with placement of blue metal and shoring boards to help the truck manoeuvre it's way in.



## UPGRADE TO HOCKEY FIELD LIGHTING

The Shire completed the construction and installation of a new floodlighting pole and LED lighting at the Quairading Sports Oval. This will allow for improved accessibility of Community Facilities and will be well utilised by the Quairading Ladies Hockey Club during training.



## PLANT AND EQUIPMENT

No major items of plant were purchase this financial year.

## WORKPLACE HEALTH & SAFETY

A change in Executive staff has seen greater focus on the Shire's ability to respond to the new Workplace Health & Safety (WHS) legislation.

- Three Works staff will soon be trained as Safety Officers along with the WHS Committee resurrected after a short hiatus.
- All staff undertook Workplace Bullying and Harassment training.
- New tie-down straps have been purchased for securing loads on Shire vehicles.
- Fire Equipment Servicing, Sharps Training and Skin Checks have all been undertaken
- Personal Protective Equipment purchases include gloves, glasses, hearing protection and high visibility, long sleeved uniforms.



## WASTE MANAGEMENT

460 kerbside bins were collected.



# COUNCIL

## STRATEGIC PROJECTS & COMMUNITY DEVELOPMENT UPDATE



### COMMUNITY YOUTH CENTRE

The development of well utilised and valued community facilities and services is a key objective in achieving the Shire's vision of our Shire is a place of welcome for all, where we work together, with thriving industry creating jobs, a bright future for our young people, and a bustling town in a beautiful and productive rural setting.

In December 2021, the newly refurbished Youth Community Centre project was completed. The redevelopment delivered a fresh, modern and accessible space for the youth services team to deliver their popular programming. A number of events were held including a yard clean up and free community BBQ, together with a Christmas Party and the relaunch event for the opening of the Community Youth Centre.

Early 2022 saw children coming to play board games, table tennis, pool and foosball at the Community Youth Centre, whilst the new Youth Development Officer worked on new term programming initiatives and activities.

### COVID POLICE PROGRAM

From February to May 2022, the COVID Police Program commenced, and successful grant submissions were prepared for NAIDOC Week and Youth Week Grant Funding. The Community Youth Centre hosted the COVID-19 Bus and BBQ every two weeks, with the objective to increase vaccination levels amongst our Indigenous community members. The initiative encouraged local Aboriginals to get vaccinated, receiving a \$20 Food Works, Post Office or Fuel voucher, together with a free one-month swimming pass.

### AUSTRALIA DAY 2022

Australia Day 2022 brought the Quairading community together on 26 January for a range of family activities, as well as to celebrate exceptional contributions to the community. The Shire recognised a number of outstanding Quairading locals and community organisations at the Australia Day Breakfast, cooked by Elected Members.

The Community Pool Party took place at the Quairading Memorial Swimming Pool from 11:30am and featured free pool entry, a BBQ and activities such as pool inflatables.

### COOKING DAYS

Cooking days were introduced to the youth programming and were popular from the start with the children making pancakes. So much so, the cooking days will be a regular monthly activity at the Community Youth Centre throughout the year.

### YOUTH WEEK 2022

Youth Week returned in 2022 from 8 to 16 April, joining the state-wide celebrations of young people's positive contributions to the community. The 2022 theme was Courage to Change – Booraka Korangan-ak – empowering young people to shape decision-making, with a call to action, to boldly and with care imagine a future grounded in regenerative solutions and mutual healing, to take those difficult steps together.

The Youth Week Colour Fun Run was hugely successful with the children. A collaboration between the Shire of Quairading and the Quairading Community Resource Centre, the event had over forty youth participants, receiving a lot of positive feedback!

New youth initiatives being worked on include a Homework Program in partnership with the Quairading Primary School, a Youth Boxing Program in conjunction with a local personal trainer, together with the development of Workstations at the Community Youth Centre incorporating laptops, monitors and free WIFI connection to assist with afterschool homework and project research activities.



Photo credit: Geoff Hall

## RECONCILIATION ACTION PLAN

Reconciliation Action Plans (RAPs) outline practical actions the organisation will take to build strong relationships and enhance respect between Aboriginal and Torres Strait Islander people and other Australians. RAPs also set out an organisation's aspirational plans to drive greater equality by pursuing sustainable opportunities.

A RAP is a strategic document that supports an organisation's business plan. It includes practical actions that will drive an organisation's contribution to reconciliation, both internally and in the communities in which it operates.

The Shire of Quairading Reconciliation Action Plan (RAP) 2020-2023 has shaped a way forward for the Shire to strengthen its acknowledgment and engagement of the Aboriginal and Torres Strait Islander community. The Plan was formally adopted by Council and was formally closed with the final report submitted to Reconciliation Australia in January 2020.

A RAP Committee has been established including representatives from each of the five Noongar families. The RAP Committee meets bi-monthly including local Elders, Elected Members, Shire of Quairading representatives and local Noongars in the community. As part of this process, the Shire sought feedback from the community at the October 2021 RAP Committee Meeting which is also helping to inform the development of our next Plan.

Due to COVID-19 restrictions, we didn't hold an event for Reconciliation Week. The Shire continues to include Welcome to Country at events and forums and to fly the Aboriginal and Torres Strait Island flags alongside the Australian and Shire flag at the Shire Administration Office.

## CARBON FARMING WORKSHOP

A collaborative workshop between the Shire of Quairading and Department of Primary Industries and Regional Development aimed at educating growers on implementing carbon farming projects in their enterprises. The event was well attended with over 20 farmers and industry representatives.

## CARAVAN PARK UPGRADES – SINGLE PERSON'S UNITS

Thanks to Drought Funding – the single person's units provide an additional accommodation option to the Caravan Park. Four single rooms with access to the Caravan Park Amenities. The Strategic Projects Team oversaw the design, procurement, installation and fit-out of the new units.



**“The baby swim lessons are such a valuable program, teaching children beneficial water skills from a young age, which is important as we live on a farm where water safety is always a concern. I loved watching the confidence and skills in my child grow throughout the program.”**

said Jenna Bavin, a parent of two children in the program.



## BABY SWIM PROGRAM

Some of our youngest residents took part in an 8-week swimming lesson program, thanks to funding from Royal Life Saving Society WA. In our third year of the program, 33 kids aged 5 and under learnt vital swim and survive skills, instructed by Just Add Water Swimming. We look forward to continuing our partnerships into the future, ensuring all families have access to swimming and water safety education.

Article from Royal Life Saving Australia regarding our Infants Aquatics Program

## QUAIRADING INFANTS LEARN TO SWIM AND SURVIVE

Five-year-olds Archie and Anika, and three-year-old Elsie, have been diving into their lessons as part of the recent Infant Aquatics program at the Quairading Swimming Pool.

Royal Life Saving WA has been delivering the program in partnership with the Shire of Quairading since 2020 and each season the number of young children taking part continues to grow.

“This has proved to be a popular program and highlights the absolute need to build skills and water confidence in the youngest members of our community,” said Jen Green, Shire of Quairading Project Coordinator.

“The program brings an essential educational service to town and is vital in enhancing community safety, reducing the risk of drowning and building resilient children.”

In the past decade there were 29 fatal drowning incidents recorded amongst children under 4, the highest drowning rate of any age group in WA. The Wheatbelt also reported 35 drowning incidents in the past decade, with poor swimming ability being the biggest risk factor.

The most recent Infant Aquatics season saw 33 pre-schoolers learn essential water safety skills, with a focus on individual progression suitable to a child's development stage.

Delivering Infant Aquatics to the Quairading community was made possible through Royal Life Saving's Swim and Survive Fund. The Fund aims to make swimming and water safety accessible for all, supporting drowning prevention in vulnerable communities and regional areas.

To learn more about the WA Swim and Survive Fund or to make a donation that helps us save lives, visit their website. 29 May 2022.

# STRATEGIC PLANNING

## STRATEGIC COMMUNITY PLAN 2021 - 2031

The Strategic Community Plan 2021- 2031 reflects the aspirations and goals of the Quairading community and provides the framework that guides the Shire's development, services, activities and infrastructure.

Through extensive consultation with 150 Square Consultants and Quairading rate payers, residents, business owners and visitors, Council has captured the community's priorities for the future. The Plan assists with laying the foundation for Council's service delivery, major projects and overall focus for a 10-year period.



<b>ECONOMIC</b>	<b>Objective</b> Growing economy and employment opportunities.
	<b>Outcomes</b> <ul style="list-style-type: none"> <li>Economic diversity and resilience</li> <li>Tourism facilities and services</li> </ul>



<b>BUILT ENVIRONMENT</b>	<b>Objective</b> Planning and infrastructure to meet the needs of the community.
	<b>Outcomes</b> <ul style="list-style-type: none"> <li>Responsive land use planning</li> <li>Enhanced and sustainably managed assets and infrastructure</li> </ul>



<b>NATURAL ENVIRONMENT</b>	<b>Objective</b> To preserve and sustain our natural environment.
	<b>Outcomes</b> <ul style="list-style-type: none"> <li>Economic diversity and resilience</li> <li>Tourism facilities and services</li> </ul>



<b>GOVERNANCE</b>	<b>Objective</b> Strong governance and community engagement.
	<b>Outcomes</b> <ul style="list-style-type: none"> <li>Robust Integrated Planning and Reporting (IPR)</li> <li>Strengthened advocacy and partnerships</li> <li>Community engagement</li> <li>Sound organisation</li> </ul>



<b>SOCIAL</b>	<b>Objective</b> Active, healthy, safe, and inclusive community.
	<b>Outcomes</b> <ul style="list-style-type: none"> <li>Active community</li> <li>Healthy community</li> <li>Safe community</li> <li>Inclusive community</li> </ul>

# FUTURE PLANNING



## OUR COMMUNITIES VISION FOR THE FUTURE

During the creation of the Strategic Community Plan, Council and the community developed a vision to guide our district into the future.



### COMMUNITY

- Work collaboratively with local and regional service providers to engage the community as active citizens.
- Provide social and cultural activities for all members of the community.
- Advocate for the provision of quality health services, health facilities and programs in the Shire.
- Support local volunteer organisations through initiatives that reduce volunteer fatigue.
- Strengthen the resilience and support emergency services planning, risk mitigation, response and recovery.

The Shire of Quairading will continue to invest resources to deliver and provide support for both core services to the community (including community welfare, health services, inclusivity, volunteering and emergency services), and the renewal and upgrading of Shire's community facilities and infrastructure. The Shire will also see the completion of the community park "Kwirradig Koort."

The Groves will be re-developed and maintained, ensuring ease of access and use of this incredibly important area for our valued Noongar community.

Young people will be enthused to attend Australia Day events through a more contemporary engagement approach used for this cohort of people.

Council will continue to research grant and funding opportunities to upgrade existing sporting facilities.

Council will be supporting the RSCPA pet sterilisation program, which assists low socioeconomic households to sterilise their cats and dogs, in an aim to stop illegal "puppy farms." Once the new legislation is passed, Council will commence the program.

The Shire will be improving active engagement with residents by:

- Upgrading the website for ease of access to Shire information;
- Enabling on-line booking systems;
- Enabling payment of services online;
- Enabling the submission of feedback online;
- Utilising upgraded SMS services to quickly get information out to residents; and
- Enacting a Social Media Strategy to ensure important information is fed to the community, including good news stories, administration information and legislative/compliance information.



## ECONOMY & TOURISM

- Promote the Economic and Business Growth Strategy for current businesses and the sustainable attraction of new industry (Small Business Friendly Local Government and Action Plan).
- Build upon our “Take a Closer Look” brand with the development of an internal marketing strategy focusing on our community, events and facilities to increase our permanent and transient population.
- Shire engages stakeholders and partners to help capture local economic development initiatives.
- Encourage local workforce participation.

Council will invite light industry to the Shire by selling the two developed light industrial lots and investigating innovative means of developing the remaining four.

Innovative strategies will be used to provide for more family and worker accommodation across the Shire.

Council will be exploring innovative ventures to ensure the provision of independent living units to encourage ‘aging in place.’

Council will work with Western Power and the State Government to ensure the establishment of a virtual power plant to improve power continuity across the Shire.

Council will continue to support local business by providing the Small Business Grant program.

Council will also continue to work towards providing a high-level calibre medical practice to service existing residents and to attract new residents.

The Shire will continue to support the growth of tourism in Quairading and the wider region by actively participating on local and regional tourism committees and by utilising the Social Media Strategy to promote the information, events and activities relevant to the Shire.



## BUILT ENVIRONMENT

- Safe, efficient and well-maintained road and footpath infrastructure.
- Parks, gardens and social spaces are safe and encourage active, engaged and healthy lifestyles
- Improvements to building infrastructure including our sport and recreation facilities, residential and service delivery facilities following considered cost benefit analysis models and venue management plans

Council will ensure the Shire’s assets are properly scheduled and maintained. The Asset Management Plan will be re-developed and maintained.

The Shire has a 10-year capital works program for roads, pathways, drainage and bridges to ensure roads are maintained according to available resources and priority.

It is noted that there is an underlying gap in building maintenance and renewals. In 2022/23 it is a focus of Council to renew building and to develop an adequate asset maintenance renewal strategy and plan.

- Shire communication is consistent, engaging and responsive.
- Forward planning and implementation of plans to determine Strategic Plan and service levels.
- Provide informed and transparent decision making that, meets our legal obligations, and the needs of our diverse community.
- Implement systems and processes that meet legislative and audit obligations.





## NATURAL ENVIRONMENT

- Maintain a high standard of environmental health services
- Conservation of our natural environment
- Demonstrate sustainable practices of water, energy and waste management

The Shire seeks to ensure the sustainability of our local environment by:

- Complying with environmental health legislation;
- Conserving our natural environment through management of invasive species;
- Management of our nature reserves; and
- Water-wise programs, renewable energy and waste recycling.



## GOVERNANCE & LEADERSHIP

The Shire is compliant with all laws governing local government, including those attached to Integrated Planning and Reporting.

In 2021/22 there was a focus on:

- Organisational culture and capacity building.
- Educating staff about the new Work Health & Safety legislation, and;
- Ensuring staff are adequately trained to be able to safely and legally perform in their roles.

A training schedule has been developed and will continue to be implemented in the 2022/23 financial year.



# GOVERNANCE

PLANNING AND  
REPORTING –  
COMPLIANCE

## DISABILITY ACCESS AND INCLUSION PLAN

The Shire of Quairading is dedicated to creating a unified community across our townships, aiming to provide a safe and accessible community facilities, services, events and open spaces that connect people and neighbours. Our Disability, Access and Inclusion Plan (DAIP) 2023-2026 sets out the Shire's commitment to creating a community that welcomes and includes people of all abilities. It outlines the strategies the Shire will use to address barriers to access and promote inclusion for people with disability over the next three years. Outcomes which include goals on how to deliver the outcomes are detailed below:

- People with disability have the same opportunities as other people to access services of, and any event, organised by the Shire of Quairading
- People with disability have the same opportunities as other people to access the buildings and other facilities of the Shire of Quairading
- People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it
- People with disability receive the same level and quality service from the staff of a public authority as other people receive from the staff of the Shire of Quairading
- People with disability have the same opportunities as other people to make complaints to the Shire of Quairading
- People with disability have the same opportunities as other people to participate in any public consultation by the Shire of Quairading
- People with disability have the same opportunities as other people to obtain and maintain employment with the Shire of Quairading.

A number of projects were undertaken in 2021/22 to improve access and inclusion. These include:

- Numerous local town events were held including NAIDOC Week celebrations, town Christmas Party, Hinkley Way Opening event, Youth Centre events and Farmer Workshops. The purpose of these initiatives is to engage the Shire's diverse community and promote access and inclusion through activities that all ages and abilities can enjoy. These events were held in locations where disabled access was possible to enable people with a disability to have the opportunity to access the same events as other people
- The redevelopment of the Youth Centre was completed in December 2021. The renovation included the installation of accessible doorways and the renovation of ablutions to enable access for people with disability. The building is now set up for access for the entire community
- The redevelopment of 650 metres of footpaths on one of the town's main network roads McLennan Street was completed in May 2022. The path was widened to 1.8m leaving adequate room for people to pass, together with new pram ramps for easier access for both scooters and prams. The new footpath allows for a continuous accessible path of travel so that people with a range of disabilities are able to use the path without encountering barriers or hazards





- The concept and planning drawings for the new community park incorporate disability access and use wherever practicable, including by ensuring children in wheelchairs can play on nominated equipment including the trampolines
- The Shire is committed to ensuring the community has access to all Shire forms, surveys, newsletters, advertising and promotional materials for people of all ages and abilities, including people with disability their families and/or carers. All Shire advertising is included in several media formats for improved accessibility
- The development of the new website will ensure that the size, type and colour of font and imagery align with requirements for visually impaired people. All Council Meetings will be in audio form for visually impaired people

- The Shire of Quairading has been monitoring complaints and feedback to identify areas for improving accessibility for people with disability. The Shire's Feedback Policy was reviewed this year and provides for people to provide feedback verbally, in writing, by phone, email and feedback form
- During the year, the Shire enacted an Infrastructure and Maintenance Survey to ascertain public priorities with regard to infrastructure, including disability aspects of infrastructure
- During the community consultation period for the development of the Strategic Community Plan, all consultation venues had disability access and the Shire offered free transport to people without vehicle access to attend the community consultations and have their say
- The Shire has policies and protocols to develop, support and maintain workplace culture that is accessible and inclusive. The Shire actively welcomes and values the unique contributions of all people in its workplace.

#### NATIONAL COMPETITION POLICY

The Competition Principles Agreement (CPA) is a contractual agreement between the Federal Government and all State and Territory Governments.

The CPA aims to ensure all public enterprises operate in a transparent manner in the best interests of the public. Under the CPA, public enterprises are required to review their operations to ensure they have no competitive advantage or disadvantage as a result of their public status.

#### COMPETITIVE NEUTRALITY (UNDER THE CPA)

Competitive neutrality addresses potential advantages or disadvantages that public enterprises may have compared with businesses operating in the private sector.

Pursuant to the Clause 7 Statement, the Shire operated the Quairading Medical Practice in Harris Street, Quairading until the 30th of September 2019. The Practice was operated by the Shire as a community service obligation.

Since the 1st of October 2019 Dr Adeleye of Noble Medical Investment Pty Ltd has been providing the service on behalf of the Shire.

Council has not received any allegations of non-compliance with Competitive Neutrality Principles from the private sector.

#### LEGISLATION REVIEW

As part of the Local Law Review, it is considered that there are no Local Laws in place which would impact on competition. Local Laws were last reviewed or amended on 14th of June 2019.

#### DISCLOSURE OF ANNUAL SALARIES

Regulation 19B(2) of the Local Government Act (Administration) Regulations 1996 requires the Shire to include the following information in its Annual Report:-

- (a) the number of employees of the local government entitled to an annual salary of \$130,000 or more;
- (b) 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	NO. OF EMPLOYEES
\$130,000- \$139,999	-
\$140,000- \$149,999	-
\$150,000- \$159,999	1
\$160,000- \$169,999	-

#### REGISTER OF COMPLAINTS OF MINOR BREACHES

In accordance with Section 5.121 of the *Local Government Act 1995* (as amended) and Section 5.53(2), the Annual Report should disclose the number of complaints received each year:

- Number of complaints 2021/22: Nil
- Action taken during 2021/22: Nil

#### STATUTORY REGISTERS

Council is committed to the principals of public transparency, good governance and accountability. All Council information is made available to the public for viewing, except where the information is confidential under the *Local Government Act 1995*.

All Statutory Registers can be found on the Shire of Quairading website which include:

- Council Disclosure of Interests
- Electoral Gift Register
- Primary and Annual Return Register
- Register of fees & allowances paid to Elected Members
- Register of Gifts
- Register of Statutory Complaints.

#### FREEDOM OF INFORMATION

In accordance with Section 96 and 97 of the *Freedom of Information (FOI) Act 1992*, the Shire is required to publish an annual Information Statement which details the process for applying for information under the Act, as well as information the Shire provides outside the Act. This document is available from Shire of Quairading website.

During 2021/22 Financial Year the Shire received nil formal requests for information under the Freedom of Information Act and nil public interest disclosures were received.

#### RECORDKEEPING

In line with Section 19 of the *State Records Act 2000*, local governments are required to have a Record Keeping Plan that is approved by the State Records Commission. The plan applies to employees, elected members and contractors.

The Shire is committed to the management of records in accordance with legislative requirements and best practice. As part of the Shire of Quairading's commitment to sustainability, we will be moving to an electronic filing system with the intention the make the shire "paperless".

2022/23 will see Council shift to a new electronic filing and payroll system called "Altus", eliminating the need for paper records. This will bring the Shire up to more modern practices making record keeping more efficient, and reliable.

The next formal review is due in August 2025.

The Shire of Quairading is committed to preserving local history, supports the principles of the State Records Act and recognises the importance of establishing and maintaining a reliable and credible Record Keeping System.



# GOVERNANCE

## FINANCIAL STATEMENTS

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

“Our Shire is a place of welcome for all, where we work together, with thriving industry creating jobs, a bright future for our young people, and a bustling town in a beautiful and productive rural setting.”

Principal place of business:  
10 Jennaberring Road  
Quairading WA 6383

**SHIRE OF QUAIRADING  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

The attached financial report of the Shire of Quairading for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Quairading at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the **14th** day of **March** 2023



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Chief Executive Officer

Nicole Gibbs

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Name of Chief Executive Officer



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

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	26(a),2(a)	2,371,983	2,370,755	2,315,647
Operating grants, subsidies and contributions	2(a)	2,668,603	1,093,711	2,103,932
Fees and charges	25(c),2(a)	512,373	461,896	508,025
Interest earnings	2(a)	28,431	35,900	41,758
Other revenue	2(a)	530,512	340,875	374,248
		6,111,902	4,303,137	5,343,610
<b>Expenses</b>				
Employee costs		(2,222,150)	(2,374,894)	(1,921,323)
Materials and contracts		(1,733,094)	(1,460,567)	(1,533,772)
Utility charges		(120,035)	(227,690)	(206,832)
Depreciation	10(a)	(3,051,224)	(2,630,828)	(2,883,662)
Finance costs	2(b)	(15,653)	(12,856)	(19,307)
Insurance		(204,627)	(191,024)	(185,408)
Other expenditure	2(b)	(259,464)	(119,797)	(274,705)
		(7,606,247)	(7,017,656)	(7,025,009)
		(1,494,345)	(2,714,519)	(1,681,399)
Non-operating grants, subsidies and contributions	2(a)	1,202,220	2,822,245	2,735,552
Profit on asset disposals	10(d)	0	0	47,840
Loss on asset disposals	10(d)	(190,420)	(70,000)	(293,889)
Fair value adjustments to financial assets at fair value through profit or loss		3,997	0	2,586
		1,015,797	2,752,245	2,492,089
<b>Net result for the period</b>	25(b)	<b>(478,548)</b>	<b>37,726</b>	<b>810,690</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	14,100,192
<b>Total other comprehensive income for the period</b>	16	<b>0</b>	<b>0</b>	<b>14,100,192</b>
<b>Total comprehensive income for the period</b>		<b>(478,548)</b>	<b>37,726</b>	<b>14,910,882</b>

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



**SHIRE OF QUAIRADING**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	NOTE	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	6,121,536	5,815,668
Trade and other receivables	5	312,934	306,727
Other financial assets	4(a)	1,787	10,944
Inventories	6	54,513	5,081
Other assets	7	194,879	8,384
<b>TOTAL CURRENT ASSETS</b>		<b>6,685,649</b>	<b>6,146,804</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	30,631	31,969
Other financial assets	4(b)	77,804	75,594
Inventories	6	825,741	476,000
Property, plant and equipment	8	21,022,480	21,426,996
Infrastructure	9	87,908,182	89,035,294
Right-of-use assets	11(a)	52,860	82,132
<b>TOTAL NON-CURRENT ASSETS</b>		<b>109,917,698</b>	<b>111,127,985</b>
<b>TOTAL ASSETS</b>		<b>116,603,347</b>	<b>117,274,789</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	406,674	727,047
Other liabilities	13	473,280	207,679
Lease liabilities	11(b)	40,850	29,058
Borrowings	14	66,151	73,614
Employee related provisions	15	246,086	276,993
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,233,041</b>	<b>1,314,391</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	11(b)	9,437	50,287
Borrowings	14	343,723	409,874
Employee related provisions	15	20,291	24,834
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>373,451</b>	<b>484,995</b>
<b>TOTAL LIABILITIES</b>		<b>1,606,492</b>	<b>1,799,386</b>
<b>NET ASSETS</b>		<b>114,996,855</b>	<b>115,475,403</b>
<b>EQUITY</b>			
Retained surplus		42,825,686	43,323,541
Reserve accounts	29	3,594,674	3,575,367
Revaluation surplus	16	68,576,495	68,576,495
<b>TOTAL EQUITY</b>		<b>114,996,855</b>	<b>115,475,403</b>

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2020</b>		<b>42,996,484</b>	<b>3,091,734</b>	<b>54,476,303</b>	<b>100,564,521</b>
Comprehensive income for the period					
Net result for the period		810,690	0	0	810,690
Other comprehensive income for the period	16	0	0	14,100,192	14,100,192
Total comprehensive income for the period		810,690	0	14,100,192	14,910,882
Transfers from reserves	29	86,277	(86,277)	0	0
Transfers to reserves	29	(569,910)	569,910	0	0
<b>Balance as at 30 June 2021</b>		<b>43,323,541</b>	<b>3,575,367</b>	<b>68,576,495</b>	<b>115,475,403</b>
Comprehensive income for the period					
Net result for the period		(478,548)	0	0	(478,548)
Total comprehensive income for the period		(478,548)	0	0	(478,548)
Transfers from reserves	29	677,351	(677,351)	0	0
Transfers to reserves	29	(696,658)	696,658	0	0
<b>Balance as at 30 June 2022</b>		<b>42,825,686</b>	<b>3,594,674</b>	<b>68,576,495</b>	<b>114,996,855</b>

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		2,422,482	2,370,755	2,327,541
Operating grants, subsidies and contributions		2,593,964	1,093,711	1,997,004
Fees and charges		512,597	461,896	495,833
Interest received		28,431	35,900	41,758
Goods and services tax received		391,895	235,341	411,754
Other revenue		530,512	340,875	374,248
		6,479,881	4,538,478	5,648,138
<b>Payments</b>				
Employee costs		(2,220,106)	(2,374,894)	(1,982,350)
Materials and contracts		(2,286,238)	(1,460,567)	(850,666)
Utility charges		(120,035)	(227,690)	(206,832)
Finance costs		(17,918)	(12,856)	(18,280)
Insurance paid		(204,627)	(191,024)	(185,408)
Goods and services tax paid		(359,268)	(235,341)	(439,827)
Other expenditure		(94,475)	(119,797)	(274,705)
		(5,302,667)	(4,622,169)	(3,958,068)
<b>Net cash provided by (used in) operating activities</b>	17(b)	1,177,214	(83,691)	1,690,070
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of inventories	6	(515,575)	0	0
Payments for purchase of property, plant & equipment	8(a)	(535,367)	(1,388,578)	(1,148,770)
Payments for construction of infrastructure	9(a)	(1,200,481)	(3,248,691)	(3,135,340)
Non-operating grants, subsidies and contributions		1,471,805	2,822,245	2,937,497
Proceeds from financial assets at amortised cost - self supporting loans		10,944	0	37,130
Proceeds from sale of property, plant & equipment	10(d)	0	155,000	469,258
<b>Net cash provided by (used in) investing activities</b>		(768,674)	(1,660,024)	(840,225)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	28(a)	(73,614)	(64,386)	(98,154)
Payments for principal portion of lease liabilities	28(b)	(29,058)	(33,321)	(19,999)
<b>Net cash provided by (used in) financing activities</b>		(102,672)	(97,707)	(118,153)
<b>Net increase (decrease) in cash held</b>		305,868	(1,841,422)	731,692
Cash at beginning of year		5,815,668	5,870,651	5,083,976
<b>Cash and cash equivalents at the end of the year</b>	17(a)	6,121,536	4,029,229	5,815,668

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>NET CURRENT ASSETS - At start of financial year - surplus/(deficit)</b>	27(b)	1,515,047	1,468,917	1,749,307
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities (excluding general rate)</b>				
Rates (excluding general rate)	26(b)	12,399	11,700	11,398
Operating grants, subsidies and contributions		2,668,603	1,093,711	2,103,932
Fees and charges		512,373	461,896	508,025
Interest earnings		28,431	35,900	41,758
Other revenue		530,512	340,875	374,248
Profit on asset disposals	10(d)	0	0	47,840
Fair value adjustments to financial assets at fair value through profit or loss		3,997	0	2,586
		<b>3,756,315</b>	<b>1,944,082</b>	<b>3,089,787</b>
<b>Expenditure from operating activities</b>				
Employee costs		(2,222,150)	(2,374,894)	(1,921,323)
Materials and contracts		(1,733,094)	(1,460,567)	(1,533,772)
Utility charges		(120,035)	(227,690)	(206,832)
Depreciation		(3,051,224)	(2,630,828)	(2,883,662)
Finance costs		(15,653)	(12,856)	(19,307)
Insurance		(204,627)	(191,024)	(185,408)
Other expenditure		(259,464)	(119,797)	(274,705)
Loss on asset disposals	10(d)	(190,420)	(70,000)	(293,889)
		<b>(7,796,667)</b>	<b>(7,087,656)</b>	<b>(7,318,898)</b>
Non-cash amounts excluded from operating activities	27(a)	3,405,743	2,701,896	3,334,558
<b>Amount attributable to operating activities</b>		<b>(634,609)</b>	<b>(2,441,678)</b>	<b>(894,553)</b>
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		1,202,220	2,822,245	2,735,552
Proceeds from disposal of assets	10(d)	0	155,000	469,258
Proceeds from financial assets at amortised cost - self supporting loans	28(a)	10,944	0	37,130
Payments for purchase of inventories		(515,575)	0	0
Purchase of property, plant and equipment	8(a)	(535,367)	(1,388,578)	(1,148,770)
Purchase and construction of infrastructure	9(a)	(1,200,481)	(3,248,691)	(3,135,340)
<b>Amount attributable to investing activities</b>		<b>(1,038,259)</b>	<b>(1,660,024)</b>	<b>(1,042,170)</b>
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	28(a)	(73,614)	(64,386)	(98,154)
Payments for principal portion of lease liabilities	28(b)	(29,058)	(33,321)	(19,999)
Transfers to reserves (restricted assets)	29	(696,658)	(604,000)	(569,910)
Transfers from reserves (restricted assets)	29	677,351	1,005,439	86,277
<b>Amount attributable to financing activities</b>		<b>(121,979)</b>	<b>303,732</b>	<b>(601,786)</b>
<b>Surplus/(deficit) before imposition of general rates</b>		<b>(279,800)</b>	<b>(2,329,053)</b>	<b>(789,202)</b>
<b>Total amount raised from general rates</b>	26(a)	<b>2,359,584</b>	<b>2,359,055</b>	<b>2,304,249</b>
<b>Surplus/(deficit) after imposition of general rates</b>	27(b)	<b>2,079,784</b>	<b>30,002</b>	<b>1,515,047</b>

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



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

**1. BASIS OF PREPARATION**

The financial report comprises general purpose financial statements which have been prepared in accordance with 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 Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

**The local government reporting entity**

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

**Judgements and estimates**

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

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

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

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

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

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

<b>Revenue Category</b>	<b>Nature of goods and services</b>	<b>When obligations typically satisfied</b>	<b>Payment terms</b>	<b>Returns/Refunds/Warranties</b>	<b>Timing of revenue recognition</b>
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods

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

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

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

**(a) Revenue (Continued)**

**Revenue Recognition**

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

**For the year ended 30 June 2022**

Nature or type	Contracts with customers \$	Capital grant/contributions \$	Statutory Requirements \$	Other \$	Total \$
Rates	0	0	2,359,584	12,399	2,371,983
Operating grants, subsidies and contributions	44,594	0	0	2,624,009	2,668,603
Fees and charges	498,927	0	13,446	0	512,373
Interest earnings	0	0	16,277	12,154	28,431
Other revenue	17,632	0	0	512,880	530,512
Non-operating grants, subsidies and contributions	0	1,202,220	0	0	1,202,220
<b>Total</b>	<b>561,153</b>	<b>1,202,220</b>	<b>2,389,307</b>	<b>3,161,442</b>	<b>7,314,122</b>

**For the year ended 30 June 2021**

Nature or type	Contracts with customers \$	Capital grant/contributions \$	Statutory Requirements \$	Other \$	Total \$
Rates	0	0	2,304,249	11,398	2,315,647
Operating grants, subsidies and contributions	111,105	0	0	1,992,827	2,103,932
Fees and charges	496,240	0	11,785	0	508,025
Interest earnings	0	0	19,824	21,934	41,758
Other revenue	0	0	0	374,248	374,248
Non-operating grants, subsidies and contributions	0	2,735,552	0	0	2,735,552
<b>Total</b>	<b>607,345</b>	<b>2,735,552</b>	<b>2,335,858</b>	<b>2,400,407</b>	<b>8,079,162</b>

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Interest earnings</b>			
Financial assets at amortised cost - self supporting loans	(5)	0	1,524
Interest on reserve funds	10,716	14,000	17,724
Rates instalment and penalty interest (refer Note 26(e))	15,586	18,400	19,060
Other interest earnings	2,134	3,500	3,450
	<b>28,431</b>	<b>35,900</b>	<b>41,758</b>
<b>(b) Expenses</b>			
<b>Auditors remuneration</b>			
- Audit of the Annual Financial Report	27,000	30,000	12,218
- Other services	8,410	3,000	13,198
	<b>35,410</b>	<b>33,000</b>	<b>25,416</b>
<b>Finance costs</b>			
Borrowings	28(a) 14,881	12,009	18,812
Lease liabilities	28(b) 772	847	495
	<b>15,653</b>	<b>12,856</b>	<b>19,307</b>
<b>Other expenditure</b>			
Impairment losses on receivables from contracts with customers	224	0	70
Write down of inventories to net realisable value	6 164,765	0	222,000
Sundry expenses	94,475	119,797	52,635
	<b>259,464</b>	<b>119,797</b>	<b>274,705</b>

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

**3. CASH AND CASH EQUIVALENTS**

Cash at bank and on hand  
 Term deposits  
**Total cash and cash equivalents**

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

Note	2022	2021
	\$	\$
	1,978,875	1,627,735
	4,142,661	4,187,933
17(a)	6,121,536	5,815,668
	1,953,214	1,938,400
17(a)	4,168,322	3,877,268
	6,121,536	5,815,668

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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 reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 17.

**4. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Self supporting loans receivable

Held as

- Unrestricted other financial assets at amortised cost

**(b) Non-current assets**

Financial assets at amortised cost

Financial assets at fair value through profit and loss

**Financial assets at amortised cost**

Self supporting loans receivable

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

Units in Local Government House Trust

	2022	2021
	\$	\$
	1,787	10,944
	1,787	10,944
28(a)	1,787	10,944
	1,787	10,944
	1,787	10,944
	1,787	10,944
	0	1,787
	77,804	73,807
	77,804	75,594
	0	1,787
	0	1,787
	77,804	73,807
	77,804	73,807

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 28(a) as self supporting loans.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates.

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

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

The Shire classifies the following financial assets at fair value through profit and loss:

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

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 22.

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

**5. TRADE AND OTHER RECEIVABLES**

	Note	2022 \$	2021 \$
<b>Current</b>			
Rates receivable		175,772	207,145
Trade and other receivables		98,930	41,651
GST receivable		25,374	58,001
Receivables for employee related provisions	15	13,152	0
Allowance for credit losses of trade and other receivables	22(b)	(294)	(70)
		312,934	306,727
<b>Non-current</b>			
Pensioner's rates and ESL deferred		30,631	31,969
		30,631	31,969

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other receivables**

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 22.

**Classification and subsequent measurement**

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

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

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

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

**6. INVENTORIES**

	Note	2022 \$	2021 \$
<b>Current</b>			
Fuel and materials		4,513	5,081
Land held for resale			
Cost of acquisition		50,000	0
		54,513	5,081
<b>Non-current</b>			
Land held for resale			
Cost of acquisition		476,000	476,000
Development costs		349,741	0
		825,741	476,000

The following movements in inventories occurred during the year:

<b>Balance at beginning of year</b>		481,081	702,275
Inventories expensed during the year		(112,025)	(101,246)
Write down of inventories to net realisable value	2(b)	(164,765)	(222,000)
Transfers to/from work in progress		48,931	0
Additions to inventory - capital		515,575	0
Additions to inventory - operating		111,457	102,052
<b>Balance at end of year</b>		880,254	481,081

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

**Land held for resale**

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

**Land held for resale (Continued)**

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

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

**7. OTHER ASSETS**

**Other assets - current**

Prepayments  
 Accrued income  
 Contract assets

2022	2021
\$	\$
2,666	5,104
4,506	3,280
187,707	0
194,879	8,384

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

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

**Contract assets**

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

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



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

**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.

	Note	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Work in Progress	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		1,526,007	3,047,695	10,638,447	15,212,149	115,163	4,637,497	111,971	20,076,780
Additions		0	74,628	475,285	549,913	24,414	531,934	42,509	1,148,770
Disposals		(100,000)	0	(428,653)	(528,653)	0	(186,654)	0	(715,307)
Revaluation increments / (decrements) transferred to revaluation surplus		(130,637)	(146,540)	1,942,745	1,665,568	0	0	0	1,665,568
Depreciation	10(a)	0	(46,403)	(249,298)	(295,701)	(16,348)	(343,005)	0	(655,054)
Transfers		0	(600,886)	297,194	(303,692)	0	11,787	198,144	(93,761)
<b>Balance at 30 June 2021</b>		1,295,370	2,328,494	12,675,720	16,299,584	123,229	4,651,559	352,624	21,426,996
<b>Comprises:</b>									
Gross balance amount at 30 June 2021		1,295,370	2,328,494	12,675,720	16,299,584	213,535	5,924,977	352,624	22,790,720
Accumulated depreciation at 30 June 2021		0	0	0	0	(90,306)	(1,273,418)	0	(1,363,724)
<b>Balance at 30 June 2021</b>		1,295,370	2,328,494	12,675,720	16,299,584	123,229	4,651,559	352,624	21,426,996
Additions		0	0	142,407	142,407	23,544	113,897	255,519	535,367
Disposals		0	(188,420)	0	(188,420)	0	(2,000)	0	(190,420)
Depreciation	10(a)	0	(29,442)	(250,069)	(279,511)	(22,398)	(346,867)	0	(648,776)
Transfers		0	0	303,692	303,692	0	(51,755)	(352,624)	(100,687)
<b>Balance at 30 June 2022</b>		1,295,370	2,110,632	12,871,750	16,277,752	124,375	4,364,834	255,519	21,022,480
<b>Comprises:</b>									
Gross balance amount at 30 June 2022		1,295,370	2,136,494	13,121,819	16,553,683	228,803	5,977,179	255,519	23,015,184
Accumulated depreciation at 30 June 2022		0	(25,862)	(250,069)	(275,931)	(104,428)	(1,612,345)	0	(1,992,704)
<b>Balance at 30 June 2022</b>		1,295,370	2,110,632	12,871,750	16,277,752	124,375	4,364,834	255,519	21,022,480

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

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

**(b) Carrying Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land - freehold	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2021	Price per hectare
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2021	Price per square metre
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2021	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
<b>(ii) Cost</b>					
<b>Furniture and equipment</b>	3	N/A	Cost	N/A	N/A
<b>Plant and equipment</b>	3	N/A	Cost	N/A	N/A

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

**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.

	Note	Infrastructure - roads	Other infrastructure - footpaths	Other infrastructure - bridges	Infrastructure - other community & recreation facilities	Infrastructure Work in Progress	Total Infrastructure
		\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		62,932,034	401,279	7,377,430	4,890,990	0	75,601,733
Additions		2,717,865	33,471	0	384,004	0	3,135,340
Revaluation increments / (decrements) transferred to revaluation surplus		9,989,390	91,007	2,106,562	247,665	0	12,434,624
Depreciation	10(a)	(1,713,263)	(25,536)	(146,498)	(325,450)	0	(2,210,747)
Transfers		9,130	0	0	65,214	0	74,344
<b>Balance at 30 June 2021</b>		<b>73,935,156</b>	<b>500,221</b>	<b>9,337,494</b>	<b>5,262,423</b>	<b>0</b>	<b>89,035,294</b>
<b>Comprises:</b>							
Gross balance at 30 June 2021		89,759,066	1,015,812	16,260,960	7,776,464	0	114,812,302
Accumulated depreciation at 30 June 2021		(15,823,910)	(515,591)	(6,923,466)	(2,514,041)	0	(25,777,008)
<b>Balance at 30 June 2021</b>		<b>73,935,156</b>	<b>500,221</b>	<b>9,337,494</b>	<b>5,262,423</b>	<b>0</b>	<b>89,035,294</b>
Additions		958,542	125,073	0	6,490	110,376	1,200,481
Depreciation	10(a)	(1,827,982)	(31,084)	(156,058)	(358,052)	0	(2,373,176)
Transfers		3,705	0	0	41,878	0	45,583
<b>Balance at 30 June 2022</b>		<b>73,069,421</b>	<b>594,210</b>	<b>9,181,436</b>	<b>4,952,739</b>	<b>110,376</b>	<b>87,908,182</b>
<b>Comprises:</b>							
Gross balance at 30 June 2022		90,721,314	1,140,885	16,260,960	7,824,832	110,376	116,058,367
Accumulated depreciation at 30 June 2022		(17,651,893)	(546,675)	(7,079,524)	(2,872,093)	0	(28,150,185)
<b>Balance at 30 June 2022</b>		<b>73,069,421</b>	<b>594,210</b>	<b>9,181,436</b>	<b>4,952,739</b>	<b>110,376</b>	<b>87,908,182</b>

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

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>(i) Fair Value</b>					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2021	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2021	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other infrastructure - bridges	3	Cost approach using depreciated replacement cost	Management valuation	June 2021	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other community & recreation facilities	3	Cost approach using depreciated replacement cost	Management valuation	June 2021	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

**SHIRE OF QUAIRADING**  
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**10. FIXED ASSETS**

**(a) Depreciation**

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non-specialised	8(a)	29,442	46,400	46,403
Buildings - specialised	8(a)	250,069	245,160	249,298
Furniture and equipment	8(a)	22,398	16,430	16,348
Plant and equipment	8(a)	346,867	321,390	343,005
Infrastructure - roads	9(a)	1,827,982	1,556,658	1,713,263
Other infrastructure - footpaths	9(a)	31,084	5,870	25,536
Other infrastructure - bridges	9(a)	156,058	132,780	146,498
Infrastructure - other community & recreation facilities	9(a)	358,052	306,140	325,450
Right-of-use assets - plant and equipment	11(a)	29,272	0	17,861
		<b>3,051,224</b>	<b>2,630,828</b>	<b>2,883,662</b>

**Depreciation rates**

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

Asset Class	Useful life
Buildings	25 - 95 years
Furniture and equipment	5 - 40 years
Plant and equipment	4 - 40 years
Unsealed Roads	
- Aggregate Surfaces	15 - 20 years
- Asphalt Surfaces	15 - 20 Years
- Pavement Surfaces	12 - 16 Years
Drainage Systems	60 - 100 Years
Clearing & Formation	Not Depreciated
Culverts/Floodways	60 - 100 Years
Concrete Footpaths	40 - 65 Years
Footpaths Other	15 - 65 Years
Kerbing	60 - 100 Years
Bridges	80 - 175 Years
Other Infrastructure	10 - 175 years
Right of Use Assets	Based on the remaining lease

**(b) Temporarily Idle or retired from use assets**

The carrying value of assets held by the Shire which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	2022 \$	2021 \$
Buildings - specialised	12,562	0
Plant and equipment	125,000	90,000
	<b>137,562</b>	<b>90,000</b>

**(c) Fully Depreciated Assets in Use**

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

	2022 \$	2021 \$
Furniture and equipment	0	8,276
Plant and equipment	21,058	5,134
	<b>21,058</b>	<b>13,410</b>

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

10. FIXED ASSETS (Continued)

(d) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	100,000	100,000	0	0
Buildings - non-specialised	188,420	0	0	(188,420)	0	0	0	0	0	0	0	0
Buildings - specialised	0	0	0	0	0	0	0	0	428,653	139,000	0	(289,653)
Plant and equipment	2,000	0	0	(2,000)	188,000	125,000	0	(63,000)	186,654	230,258	47,840	(4,236)
Land held for resale	0	0	0	0	37,000	30,000	0	(7,000)	0	0	0	0
	190,420	0	0	(190,420)	225,000	155,000	0	(70,000)	715,307	469,258	47,840	(293,889)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Law, order, public safety</b>				
5S (5000) Sirencos Siren	2,000	0	0	(2,000)
	2,000	0	0	(2,000)
<b>Buildings - non-specialised</b>				
<b>Housing</b>				
Lot 321 (8) Murphy Street	188,420	0	0	(188,420)
	188,420	0	0	(188,420)
	190,420	0	0	(190,420)

**SHIRE OF QUAIRADING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**10. FIXED ASSETS (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Initial recognition and measurement for assets held at cost**

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

**Initial recognition and measurement between mandatory revaluation dates for assets held at fair value**

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

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

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

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework.

**Revaluation**

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

At the end of each period the carrying amount for each asset class is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

**Revaluation (continued)**

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

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

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

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

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

**Depreciation on revaluation**

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in 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. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**SHIRE OF QUAIRADING**  
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**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 - plant and	Right-of-use assets Total
		\$	\$
Balance at 1 July 2020		5,804	5,804
Additions		94,189	94,189
Depreciation		(17,861)	(17,861)
Balance at 30 June 2021		82,132	82,132
Depreciation	10(a)	(29,272)	(29,272)
Balance at 30 June 2022		52,860	52,860

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

		2022 Actual	2021 Actual
		\$	\$
Depreciation on right-of-use assets	10(a)	(29,272)	(17,861)
Interest expense on lease liabilities	28(b)	(772)	(495)
<b>Total amount recognised in the statement of comprehensive income</b>		<b>(30,044)</b>	<b>(18,356)</b>
Total cash outflow from leases		(29,830)	(20,494)
<b>(b) Lease Liabilities</b>			
Current		40,850	29,058
Non-current		9,437	50,287
	28(b)	<b>50,287</b>	<b>79,345</b>

The Shire has three leases relating to plant and equipment. One lease has a term of 3 years, one has a term of 4 years and one has a term of 5 years.

**Secured liabilities and assets pledged as security**

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

**SIGNIFICANT ACCOUNTING POLICIES**

**Leases**

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 28(b).

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

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

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

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

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



**SHIRE OF QUAIRADING  
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**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  
1 to 2 years  
2 to 3 years  
3 to 4 years  
4 to 5 years  
> 5 years

	2022 Actual	2021 Actual
	\$	\$
	35,100	44,879
	35,100	35,100
	35,100	35,100
	35,100	35,100
	35,100	35,100
	100,973	135,073
	276,473	320,352

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. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

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.

**SIGNIFICANT ACCOUNTING POLICIES**

**The Shire as Lessor**

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

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

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

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

**SHIRE OF QUAIRADING**  
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**FOR THE YEAR ENDED 30 JUNE 2022**

**12. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors	
Prepaid rates	
Accrued payroll liabilities	
ATO liabilities	
Bonds and deposits held	
Accrued interest	
Income received in advance	
Accrued expenditure	

	2022	2021
	\$	\$
	127,989	520,543
	31,667	13,879
	65,537	54,402
	61,596	35,237
	100,368	94,222
	1,689	3,954
	390	4,810
	17,438	0
	406,674	727,047

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**Prepaid rates**

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

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

**13. OTHER LIABILITIES**

**Current**

Contract liabilities  
 Capital grant/contributions 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

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

**Reconciliation of changes in capital grant/contribution liabilities**

Opening balance  
 Additions  
 Revenue from capital grant/contributions held as a liability at the start of the period

**Expected satisfaction of capital grant/contribution liabilities**

Less than 1 year

	2022	2021
	\$	\$
Contract liabilities	1,750	5,734
Capital grant/contributions liabilities	471,530	201,945
	473,280	207,679
Opening balance	5,734	91,255
Additions	1,750	(79,787)
Revenue from contracts with customers included as a contract liability at the start of the period	(5,734)	(5,734)
	1,750	5,734
Opening balance	201,945	0
Additions	471,530	201,945
Revenue from capital grant/contributions held as a liability at the start of the period	(201,945)	0
	471,530	201,945
Less than 1 year	471,530	201,945
	471,530	201,945

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as revenue when the obligations in the contract are satisfied.

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

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

**14. BORROWINGS**

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Debentures		66,151	343,723	409,874	73,614	409,874	483,488
<b>Total secured borrowings</b>	28(a)	66,151	343,723	409,874	73,614	409,874	483,488

**Secured liabilities and assets pledged as security**

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Quairading. Other loans relate to transferred receivables. Refer to Note 5.

The Shire of Quairading has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

**SIGNIFICANT ACCOUNTING POLICIES**

**Borrowing costs**

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 22.

Details of individual borrowings required by regulations are provided at Note 28(a).

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

**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	2022	2021
	\$	\$
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual Leave	141,148	177,142
Long Service Leave	104,938	99,851
	246,086	276,993
<b>Non-current provisions</b>		
Long Service Leave	20,291	24,834
	20,291	24,834
	266,377	301,827

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

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

**Amounts are expected to be settled on the following basis:**

	Note	2022	2021
		\$	\$
Less than 12 months after the reporting date		215,461	222,036
More than 12 months from reporting date		50,916	76,088
Expected reimbursements from other WA local governments		0	3,703
		266,377	301,827
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	5	(13,152)	0

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

**16. REVALUATION SURPLUS**

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	1,012,519	0	0	0	1,012,519	1,143,156	0	(130,637)	(130,637)	1,012,519
Revaluation surplus - Buildings	7,515,041	0	0	0	7,515,041	5,718,836	1,942,745	(146,540)	1,796,205	7,515,041
Revaluation surplus - Furniture and equipment	20,568	0	0	0	20,568	20,568	0	0	0	20,568
Revaluation surplus - Plant and equipment	53,677	0	0	0	53,677	53,677	0	0	0	53,677
Revaluation surplus - Infrastructure - roads	47,399,650	0	0	0	47,399,650	37,410,260	9,989,390	0	9,989,390	47,399,650
Revaluation surplus - Other infrastructure - footpaths	363,864	0	0	0	363,864	272,857	91,007	0	91,007	363,864
Revaluation surplus - Other infrastructure - bridges	9,927,970	0	0	0	9,927,970	7,821,408	2,106,562	0	2,106,562	9,927,970
Revaluation surplus - Infrastructure - other community & recreation facilities	2,283,206	0	0	0	2,283,206	2,035,541	247,665	0	247,665	2,283,206
	68,576,495	0	0	0	68,576,495	54,476,303	14,377,369	(277,177)	14,100,192	68,576,495

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

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

**17. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	6,121,536	4,029,229	5,815,668
<b>Restrictions</b>				
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	4,168,322	3,430,380	3,877,268
		4,168,322	3,430,380	3,877,268
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	29	3,594,674	3,173,926	3,575,367
Contract liabilities	13	1,750	256,454	5,734
Capital grant/contributions liabilities	13	471,530	0	201,945
Bonds and deposits held	12	100,368	0	94,222
<b>Total restricted financial assets</b>		4,168,322	3,430,380	3,877,268
<b>(b) Reconciliation of Net Result to Net Cash Provided By Operating Activities</b>				
Net result		(478,548)	37,726	810,690
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(3,997)	0	(2,586)
Work In Progress expensed		0	0	19,417
Assets expensed		6,173	0	0
Depreciation/amortisation		3,051,224	2,630,828	2,883,662
(Profit)/loss on sale of asset		190,420	70,000	246,049
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(4,869)	0	(39,084)
(Increase)/decrease in other assets		(186,495)	0	10,279
(Increase)/decrease in inventories		165,333	0	221,194
Increase/(decrease) in trade and other payables		(320,373)	0	411,435
Increase/(decrease) in employee related provisions		(35,450)	0	(49,913)
Increase/(decrease) in other liabilities		265,601	0	116,424
Non-operating grants, subsidies and contributions		(1,471,805)	(2,822,245)	(2,937,497)
Net cash provided by/(used in) operating activities		1,177,214	(83,691)	1,690,070
<b>(c) Undrawn Borrowing Facilities</b>				
<b>Credit Standby Arrangements</b>				
Credit card limit		17,000		5,000
Credit card balance at balance date		(5,048)		0
<b>Total amount of credit unused</b>		11,952		5,000
<b>Loan facilities</b>				
Loan facilities - current		66,151		73,614
Loan facilities - non-current		343,723		409,874
<b>Total facilities in use at balance date</b>		409,874		483,488
<b>Unused loan facilities at balance date</b>		0		

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

**18. CONTINGENT LIABILITIES**

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire of Quairading has identified the following sites to be possible sources of contamination:

- Airstrip (Historic; small agricultural chemical spill)
- Fuel Tanks at Works Depot (Current; recent test showed no leak in fuel tank)
- Old Community Sheep Dip at Doodenanning (Historic; unassessed)

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Environment Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Environment Regulation Guidelines.

**19. CAPITAL COMMITMENTS**

Contracted for:

- capital expenditure projects

Payable:

- not later than one year

	2022	2021
	\$	\$
	352,905	908,694
	352,905	908,694
	352,905	908,694

The Capital expenditure projects outstanding at the end of the current reporting period represent the Kwirradig Koort Community Park, Doodenanning-Mawson Roadworks and the kitchen re-model of Lot 190 McLennan Street.

The Capital expenditure projects outstanding at the end of the prior reporting period represent the construction of the new Caravan Park Caretaker Reception, Caravan Park Single Occupancy Units, Youth Centre Upgrades, Light Industrial Area Lots Subdivision works, Community Park works, Old Beverley East Roadworks, and retention contractual commitments due for previous work completed on the Arthur Kelly Village Road Upgrade, Hockey Oval Lighting, Heal Street Parking and the Airstrip Apron Upgrade.



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

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Elected member - Wayne Davies</b>			
President's annual allowance	138	513	513
Meeting attendance fees	1,548	6,305	6,100
	1,686	6,818	6,613
<b>Elected member - Jo Haythornthwaite</b>			
Meeting attendance fees	3,540	3,885	3,680
	3,540	3,885	3,680
<b>Elected member - Becky Cowcill</b>			
Meeting attendance fees	3,100	3,885	3,162
	3,100	3,885	3,162
<b>Elected member - John Haythornthwaite</b>			
Meeting attendance fees	642	3,885	3,238
	642	3,885	3,238
<b>Elected member - Jonathan Hippisley</b>			
Meeting attendance fees	3,542	3,885	3,376
	3,542	3,885	3,376
<b>Elected member - Brett McGuinness</b>			
Meeting attendance fees	3,114	3,885	3,328
	3,114	3,885	3,328
<b>Elected member - Peter Smith</b>			
President's annual allowance	513	0	0
Meeting attendance fees	5,424	3,885	3,238
	5,937	3,885	3,238
<b>Elected member - Trevor Stacey</b>			
Meeting attendance fees	3,390	3,885	3,604
	3,390	3,885	3,604
<b>Elected member - EJ Cheang</b>			
Meeting attendance fees	1,878	0	0
	1,878	0	0
<b>Elected member - Jo Hayes</b>			
Meeting attendance fees	2,230	0	0
	2,230	0	0
	29,059	34,013	30,239
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
	2022 Actual \$	2022 Budget \$	2021 Actual \$
President's annual allowance	651	513	513
Meeting attendance fees	28,408	33,500	29,726
20(b)	29,059	34,013	30,239

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

**20. RELATED PARTY TRANSACTIONS (Continued)**

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

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

	2022 Actual	2021 Actual
	\$	\$
Short-term employee benefits	487,487	525,018
Post-employment benefits	78,292	46,603
Employee - other long-term benefits	13,533	37,297
Employee - termination benefits	96,133	0
Council member costs	29,059	30,239
20(a)	704,504	639,157

*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.

**(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:

	2022 Actual	2021 Actual
	\$	\$
Sale of goods and services	295	0
Purchase of goods and services	2,004	0
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	1,168	0
<b>Amounts payable to related parties:</b>		
Trade and other payables	7,248	0

**(d) Related Parties**

**The Shire's main related parties are as follows:**

*i. Key management personnel*

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

*ii. Other Related Parties*

An associate person of KMP was employed by the Shire under normal employment terms and conditions.

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

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

**21. JOINT ARRANGEMENTS**

**Share of joint operations**

The Shire of Quairading has participated in a joint venture with Homeswest for the construction of two three bedroom duplex units in Suburban Road, Quairading. The provision of this housing aims to provide accommodation for low income families.

The Shire of Quairading has a 18.95% interest in the assets and liabilities of this joint venture.

Council manages the operation of the joint venture under the auspices of Homeswest.

All revenue and expenses of the joint venture are recognised in the relevant financial statements of Council.

**Statement of Financial Position**

Land and Buildings  
 Accumulated depreciation

**Total assets**

**Statement of Comprehensive Income**

Other revenue  
 Other expenditure  
 Net result for the period

**Other comprehensive income**

*Items that will not be reclassified subsequently to profit or loss*

Changes in asset revaluation surplus

**Total comprehensive income for the period**

	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$	\$
Land and Buildings	81,864	81,864
Accumulated depreciation	(946)	0
<b>Total assets</b>	<b>80,918</b>	<b>81,864</b>
Other revenue	5,532	896
Other expenditure	(9,719)	(8,016)
Net result for the period	(4,187)	(7,120)
Changes in asset revaluation surplus	0	12,507
<b>Total comprehensive income for the period</b>	<b>(4,187)</b>	<b>5,387</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Joint operations**

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

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

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

**22. FINANCIAL RISK MANAGEMENT**

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

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

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

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

**(a) Interest rate risk**

**Cash and cash equivalents**

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	<b>Weighted Average Interest Rate</b>	<b>Carrying Amounts</b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non Interest Bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2022</b>					
Cash and cash equivalents	0.71%	6,121,536	4,142,661	1,977,575	1,300
<b>2021</b>					
Cash and cash equivalents	0.17%	5,815,668	4,133,392	1,658,477	23,799

**Sensitivity**

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

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on profit and loss and equity*	19,776	16,585

\* Holding all other variables constant

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 28(a).

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

**22. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

**Trade and Other Receivables**

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

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

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

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
<b>30 June 2022</b>						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	50,173	36,954	29,558	89,718	206,403	
Loss allowance	0	0	0	0	0	5
<b>30 June 2021</b>						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	7,133	65,425	47,753	118,803	239,114	
Loss allowance	0	0	0	0	0	5

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
<b>30 June 2022</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.03%	0.10%	7.31%		
Gross carrying amount	55,080	8,503	31,829	3,518	98,930	
Loss allowance	3	2	32	257	294	5
<b>30 June 2021</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.03%	0.10%	7.31%		
Gross carrying amount	38,633	2,076	25	917	41,651	
Loss allowance	2	1	0	67	70	5

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

**22. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
<b>Opening loss allowance as at 1 July</b>	\$ 0	\$ 0	\$ 70	\$ 507	\$ 0	\$ 0
Increase in loss allowance recognised in profit or loss during the year	0	0	224	70	0	0
Unused amount reversed	0	0	0	(507)	0	0
<b>Closing loss allowance at 30 June</b>	0	0	294	70	0	0

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Contract Assets**

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

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

**22. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk**

**Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(c).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b><u>2022</u></b>					
Trade and other payables	406,674	0	0	406,674	406,674
Borrowings	76,395	298,213	98,843	473,451	409,874
Lease liabilities	42,356	64,857	0	107,213	50,287
	<u>525,425</u>	<u>363,070</u>	<u>98,843</u>	<u>987,338</u>	<u>866,835</u>
<b><u>2021</u></b>					
Trade and other payables	727,047	0	0	727,047	727,047
Borrowings	85,770	300,055	173,396	559,221	483,488
Lease liabilities	29,831	50,848	0	80,679	79,345
	<u>842,648</u>	<u>350,903</u>	<u>173,396</u>	<u>1,366,947</u>	<u>1,289,880</u>

**SHIRE OF QUAIRADING  
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**23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

The Shire does not have any subsequent events after balance sheet date.



## 24. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

### b) Current and non-current classification

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

### c) Rounding off figures

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

### d) Comparative figures

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

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

### e) Budget comparative figures

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

### f) Superannuation

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

### g) Fair value of assets and liabilities

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

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

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

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

### h) Interest earnings

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

### i) Fair value hierarchy

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

#### Level 1

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

#### Level 2

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

#### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

#### Valuation techniques

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

#### Market approach

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

#### Income approach

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

#### Cost approach

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

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

### j) Impairment of assets

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

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

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

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

### k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

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

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

It is not expected these standards will have an impact on the financial report.

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**25. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

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

<b>Objective</b>	<b>Description</b>
<p><b>Governance</b></p> <p>To provide a decision making process for the efficient allocation of scarce resources.</p>	<p>The Governance function accumulates the costs of Members expenses and other costs of Council that relate to the tasks of assisting councillors and the Ratepayers on matters which do not concern specific Council services, being election costs; allowances and expenses of members; policy and training and audit fees.</p>
<p><b>General purpose funding</b></p> <p>To collect revenue to allow for the provision of services that are not fully funded by specific fees and charges.</p>	<p>Rates, general purpose government grants and interest revenue.</p>
<p><b>Law, order, public safety</b></p> <p>To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision of local laws, fire control which covers the maintenance of bushfire equipment and insurance; animal control and a shared community emergency services manager.</p>
<p><b>Health</b></p> <p>To provide an operational framework for environmental and community health.</p>	<p>Health inspections, food quality control, pest control and operation of the medical centre.</p>
<p><b>Education and welfare</b></p> <p>To provide services to disadvantaged persons, the elderly, children and youth.</p>	<p>Operation and maintenance of the Little Rainmakers Childcare Centre, Arthur Kelly Village and minor in-kind association with the Frail Aged Lodge, Youth programme and Quairading Youth Centre.</p>
<p><b>Housing</b></p> <p>To provide and maintain housing.</p>	<p>Maintenance of housing rented to staff and non staff.</p>
<p><b>Community amenities</b></p> <p>To provide services required by the community.</p>	<p>Rubbish and recycling services and administration of Town Planning Scheme and Heritage services. Community bus service, maintenance of cemeteries, public conveniences and environmental services.</p>
<p><b>Recreation and culture</b></p> <p>To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.</p>	<p>Maintenance of Halls, Swimming Pool, community buildings and various reserves and library.</p>
<p><b>Transport</b></p> <p>To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of roads, drainage works, footpaths, parking facilities and cleaning of streets. Natural disaster road and bridge repairs. On-line licensing centre for Department of Transport. Maintenance of the Airstrip.</p>
<p><b>Economic services</b></p> <p>To help promote the Shire Quairading and its economic wellbeing.</p>	<p>Community development, operation of caravan park and short stay accommodation, tourism and townscape, control of noxious weeds/plants. Pests and building control, community gym and building control.</p>
<p><b>Other property and services</b></p> <p>To monitor and control the Shire of Quairading overheads.</p>	<p>Private works overheads, plant operating costs, allocation of salaries and wages. Operation of electrical services and private works.</p>

**SHIRE OF QUAIRADING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**25. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income excluding grants, subsidies and contributions</b>			
Governance	11,702	3,469	4,764
General purpose funding	2,421,285	2,412,855	2,364,355
Law, order, public safety	232,751	151,661	159,365
Health	2,166	879	2,023
Education and welfare	43,982	47,059	52,741
Housing	110,350	116,695	102,455
Community amenities	178,025	158,291	170,824
Recreation and culture	25,745	21,021	23,504
Transport	21,633	20,000	61,120
Economic services	269,610	239,696	262,636
Other property and services	130,047	37,800	86,317
	<b>3,447,296</b>	<b>3,209,426</b>	<b>3,290,104</b>
<b>Grants, subsidies and contributions</b>			
Governance	5,000	0	3,371
General purpose funding	2,442,638	875,050	1,817,061
Law, order, public safety	34,664	43,870	101,403
Health	22,069	10,000	15,356
Education and welfare	60,939	62,500	19,761
Community amenities	4,795	288,492	26,988
Recreation and culture	112,112	664,300	29,699
Transport	938,511	1,887,806	2,815,256
Economic services	243,445	69,300	0
Other property and services	6,650	14,638	10,589
	<b>3,870,823</b>	<b>3,915,956</b>	<b>4,839,484</b>
<b>Total Income</b>	<b>7,318,119</b>	<b>7,125,382</b>	<b>8,129,588</b>
<b>Expenses</b>			
Governance	(877,242)	(745,845)	(642,336)
General purpose funding	(45,587)	(67,880)	(74,921)
Law, order, public safety	(386,523)	(354,161)	(327,590)
Health	(271,608)	(301,386)	(287,148)
Education and welfare	(248,696)	(225,350)	(269,959)
Housing	(355,625)	(186,230)	(127,232)
Community amenities	(511,714)	(499,888)	(442,552)
Recreation and culture	(863,073)	(953,176)	(1,228,532)
Transport	(3,139,162)	(2,829,212)	(2,736,806)
Economic services	(849,678)	(861,800)	(880,742)
Other property and services	(247,759)	(62,728)	(301,080)
<b>Total expenses</b>	<b>(7,796,667)</b>	<b>(7,087,656)</b>	<b>(7,318,898)</b>
<b>Net result for the period</b>	<b>(478,548)</b>	<b>37,726</b>	<b>810,690</b>

**SHIRE OF QUAIRADING**  
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**25. FUNCTION AND ACTIVITY (Continued)**

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
<b>(c) Fees and Charges</b>			
General purpose funding	2,131	1,700	2,583
Law, order, public safety	3,843	4,200	3,279
Health	966	379	1,723
Education and welfare	21,460	25,252	28,144
Housing	101,928	108,195	91,433
Community amenities	148,216	151,091	170,622
Recreation and culture	25,554	19,895	20,653
Transport	130	0	0
Economic services	189,329	142,084	169,169
Other property and services	18,816	9,100	20,419
	<b>512,373</b>	<b>461,896</b>	<b>508,025</b>
<b>(d) Total Assets</b>			
General purpose funding	206,403	239,114	
Law, order, public safety	1,391,693	1,569,562	
Health	269,994	327,087	
Education and welfare	997,925	1,023,973	
Housing	4,868,382	5,049,432	
Community amenities	1,616,954	1,625,769	
Recreation and culture	8,093,906	8,072,064	
Transport	87,578,779	88,397,208	
Economic services	5,355,547	5,423,219	
Other property and services	3,118,634	2,941,202	
Unallocated	3,105,130	2,606,159	
	<b>116,603,347</b>	<b>117,274,789</b>	

SHIRE OF QUAIRADING  
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26. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in \$	Number of Properties	2021/22 Actual Rateable Value *	2021/22 Actual Rate Revenue	2021/22 Actual Interim Rates	2021/22 Actual Back Rates	2021/22 Actual Total Revenue	2021/22 Budget Rate Revenue	2021/22 Budget Interim Rate	2021/22 Budget Back Rate	2021/22 Budget Total Revenue	2020/21 Actual Total Revenue
Residential	Gross rental valuation	0.138414	315	2,563,032	354,760	441	0	355,201	0	0	354,760	354,760	347,793
Industrial	Gross rental valuation	0.138414	21	275,965	38,197	0	0	38,197	0	0	38,197	38,197	36,363
Commercial	Gross rental valuation	0.138414	11	248,376	34,379	0	0	34,379	0	0	34,379	34,379	33,704
Rural	Unimproved valuation	0.011071	362	167,636,983	1,855,909	54	34	1,855,997	0	0	1,855,909	1,855,909	1,822,689
<b>Sub-Total</b>			709	170,724,356	2,283,245	495	34	2,283,774	0	0	2,283,245	2,283,245	2,240,549
<b>Minimum payment</b>													
Residential	Gross rental valuation	665	61	66,044	40,565	0	0	40,565	0	0	40,565	40,565	39,650
Industrial	Gross rental valuation	665	6	11,115	3,990	0	0	3,990	0	0	3,990	3,990	3,250
Commercial	Gross rental valuation	665	0	0	0	0	0	0	0	0	0	0	0
Rural	Unimproved valuation	665	47	1,361,269	31,255	0	0	31,255	0	0	31,255	31,255	20,800
<b>Sub-Total</b>			114	1,438,428	75,810	0	0	75,810	0	0	75,810	75,810	63,700
<b>Exempt properties</b>													
<b>Gross rental valuations</b>													
Exempt properties	Gross rental valuation		230	261,519	0	0	0	0	0	0	0	0	0
<b>Sub-Total</b>			230	261,519	0	0	0	0	0	0	0	0	0
			1,053	172,424,303	2,359,055	495	34	2,359,584	0	0	2,359,055	2,359,055	2,304,249
<b>Total amount raised from general rates</b>								2,359,584			2,359,055	2,304,249	
* Rateable value is based on the value of properties at the time the rate is raised.													
<b>(b) Rates (excluding general rates)</b>													
<b>Ex-gratia Rates</b>													
CBH Receptival Bin	Tonnage		1	277,500	12,399	0	0	12,399	0	0	12,400	12,400	12,156
<b>Sub-Total</b>			1	277,500	12,399	0	0	12,399	0	0	12,400	12,400	12,156
Write offs								0				(700)	(758)
<b>Total amount raised from rates (excluding general rates)</b>								12,399			11,700	11,398	
<b>(c) Total Rates</b>								2,371,983			2,370,755	2,315,647	

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.

SHIRE OF QUAIRADING  
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26. RATING INFORMATION (Continued)

(d) Discounts, Incentives, Concessions, & Write-offs

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Waiver/Concession	Discount %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$
Rates - GRV	Rate		0.00%	0	0	700	758
					0	700	758
Total discounts/concessions (Note 26)					0	700	758

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
Rates - GRV	Write off minor outstanding balance from interest for UV and GRV Properties	Write off minor balances uneconomic to recover	Write off minor balances uneconomic to recover

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**26. RATING INFORMATION (Continued)**

**(e) Interest Charges & Instalments**

<b>Instalment Options</b>	<b>Date Due</b>	<b>Instalment Plan Admin Charge</b>	<b>Instalment Plan Interest Rate</b>	<b>Unpaid Rates Interest Rate</b>
		<b>\$</b>	<b>%</b>	<b>%</b>
<b>Option One</b>				
Single full payment	24/09/2021	0	0.0%	7.00%
<b>Option Two</b>				
First instalment	24/09/2021	0	0.0%	7.0%
Second instalment	24/11/2021	5	3.0%	7.0%
Third instalment	24/01/2022	5	3.0%	7.0%
Fourth instalment	24/03/2022	5	3.0%	7.0%

	<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Interest on unpaid rates	12,553	15,400	15,664
Interest on instalment plan	2,376	3,000	2,550
Charges on instalment plan	1,335	1,700	1,455
Interest on deferred rates	13	0	155
ESL Penalty interest	644	0	691
	<b>16,921</b>	<b>20,100</b>	<b>20,515</b>

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**27. RATE SETTING STATEMENT INFORMATION**

		2021/22 Budget	2020/21
	2021/22 (30 June 2022 Carried Forward)	(30 June 2022 Carried Forward)	(30 June 2021 Carried Forward)
Note	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	10(d) 0	0	(47,840)
Less: Movement in liabilities associated with restricted cash	363	1,068	(39,458)
Less: Fair value adjustments to financial assets at fair value through profit and loss	(3,997)	0	(2,586)
Add: Loss on disposal of assets	10(d) 190,420	70,000	293,889
Add: Depreciation	10(a) 3,051,224	2,630,828	2,883,662
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	1,338	0	(3,817)
Employee benefit provisions	(4,543)	0	9,291
Work In progress expensed	0	0	19,417
Assets expensed	6,173	0	0
Inventory	164,765	0	222,000
<b>Non-cash amounts excluded from operating activities</b>	<b>3,405,743</b>	<b>2,701,896</b>	<b>3,334,558</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	29 (3,594,674)	(3,173,926)	(3,575,367)
Less: Financial assets at amortised cost - self supporting loans	4(a) (1,787)	0	(10,944)
Less: Current assets not expected to be received at end of year			
- Land held for resale	6 (50,000)	0	0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 66,151	63,151	73,614
- Current portion of lease liabilities	11(b) 40,850	32,952	29,058
- Employee benefit provisions	166,636	167,341	166,273
<b>Total adjustments to net current assets</b>	<b>(3,372,824)</b>	<b>(2,910,482)</b>	<b>(3,317,366)</b>
<b>Net current assets used in the Rate Setting Statement</b>			
Total current assets	6,685,649	4,315,748	6,146,804
Less: Total current liabilities	(1,233,041)	(1,375,264)	(1,314,391)
Less: Total adjustments to net current assets	(3,372,824)	(2,910,482)	(3,317,366)
<b>Net current assets used in the Rate Setting Statement</b>	<b>2,079,784</b>	<b>30,002</b>	<b>1,515,047</b>



SHIRE OF QUAIRADING  
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28. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2020	New Loans During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Depot Building		388,767	0	(46,896)	341,871	0	(48,332)	293,539	341,871	0	(48,332)	293,539
Park Cottages		143,014	0	(14,128)	128,886	0	(14,338)	114,548	128,886	0	(14,338)	114,548
<b>Total</b>		<b>531,781</b>	<b>0</b>	<b>(61,024)</b>	<b>470,757</b>	<b>0</b>	<b>(62,670)</b>	<b>408,087</b>	<b>470,757</b>	<b>0</b>	<b>(62,670)</b>	<b>408,087</b>
<b>Self Supporting Loans</b>												
Bowling Club		44,709	0	(35,481)	9,228	0	(9,228)	0	8,696	0	0	8,696
Golf Club		5,152	0	(1,649)	3,503	0	(1,716)	1,787	3,251	0	(1,716)	1,535
<b>Total Self Supporting Loans</b>		<b>49,861</b>	<b>0</b>	<b>(37,130)</b>	<b>12,731</b>	<b>0</b>	<b>(10,944)</b>	<b>1,787</b>	<b>11,947</b>	<b>0</b>	<b>(1,716)</b>	<b>10,231</b>
<b>Total Borrowings</b>	14	<b>581,642</b>	<b>0</b>	<b>(98,154)</b>	<b>483,488</b>	<b>0</b>	<b>(73,614)</b>	<b>409,874</b>	<b>482,704</b>	<b>0</b>	<b>(64,386)</b>	<b>418,318</b>

\* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending
						30 June 2022	30 June 2022	30 June 2021
						\$	\$	\$
Depot Building		Transport	118	WATC*	3.04%	(12,107)	(10,028)	(13,882)
Park Cottages		Economic services	119	WATC*	1.49%	(2,633)	(1,855)	(2,944)
<b>Total</b>						<b>(14,740)</b>	<b>(11,883)</b>	<b>(16,826)</b>
<b>Self Supporting Loans Interest Repayments</b>								
Bowling Club		Recreation and culture	115	WATC*	6.39%	0	0	(1,767)
Golf Club		Recreation and culture	117	WATC*	4.08%	(141)	(126)	(219)
<b>Total Self Supporting Loans Interest Repayments</b>						<b>(141)</b>	<b>(126)</b>	<b>(1,986)</b>
<b>Total Interest Repayments</b>	2(b)					<b>(14,881)</b>	<b>(12,009)</b>	<b>(18,812)</b>

SHIRE OF QUAIRADING  
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28. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal			Principal at 30 June 2021	Principal			Principal at 1 July 2021	Principal		
		Principal at 1 July 2020	New Leases During 2020-21	Repayments During 2020-21		New Leases During 2021-22	Repayments During 2021-22	Principal at 30 June 2022		New Leases During 2021-22	Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CESM Vehicle		5,155	3,099	(8,254)	0	0	0	0	0	0	0	0
CESM Vehicle		0	77,992	(8,539)	69,453	0	(25,806)	43,647	75,878	0	(29,779)	46,099
Canon Copier		0	13,098	(3,206)	9,892	0	(3,252)	6,640	12,309	0	(3,542)	8,767
<b>Total Lease Liabilities</b>	11(b)	<b>5,155</b>	<b>94,189</b>	<b>(19,999)</b>	<b>79,345</b>	<b>0</b>	<b>(29,058)</b>	<b>50,287</b>	<b>88,187</b>	<b>0</b>	<b>(33,321)</b>	<b>54,866</b>

Lease Interest Repayments

Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending	Lease Term
						30 June 2022	30 June 2022	30 June 2021	
						\$	\$	\$	
CESM Vehicle		Law, order, public safety	1	SG Fleet	2.09%	0	0	(38)	36 Months
CESM Vehicle		Law, order, public safety	2	Summit Fleet	1.10%	(634)	(695)	(274)	36 Months
Canon Copier		Other property and services	3	Canon Finance	1.40%	(138)	(152)	(183)	4 years
<b>Total Interest Repayments</b>	2(b)					<b>(772)</b>	<b>(847)</b>	<b>(495)</b>	

SHIRE OF QUAIRADING  
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29. RESERVE ACCOUNTS

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
(a) Long Service Leave Reserve	166,273	363	0	166,636	166,273	642	0	166,915	205,731	1,069	(40,527)	166,273
(b) Building Reserve	1,005,220	2,195	(34,631)	972,784	906,370	3,209	(149,139)	760,440	847,541	157,679	0	1,005,220
(c) Furniture, Fittings & Equipment Reserve	113,811	249	0	114,060	113,811	439	0	114,250	63,452	50,359	0	113,811
(d) Plant Reserve	438,580	364,058	(62,141)	740,497	461,680	341,893	(263,000)	540,573	436,314	2,266	0	438,580
(e) Health Reserve	48,120	105	0	48,225	48,120	186	0	48,306	47,872	248	0	48,120
(f) Swimming Pool Reserve	264	0	0	264	263	1	0	264	262	2	0	264
(g) Sustainable Environment Reserve	166,380	363	0	166,743	166,380	642	(10,000)	157,022	165,520	860	0	166,380
(h) Town Planning & Development Reserve	505,724	76,855	(580,579)	2,000	581,474	2,629	(583,300)	803	548,624	2,850	(45,750)	505,724
(i) HomesWest Joint Venture Housing Reserve	5,266	11	0	5,277	5,265	20	0	5,285	5,238	28	0	5,266
(j) Road Infrastructure Reserve	427,983	935	0	428,918	427,983	1,652	0	429,635	425,772	2,211	0	427,983
(k) Rec Centre Multi Purpose Precinct Reserve	227,527	150,497	0	378,024	227,528	150,875	0	378,403	51,986	175,541	0	227,527
(l) Building Renewal Reserve	122,047	267	0	122,314	122,047	471	0	122,518	121,416	631	0	122,047
(m) Independent Living Reserve	348,172	100,760	0	448,932	348,171	101,341	0	449,512	172,006	176,166	0	348,172
	3,575,367	696,658	(677,351)	3,594,674	3,575,365	604,000	(1,005,439)	3,173,926	3,091,734	569,910	(86,277)	3,575,367

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Long Service Leave Reserve	On Going	To be used to Develop and Upgrade Council Infrastructure and Building Assets.
(b) Building Reserve	On Going	To be used in funding the various furniture, fittings and equipment installed in Council buildings and for the purchase of IT Hardware and Software.
(c) Furniture, Fittings & Equipment Reserve	On Going	To be used to assist in funding the purchase of major plant items.
(d) Plant Reserve	On Going	To be used to assist in funding the improvement of Medical Services and Facilities.
(e) Health Reserve	On Going	To be used to assist in funding future major capital/upgrade works at the Quairading Memorial Swimming Pool.
(f) Swimming Pool Reserve	On Going	To be used to assist in funding projects and initiatives which foster a sustainable environment. Such areas include waste management, recycling, water usage, gravel supplies, energy conservation and environmentally sustainable projects.
(g) Sustainable Environment Reserve	On Going	To be used to assist in funding of planning and implementation of the development of Council land and the purchase of land for future development.
(h) Town Planning & Development Reserve	On Going	To be used to assist with compliance with Council's Joint Venture Agreement held with the State Housing Commission and to provide funds for the maintenance, management and improvement of the Joint Venture Units.
(i) HomesWest Joint Venture Housing Reserve	On Going	To be used towards road infrastructure projects including replacement of culverts and bridges.
(j) Road Infrastructure Reserve	On Going	To be used in providing assistance in the future redevelopment and capital upgrade works at the Multi Purpose Precinct.
(k) Rec Centre Multi Purpose Precinct Reserve	On Going	To be used to fund the maintenance and renewal of Councils Building assets.
(l) Building Renewal Reserve	On Going	To be used to fund the development of Independent Living Units.
(m) Independent Living Reserve	On Going	To be used to fund the development of Independent Living Units.



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2022 Shire of Quairading

#### To the Councillors of the Shire of Quairading

#### Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### Basis for opinion

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

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

#### Other information

The Chief Executive Officer (CEO) is responsible for 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 2022, but not the financial report and my auditor's report.

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

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to

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

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

The Chief Executive Officer of the Shire is responsible for:

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

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

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

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

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

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

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

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

#### My independence and quality control relating to the report on the financial report

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

### Your feedback is valuable

as it will help us to improve our next Annual Report and Council's service delivery. If you would like to provide feedback or would like more information regarding any content in this Annual Report, please contact the Shire.

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

This auditor's report relates to the financial report of the Shire of Quairading for the year ended 30 June 2022 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Patrick Arulsingham  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
16 March 2023





## COPIES OF THIS ANNUAL REPORT

In line with our ongoing commitment to sustainability, the Shire can provide a hard copy of the Annual Report on request. Alternatively, we encourage people to view the report and associated financials online via the Shire's website [www.quairading.wa.gov.au](http://www.quairading.wa.gov.au)



### ADMINISTRATION CENTRE

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