



Shire of **Koorda**

Drive in, stay awhile



2021/2022

ANNUAL REPORT

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SHIRE INTRODUCTION & STATISTICS

Take the road less travelled to the Shire of Koorda and enjoy the peaceful atmosphere of this small country town. Catch a movie under the canopy of stars at the Koorda Drive In or take a serene stroll around one of the many nature reserves Koorda has to offer. Colourful flowering shrubs and wildflowers are a blaze of glory many months of the year.

Approximately three hours' drive north-east of Perth and situated along the popular 'Wheatbelt Way' self-drive trail, Koorda's main industries include wheat, coarse grain and sheep farming.

Koorda is famously referred to as 'Corn Dolly Country', attracting sightseers wanting to learn more about this ancient tradition of creating 'dollies' from stalks and husks of wheat. While in town, explore some of Koorda's main attractions.

Koorda Drive In Theatre

The iconic Koorda Drive In Movie Theatre is one of only three left in WA, showing two new release movies at its monthly screenings. It's a fantastic activity for making memories.

Museums

Koorda boasts two new museums. Koorda Museum draws on the building's origins as a hospital in the years before World War II.

It is worth a visit to view the collection of antique medical and surgical equipment that was used in the former hospital ward. There is also a large display of early farming machinery and pioneer homestead artefacts.

The Motor Museum and Military collection has an extensive private collection of motor and military memorabilia and café where you can rest and have a cuppa.

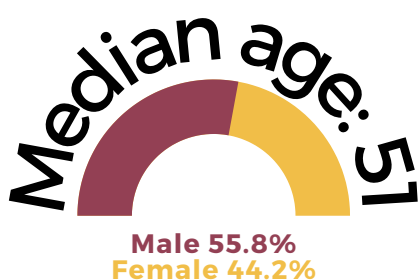
Koorda Swimming Pool

The Koorda Swimming Pool consists of one large and two small swimming pools. Open from November to April, the facilities include a barbecue area and plenty of grassed shaded areas to enjoy.

Granite Outcrops and Wildflowers

For natural splendour, there's a wealth of granite outcrops and wildflowers to be discovered. Near to town you can find Mollerin Rock, Newcarlbeon, Badgerin Rock, Native Flora Reserve and Moningarin.

These picturesque outcrops each have their own peculiar mini environment of magnificent wildflowers and native shrubs including the Koorda Rose, dozens of bird varieties and native animals including kangaroos and echidnas. Most have picnic and/or barbecue facilities.



All private dwellings

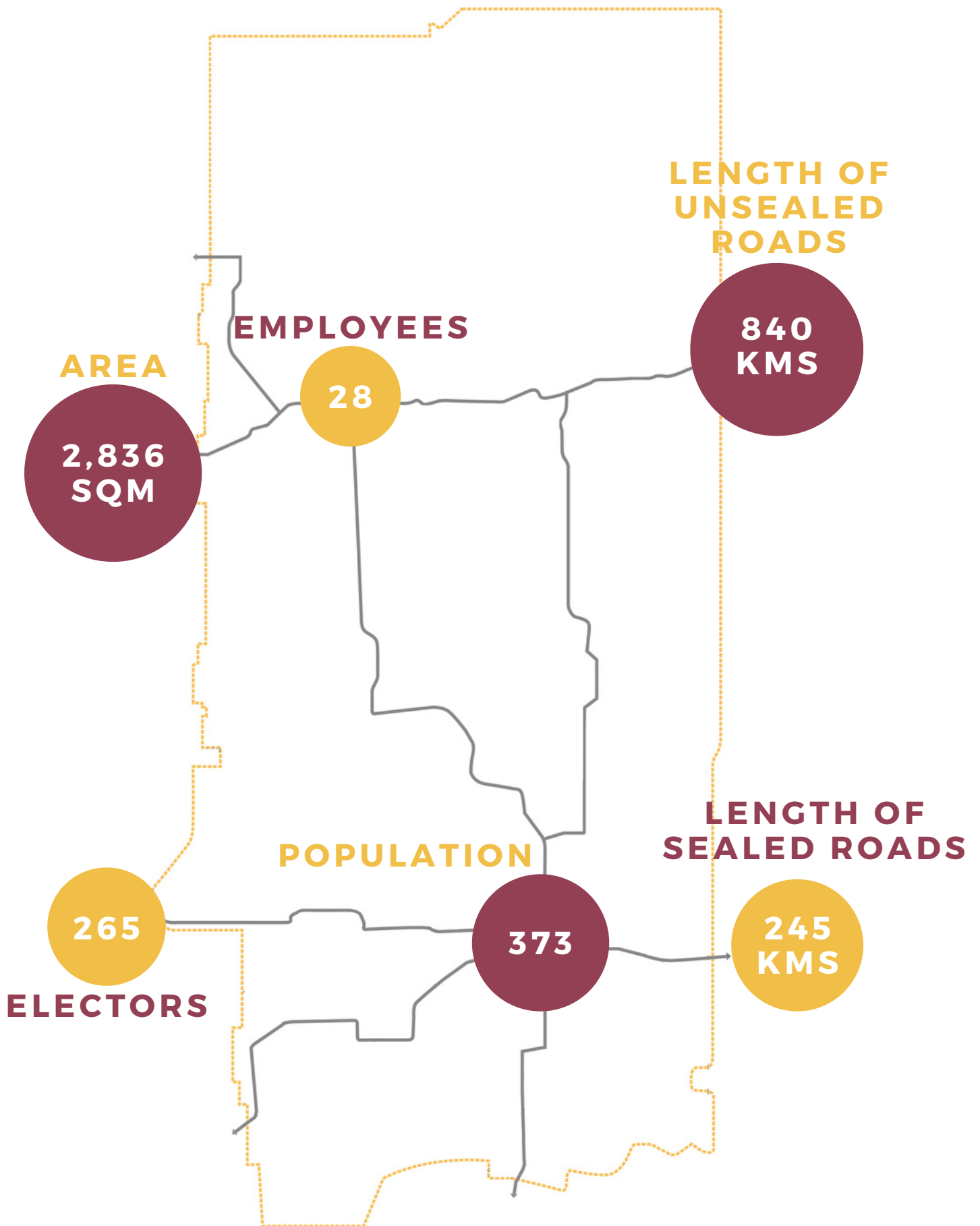
246

- Average number of people per household **2.2**
- Median weekly household income **\$1,341**
- Median monthly mortgage repayments **\$748**
- Median weekly rent **\$129**
- Average number of motor vehicles per dwelling **2.3**



Average number of children per family; for families with children **2.1** for all households **0.5**

SHIRE INTRODUCTION & STATISTICS



PRESIDENTS MESSAGE

It gives me great pleasure to be able to comment on the 2021/22 Annual Report.

Once again Council and Staff have planned and budgeted a comprehensive program to complete over the 12-month period. It is a credit to our staff on their continued efforts in working to bring these plans to fruition.

In September 2021 the doctor employed to provide GP services to the Wyalkatchem and Koorda communities resigned. This triggered an extensive recruitment effort, that unfortunately, lasted 14 months and saw a reduced GP service, with telehealth appointments and fortnightly visits provided by Dr Emmanuel. While our Shires are not alone in the exhaustive recruitment for local GPs, it feels like another service to be taken from small rural communities, who cannot compete with larger populated centres. I would like to thank Dr Emmanuel Awogun and our Colleagues at the Shire of Wyalkatchem, for their continued efforts in trying to secure this essential service for our communities.

Council Elections were held in October 2021. We had four positions vacant and at the close of nominations, we had three nominations. I would like to welcome to Council Cr Nick Chandler, and returning after a two-year sabbatical, Cr Gary Greaves. I also renominated for council. We have applied to leave the remaining seat vacant until the 2023 Elections and I urge community members to consider stepping up and nominating to represent your community.

To our retiring long serving Councillors - I would like to thank Pam McWha for her valued service to Council, filling the role of Councillor and Deputy President within her 10-year term. Also thank you to George Storer for his service to Council over his two tenures on Council, totaling 14 years.

Our continued regional collaboration through NEWROC has allowed us to explore economic opportunities, advocate for reliable power and communication services and apply for funding as a collective to achieve greater outcomes across our seven communities.

With continued sector-wide resourcing issues, there has been a delay in completing the Local Roads and Community Infrastructure Projects (LRCI) - Yalambee Units and the Caravan Park Upgrades. These have only been minor, cosmetic tasks and as such, have not hindered bookings at either facility. The Shire have received positive feedback from tourists and occupancy rates have increased significantly.

The round three LRCI funding (\$879,000) has been allocated to the Recreation Centre Upgrade and Extension that was identified through the 2016 Community Needs analysis and Feasibility Study. This injection of Federal stimulus funding has allowed Council to consider this upgrade with a much lower contribution from reserves, with an 85:15 funding split.

Works Team continue to work across the shire, completing \$1.382m of renewal works over thirteen projects and \$181k worth of upgrades over three widen and seal projects.

In closing, I would like to reiterate my congratulations and thanks to Council and Staff for their commitment over the past 12 months. It is exciting to see the long-term investments near completion, bringing economic growth and opportunity to our community. I look forward to another busy year, working with our community in 2022/23.

Jannah Stratford
President



CEO COMMENT

I am pleased to be providing my 4th annual report comment for the year ended 30 June 2022.

The purpose of the Shire's annual report is to be the primary means of outlining to the Koorda community (and beyond) relevant statutory and operational information as well as details of key outcomes achieved during the financial year.

Hence, throughout the document, there is detailed and specific information concerning the Shire's diverse range of roles and responsibilities such as integrated planning, corporate governance, statutory compliance, risk management, major projects, services, facilities, and financial reporting.

However, by way of summary, I wish to highlight the following:

2021 Shire of Koorda Elections

In the lead-up to the October 2021 Shire of Koorda election, we farewelled then Councillors Pam McWha (resignation) and George Storer (end-of-term retirement).

With three 4-year terms and one 2-year term vacancies on Council, nominations for the 16 October election opened on Thursday, 2 September and closed at 4.00pm on Thursday, 9 September 2021.

At the close of nominations, three nominations had been received which resulted in the unopposed election of Councillors Nick Chandler, Gary Greaves, and Jannah Stratford to the three 4-year terms expiring 18 October 2025.

With the 2-year term unfilled an extraordinary election was arranged for Tuesday, 14 December 2021.

At the close of nominations on Monday, 8 November 2021, no nominations were received and at its meeting held on 17 November 2021, Council resolved to allow the vacancy to remain unfilled until the next ordinary election in 2023 (which subsequently received the consent of the Electoral Commissioner).

COVID-19

The Shire continued its active role in managing the local impacts of the COVID-19 global pandemic.

In early 2022, the Shire's administration prepared and adopted a COVID-19 management plan that, following its activation soon after the Western Australian Government opened the state borders, allowed the Shire to provide a 'business as usual' service even when some staff tested positive and thus were required to isolate at home.

Local Roads and Community Infrastructure Program (LRCIP)

Whilst materials and contractor supply chain issues delayed completion of the 'finishing touches' of the Yalambee short stay accommodation units project (LRCIP Phase #1) and the Koorda Caravan Park upgrade (LRCIP Phase #2), both facilities have experienced record customer usage during 2021/22.

Integrated Planning and Reporting (IPR) Framework

In April 2022, and following extensive community consultation, Council adopted its Integrated Strategic Plan 2022 (which integrates the Strategic Community Plan and Corporate Business Plan elements of the Western Australia's IPR Framework).

The Integrated Strategic Plan (Plan) reinforces our commitment to the people who live, work, and visit our Shire and to regional co-operation and prosperity. It also provides a clear purpose and strategic direction for our Shire and reinforces a commitment to regional cooperation to source the funding and support required to address the priorities detailed in the Plan.

Also in April 2022, Council adopted its Workforce Plan which is another component of the IPR framework mandated by legislation.

The purpose of the Workforce Plan is to ensure that the organisation can meet operational, legislative, regulatory, and strategic requirements in addition to delivering services to the community.

The Workforce Plan reflects workforce strategies to address aspects of staff retention, staff development, succession planning and knowledge management, as well as increasing capability across the organisation.

Acknowledgments

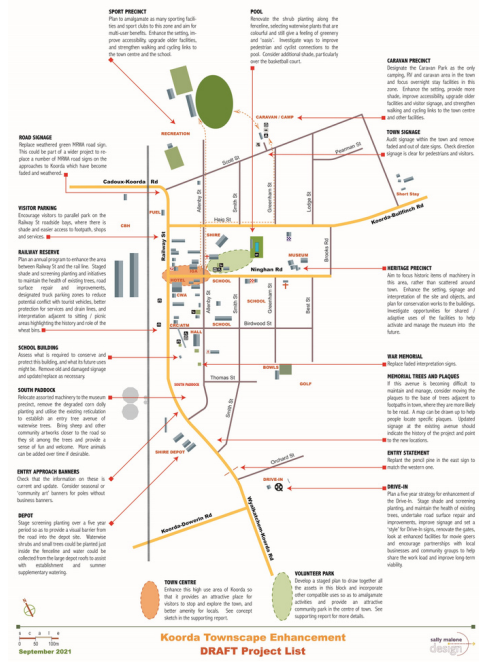
Council continued its strong support for Shire Staff to achieve positive outcomes for the community and, as such, I would like to extend my personal thanks to our elected members and my senior management colleagues, Deputy CEO, Lana Foote, Works Supervisor, Darren West, and their respective team members for all their efforts during the year.

Darren Simmons
Chief Executive Officer



HIGHLIGHTS

Caravan Park upgrades, made possible through the Federal LRCI Program, included garden upgrades, bay works and screen planting between powered sites. Council continued the Pay 2, Stay 3 initiative for the 2021/22 season. There was also a 63% increase in visitors from 2020/21.



< Adoption of the Townscaping Report and Plan. The Koorda Townscape Report can be found on the Shire Website.



^ Exterior rendering at the Administration Office and installation of a generator. Inclusion in the 2022/23 budget to install universal access parking.

Community Citizen of the Year

Two nominations were received for Community Citizen of the year; Anthony (Tony) Clarke and the late Janet Brooks. The 2021 Community Citizen of the Year was awarded to Janet Brooks.



Tony Clarke receiving his nomination certificate >

< Graham Brooks accepting Janet's award.



^ Community Citizen of the Year (Senior) Colin Strahan

Updating and adoption of the Integrated Strategic Plan (incorporating Strategic Community Plan 2022-2032 and Corporate Business Plan 2022-2025) and the Workforce Plan 2022-2025. The full plans can be viewed on the Shire website.



HIGHLIGHTS

18

11 Council, 3 Special Council,
3 Audit Committee and 1
Electors Meeting.



\$12.4M

13 rural property sales were
processed throughout the year
with a sale value of
\$12,415,035



\$1.4M

12 town property sales were
processed throughout the
year with a sale value of
\$1,413,000



\$100K

income received from the
Yalambee Units in 2021/2022.
Up from \$41k in 2020/2021.



162%

1,720 recorded visitors stayed
in Shire owned facilities,
which was a 162% increase
from the 2020/21 figure of
1,060.



5.35KM

of road was widened and
sealed on three roads for
\$180,000. Roads included
Kulja-Kalannie and two
Koorda-Kulja projects.

\$680K

spent on full
reconstructions on
4.8km over three
roads to widen
from 6.2m to 8.0m.



9.7KM

of road resealed over four
roads were reformed and re-
sheeted for \$236,000. Roads
included Felgate, Burakin-
Wialki and two projects on
Koorda-Kulja,

898



Held ten screenings at
the Drive in which
attracted 898 visitors.
There was an average of
90 visitors per
screening.

\$1.36M

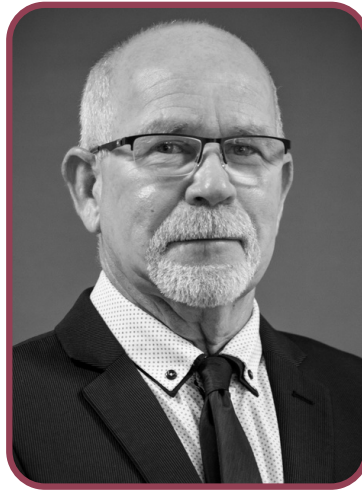
Received and approved
\$1.362million worth of
developments over four
projects



ELECTED MEMBERS - AS AT 30 JUNE 2022



President
Cr JM (Jannah) Stratford
Term ends 2025



Deputy President
Cr BG (Buster) Cooper
Term ends 2023



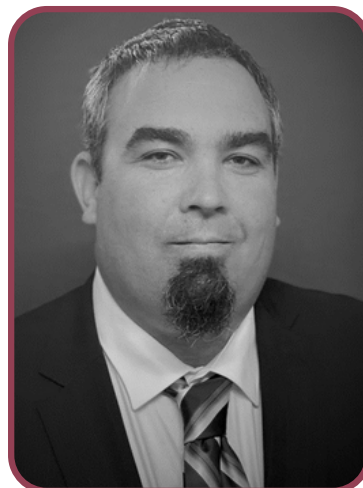
Councillor
Cr GW (Gary) Greaves
Term ends 2025



Councillor
Cr GL (Gina) Boyne
Term ends 2023



Councillor
Cr LC (Lea) Smith
Term ends 2023



Councillor
Cr NJ (Nick) Chandler
Term ends 2025

DISCLOSURES

Elected Member Meeting Attendance Record

As per regulation 19B (2)(f) of the Local Government (Administration) Regulations 1996, the annual report must contain information of the number of Council and Committee meetings attended by each Elected Member during the financial year.

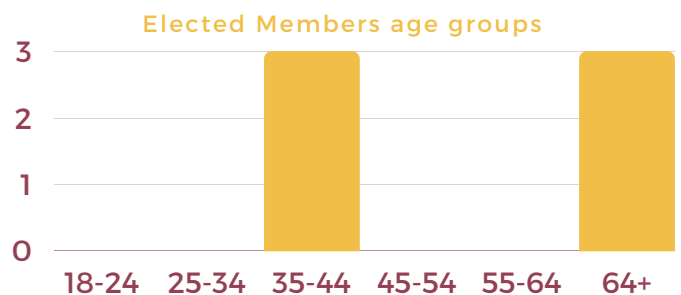
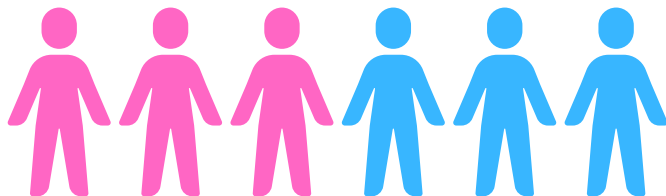
	Council Meetings		Electors Meeting	Committee Meetings
	Ordinary	Special	Annual	Audit
Cr JM Stratford	11/11	3/3	1/1	2/2
Cr BG Cooper	9/11	1/3	1/1	
Cr GL Boyne	11/11	3/3	1/1	
Cr LC Smith	10/11	3/3	1/1	2/2
Cr PL McWha	1/3	0/1		
Cr RDG Storer	3/3	1/1		
Cr GW Greaves	7/8	1/2	1/1	
Cr NJ Chandler	8/8	2/2	1/1	2/2

Elected Member Information

As per regulation 19B (2)(g)(h)(i) of the Local Government (Administration) Regulations 1996, the annual report must contain, if available, information on the Elected Members in regard to their; gender, linguistic background, country of birth, age and the number who identify as Aboriginal or Torres Strait Islander.

No Elected Members identify as Aboriginal or Torres Strait Islander.

Elected members were 50% female and 50% male



100%

of Elected Members were born in Australia and speak English

Remuneration and Allowance

As per regulation 19B (2)(c) of the Local Government (Administration) Regulations 1996, the annual report must contain information of any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year.

During the 2021/2022 period, no remuneration or allowances were paid.

Other Remuneration

As per regulation 19B (2)(d) of the Local Government (Administration) Regulations 1996, the annual report must contain any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year.

During the 2021/2022 period, no such amount was ordered to be paid.

DISCLOSURES

Employee Remuneration Disclosure

As per section 19B (a)(b) of the Local Government (Administration) Regulations 1996, the annual report must contain the number of employees of the local government entitled to an annual salary of \$130,000 or more, and the number of employees in the local government entitled to an annual salary that falls within each band of \$10,000 over \$130,000.

Salary Range	Number of Employees
\$130,000 - \$139,999	0
\$140,000 - \$149,999	1

Note: In this regulation - remuneration has the meaning given in the Salaries and Allowances Act 1975 section 4(1).

Remuneration includes salary, allowances, fees, emoluments and benefits (whether money or not)

CEO Remuneration

As per regulation 19B (2)(e) of the Local Government (Administration) Regulations 1996, the annual report must contain the remuneration paid or provided to the CEO during the financial year.

The Shire of Koorda is a band 4 local government. The total reward package of a band 4 local government is \$128,226 - \$200,192.

During the 2021/2022 period, \$190,425 was paid/provided to the CEO.

Disability Access and Inclusion Plan (DAIP)

Since 1995 it has been a requirement under the Disability Services Act 1993, that all Western Australian Local Governments develop and implement a Disability Access and Inclusion Plan (DAIP) that outlines the ways in which the Local Government will ensure that people with disability have equitable access to its facilities and services. The plan is to be reviewed and amended at a minimum of every five years.

The Shire of Koorda DAIP 2020-2025 was adopted at the July 2020 Ordinary Council Meeting and includes strategies which will address physical access barriers to Shire facilities and services as well as promote inclusion of people with disability within our community.

Council has continued a program of upgrading access to sealed footpaths and some local amenities to ensure that community members utilising "wheelchairs or gophers" are not disadvantaged. Council continue to monitor their current plan and are considering any additional requirements seen as desirable by Council or the community and ensured it met the key changes between the Disability Service Plans and the now legislated, disability access and inclusion plans (DAIP's).

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing what was considered to be unnecessary protection of monopolies of markets where competition can be enhanced. It effects local governments as factors such as exemption from company and income tax or possible local regulation and laws may give local government a potential advantage over private contractors.

During the 2021/2022 financial year, the Shire met its obligation concerning National Competition Policy. The Shire has no local laws or policies that contain anti-competitive provisions. No complaints were received during the period.

DISCLOSURES

Freedom of Information

In complying with the Freedom of Information Act 1992, the Shire of Koorda is required to prepare and publish an information statement.

The Shire of Koorda's information Statement is subject to review annually and is available via Council's website or at the Shire Administration Office. The information statement contained advice on the type of documents available to the public and how to access those documents.

The Shire received no Freedom of Information Applications in the 2021/2022 reporting year.

Public Interest Disclosures

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

During the 2021/2022 period, no public interest disclosures were lodged.

Sewerage Scheme Reports

In accordance with the operating license issued to the Shire of Koorda by the Environmental Regulation Authority, a report has been prepared on the operation of the sewerage scheme.

The scheme operated during the 2021/2022 period with an operating expenditure of \$87,872 and operating revenue of \$122,624 with the costs being ongoing maintenance and asset management.

Council will continue to budget for ongoing operating maintenance, annual sewer cleaning with the balance of the income received being set aside in a Reserve Fund for future requirements. The balance in the Sewerage Reserve at 30 June 2022 was \$1,024,632.

For the 2021/2022 period seven (7) defect reports were received.

Records Management

The Shire is committed to meeting the requirements of the State Records Act 2000 which requires the Shire to maintain and dispose of all records in the prescribed manner.

The Shire transitioned to an Electronic Document Management System in 2020/2021, utilising IT Vision's software; Altus ECM. Retaining documents in an electronic management system delivers best practice in recordkeeping and provides an efficient document processing service to meet customer needs and volume demands.

In accordance with the State Records Act 2000 the Shire undertook a review of its Record Keeping Plan in 2021/2022. The plan sets out matters regarding how records are created and how the Shire retains its records.

The Shire's reviewed Record Keeping Plan was approved on 5 August 2022 by the State Records Commission and in accordance with section 28 of the State Records Act 2000, the Shire's Plan is to be reviewed by 2026/2027.

DISCLOSURES

Local Government (Rules of Conduct) Regulations 2007 - Complaints Register

These regulations require the reporting of various offences by elected members, as prescribed by the Regulations. Elected members must comply with their obligations under the Local Government Act 1995 and subsidiary legislation. Complaints about elected member conduct are to be made to the Complaints Officer, who in accordance with section 5.120 of the Local Government Act 1995, must be a designated senior employee. The Shire's Complaints Officer is the Chief Executive Officer. Section 5.121 of the Local Government Act 1995 requires the Annual Report to contain details of the entries made about elected members.

There were no formal complaints lodged against elected members in the year under review.

Staff Movements

During 2021/2022 we had some long term employees move on. After twenty years on the town maintenance crew, we wished Julie Kamerling all the best on her new ventures outside of the Shire.

We also wished a happy retirement to two of our cleaners; Pam Hunter and Margaret Polkinghorne. Pam was employed at the Shire between 2006 to 2022 and Margaret between 2009 to 2021.

We wish to acknowledge the service of our Mechanic Rick Buxton, and Building Maintenance Officers in John Galende and Leo Davies who departed during 2021/2022.

Strategic Community and Corporate Business Plans

As per regulation 19B (2)(j)(k) of the Local Government (Administration) Regulations 1996, the annual report must detail any modifications to the Local Government's Strategic Community or Corporate Business Plan during the financial year.

During the 2021/2022 financial year, the Integrated Strategic Plan (ISP) was adopted by Council at the April 2022 Ordinary Council Meeting as per resolution 060422. The ISP incorporates both the Strategic Community Plan 2022-2032 and Corporate Business Plan 2022-2025.

IPR Reviews

This Integrated Strategic Plan will be subject to a major review requiring extensive community engagement in 2025 as legislated. In addition, council priorities will be reviewed and updated annually to reflect any changes to regional and local priorities, the budget and to service levels.

DISCLOSURES

Progress Reporting

The Shire of Koorda has adopted a traffic light based Quarterly Update to report progress to Council and the Community against their documented commitments. In addition, results are formally communicated to the community both quarterly in the Shire Narkal Note pages and annually via the legislated Annual Report.



OUR COMMUNITY

Community Priorities	Council Actions	21 22	22 23	23 24	24 25	Status	Comment
1.1 - Local people feel safe, engaged, and enjoy a healthy and peaceful lifestyle.	1.1.1 - Maintain strong working relationships with State Agencies. (e.g. WAPOL, Department of Education and WACHS)	X	X	X	X	Ongoing	Supported Koorda Primary School sports, Koorda Police invited to September 2022 Council meeting. WACHS lease renewal request for Koorda Health Centre being presented to September Council meeting.
	1.1.2 - Advocate for continued improvements in medical, education and support services from other levels of government and the private sector that facilitates aging, living and learning within the Shire.	X	X	X	X	Ongoing	WACHS lease renewal request for Koorda Health Centre.
	1.1.3 - Facilitate and support events that promote the region and deliver a positive economic impact.	X	X	X	X	Ongoing	Supported 2021/22 Koorda Show and Drive-in screenings by covering the cost of movie hire.
1.2 - Local volunteer groups supported through initiatives that reduce volunteer fatigue and strengthen their resilience.	1.2.1 - Recognise and support the value of our community volunteers and provide meaningful opportunities to contribute to Shire projects and improving local living.	X	X	X	X	Ongoing	Assisted with Koorda Winter Sports. Contribute to the Public Announcement Service at the Koorda Show and donate a trophy.
	1.2.2 - Develop and implement a Community Grants Program.		X				Yet to commence.
	1.2.3 - Make available a list of current grant opportunities to local businesses, clubs and community groups.		X	X	X		Yet to commence.
1.3 - Emergency services are supported with effective planning, risk mitigation, response, and recovery.	1.3.1 - Work with emergency service stakeholders to ensure the Shire and Volunteers meet WHS standards.	X	X	X	X	Ongoing	CEO and CBFCO working with DFES to develop protocols/procedures for 2022/23 fire season.
	1.3.2 - Conduct regular LEMC meetings and exercises.	X	X	X	X	Ongoing	LEMC meetings scheduled in June 2022 for the 2022/23 year include; 28 July 2022, 24 November 2022, 30 March 2023 and 29 June 2023.
	1.3.3 - Investigate regional emergency service arrangements. (Policies, procedures, risk management plans).		X		X	Ongoing	Planned discussion at scheduled meetings in 2022/23.

DISCLOSURES



OUR ECONOMY

Community Priorities	Council Actions	21 22	22 23	23 24	24 25	Status	Comment
2.1 - Our local economy grows in a sustainable manner.	2.1.1 - Ensure that our planning framework is modern and meets the needs of the relevant zoning stakeholders, such as industry, residential, small business and any emerging opportunities.		X	X	X	Ongoing	Development Application received from CBH for emergency grain storage in June 2022.
	2.1.2 - Advocate regionally to reduce economic barriers such as access and reliability of water, electricity, logistics infrastructure and telecommunications.	X	X	X	X	Ongoing	Involved with NEWROC energy project. Since 2019, having identified electricity reliability as a shared regional issue, NEWROC has been working on addressing two key strategic energy objectives of member Councils being 1. townsite power reliability and 2. mobile telecommunication tower power reliability. In respect to townsite power reliability, with advocacy and solution investigations continuing, NEWROC's exploration of town-based microgrids has been unable to progress for various reasons including legislative restrictions and third-party solution prohibitions. NEWROC has also been advocating for reliable power to telecommunication exchanges and towers for a significant period of time. We have had numerous meetings with Western Power, the WA Minister for Energy and submitted responses to government enquiries into the issue. Whilst cognisant that power generation and distribution is a state government responsibility and telecommunications is a federal government/private provider responsibility, NEWROC is hopeful of facilitating a positive outcome in 2023.
	2.1.3 - Investigate the viability of a Business/Economy grant program.		X	X			Yet to commence.
	2.1.4 - Promote business network development and collaboration. (e.g. CRC business after dark and Wheatbelt Business Network)	X	X	X	X		Yet to commence.
	2.1.5 - Activate the town centre through community inspired street scaping and initiatives.	X	X	X	X	Ongoing	Koorda Town Team established and inaugural meeting held 13 June 2022.
2.2 - Tourism helps to diversify and grow our local economy	2.2.1 - Contribute to regional tourism marketing campaigns. (e.g. NEWTRAVEL/Wheatbelt Way)	X	X	X	X	Ongoing	NEWTRAVEL membership continued and meetings attended in July, October and February.
	2.2.2 - Work towards a high standard of tourism assets and information. (Yalabee, Caravan Park & tourist information boards and brochures)	X	X	X	X	Ongoing	Refurbishment works continued at Yalabee and caravan park. Tourist brochures updated in June and to be sent for printing in July 2022.

DISCLOSURES



OUR ENVIRONMENT

Community Priorities	Council Actions	21 22	22 23	23 24	24 25	Status	Comment
3.1 - Shire owned facilities are renewed and maintained in a strategic manner to meet community needs.	3.1.1 - Manage Shire Assets sustainably using the Strategic Resourcing Plan.	X	X	X	X	Ongoing	2022/23 Shire Budget adopted 29/06/2022 informed by Strategic Resourcing Plan.
	3.1.2 - Develop and implement online user maintenance request system.		X			Ongoing	Works requests via Shire website now available. QR coded posters at public buildings to promote online request system.
3.2 - Safe, efficient, and well-maintained road, and footpath infrastructure.	3.2.1 - Continue to improve the road and footpath network by maximising external funding sources and delivering infrastructure projects to a high standard.	X	X	X	X	Ongoing	Haig Street (west) footpath part of 2022/23 budget.
	3.2.2 - Implement an effective, proactive road maintenance program that is sensitive to industry seasonality.	X	X	X	X	Ongoing	CBH special grain freight movement request received.
3.3 - A high standard of sustainable waste services.	3.3.1 - Develop and effectively implement Waste Management and Landfill Rehabilitation Project.	X	X	X	X	Ongoing	Staff currently reviewing draft Waste Management Strategy and Landfill Facility Closure Plan due to be received July 2022.
	3.3.2 - Continue to work towards a Regional Waste solution with NEWROC.	X	X	X	X	Ongoing	NEWROC waste project still under consideration. As waste management, and particularly the provision of landfill-based waste disposal sites, is a key local government service shared by all member Councils of NEWROC, the NEWROC waste project aims offer NEWROC residents a more contemporary, environmentally friendly waste service whilst reducing waste management costs across through sharing of resources across the NEWROC membership.
3.4 - Conservation of our natural environment for future generations.	3.4.1 - Support renewable energy initiatives and encourage further renewable industry development.	X	X	X	X	Ongoing	Currently working through NEWROC on its energy project.
	3.4.2 - Partner with Wheatbelt NRM and DWER for future grant and project opportunities.	X	X	X	X	Ongoing	DWER and Shire collaborating to install water tank at Mt Collier Dam.
	3.4.3 - Increase community awareness and preparedness for the impacts of climate change and its major local risks such as bush fires.	X	X	X	X	Ongoing	Shire promotion of new Australian Fire Danger Ratings (to be introduced 1 September 2022).

DISCLOSURES



OUR ORGANISATION

Community Priorities	Council Actions	21 22	22 23	23 24	24 25	Status	Comment
4.1 - Open and Transparent Leadership.	4.1.1 - Ensure the use of resources is effective, efficient and reported regularly. (e.g. Financial Management)	X	X	X	X	Ongoing	Monthly financial reports to Council.
	4.1.2 - Identify business improvement opportunities to enhance operational effectiveness. (e.g. implement any recommended actions from audit/OAG reports)	X	X	X	X	Ongoing	New office hours to be implemented 1 July 2022.
	4.1.3 - Develop and implement Customer Service Charter & External Stakeholder communication plan.		X	X			Yet to commence.
4.2 - Investment in the skills and capabilities of our elected members and staff.	4.2.1 - Promote continued professional development amongst elected members and staff.	X	X	X	X	Ongoing	WALGA Convention participation scheduled to be endorsed at August 2022 Council meeting.
	4.2.2 - Progress 'Team Koorda' initiative. (e.g. Workforce Plan)	X	X	X	X	Ongoing	Workforce Plan adopted in April 2022.
4.3 - Forward planning and delivery of services and facilities that achieve strategic priorities.	4.3.1 - Actively participate in regional collaboration initiatives. (e.g. NEWROC regional subsidiary)	X	X	X	X	Ongoing	NEWROC Regional Subsidiary project endorsed. A regional subsidiary will allow its member local governments to pool their resources and cooperate more closely. In addition to increasing the efficiency of existing services, a regional subsidiary may increase the viability of new services which local governments want to and are required to provide. It may also form a mechanism for groups of local governments to come together to deal with region-specific issues. A regional subsidiary, whilst like the existing NEWROC, being a Voluntary Regional Association of Councils, is more binding on its members and forms a legal entity in its own right. A regional subsidiary is also similar to a regional council but has more flexibility and fewer reporting requirements. The regional subsidiary is predominantly governed by its Charter, which can be individually tailored to suit the subsidiary's activities and role in the community.
	4.3.2 - Regularly report on progress of strategic plan initiatives using a quarterly score card.	X	X	X	X	Ongoing	Anticipated the first quarterly report will be tabled at the September 2022 Audit Committee meeting.

SHIRE OF KOORDA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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

To build a vibrant and sustainable community with shared social values, in which we can live and work in harmony with our environment.

Principal place of business:
10 Haig Street
Koorda WA 6475

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

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Koorda 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 Koorda 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 19th day of December 2022



Chief Executive Officer

Darren Simmons

Name of Chief Executive Officer



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

	NOTE	2022 Actual \$	2022 Budget \$	Restated* 2021 Actual \$
Revenue				
Rates	22(a),2(a)	1,145,170	1,141,399	1,106,419
Operating grants, subsidies and contributions	2(a)	2,976,456	1,507,420	2,810,266
Fees and charges	21(c),2(a)	533,461	491,874	502,641
Interest earnings	2(a)	24,040	35,000	56,025
Other revenue	2(a)	20,352	25,400	29,270
		4,699,479	3,201,093	4,504,621
Expenses				
Employee costs		(1,388,534)	(1,009,300)	(1,584,693)
Materials and contracts		(983,831)	(1,271,705)	(518,539)
Utility charges		(196,489)	(34,000)	(25,655)
Depreciation	9(a)	(1,869,790)	(2,007,296)	(2,113,655)
Finance costs	2(b)	(1,466)	0	(23,254)
Insurance		(127,600)	(64,500)	(107,190)
Other expenditure	2(b)	(65,127)	(215,454)	(143,556)
		(4,632,837)	(4,602,255)	(4,516,542)
		66,642	(1,401,162)	(11,921)
Non-operating grants, subsidies and contributions	2(a)	797,414	765,890	704,500
Profit on asset disposals	9(b)	92,771	9,000	53,864
Loss on asset disposals	9(b)	(81,332)	(41,000)	(24,858)
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	1,939
Reversal of other provisions	13	2,932	0	0
		814,783	733,890	735,445
Net result for the period	21(b)	881,425	(667,272)	723,524
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	0	0	2,351,285
Total other comprehensive income for the period		0	0	2,351,285
Total comprehensive income for the period		881,425	(667,272)	3,074,809

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

* Refer to Note 25 'Correction of Prior Period Errors'



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

	NOTE	2022 \$	Restated 2021 \$	Restated* 1 July 2020 \$
CURRENT ASSETS				
Cash and cash equivalents	3	1,433,866	857,730	717,164
Trade and other receivables	5	92,328	136,173	182,520
Other financial assets	4(a)	5,877,725	5,748,351	6,114,376
Inventories	6	27,851	10,992	5,254
TOTAL CURRENT ASSETS		7,431,770	6,753,246	7,019,314
NON-CURRENT ASSETS				
Trade and other receivables	5	18,207	20,956	29,400
Other financial assets	4(b)	58,353	55,355	53,416
Property, plant and equipment	7	13,658,706	14,009,835	12,614,936
Infrastructure	8	77,212,577	76,802,390	76,061,908
TOTAL NON-CURRENT ASSETS		90,947,843	90,888,536	88,759,660
TOTAL ASSETS		98,379,613	97,641,782	95,778,974
CURRENT LIABILITIES				
Trade and other payables	10	158,957	119,420	184,579
Other liabilities	11	16,145	49,429	65,905
Employee related provisions	12	245,392	245,936	220,737
Other provisions	13	0	38,900	240,000
TOTAL CURRENT LIABILITIES		420,494	453,685	711,221
NON-CURRENT LIABILITIES				
Other liabilities	11	0	164,761	214,190
Employee related provisions	12	55,363	38,439	59,131
Other provisions	13	694,013	656,579	1,540,923
TOTAL NON-CURRENT LIABILITIES		749,376	859,779	1,814,244
TOTAL LIABILITIES		1,169,870	1,313,464	2,525,465
NET ASSETS		97,209,743	96,328,318	93,253,509
EQUITY				
Retained surplus		52,060,610	51,308,559	50,219,010
Reserve accounts	24	5,877,725	5,748,351	6,114,376
Revaluation surplus	14	39,271,408	39,271,408	36,920,123
TOTAL EQUITY		97,209,743	96,328,318	93,253,509

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

* Refer to Note 25 'Correction of Prior Period Errors'



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2020		50,125,256	6,114,376	37,653,151	93,892,783
Correction of prior period errors	25	93,754	0	(733,028)	(639,274)
Restated balance at the beginning of the financial year 1 July 2020		50,219,010	6,114,376	36,920,123	93,253,509
Comprehensive income for the period					
Net result for the period		723,524	0	0	723,524
Other comprehensive income for the period	14	0	0	2,351,285	2,351,285
Total comprehensive income for the period		723,524	0	2,351,285	3,074,809
Transfers from reserves	24	400,000	(400,000)	0	0
Transfers to reserves	24	(33,975)	33,975	0	0
Restated balance as at 30 June 2021		51,308,559	5,748,351	39,271,408	96,328,318
Comprehensive income for the period					
Net result for the period		881,425	0	0	881,425
Total comprehensive income for the period		881,425	0	0	881,425
Transfers to reserves	24	(129,374)	129,374	0	0
Balance as at 30 June 2022		52,060,610	5,877,725	39,271,408	97,209,743

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,178,842	1,141,399	1,158,709
Operating grants, subsidies and contributions		2,772,226	1,457,991	2,746,237
Fees and charges		531,073	491,874	507,641
Interest received		35,852	35,000	56,025
Goods and services tax received		118,396	130,881	38,077
Other revenue		20,352	25,400	29,270
		4,656,741	3,282,545	4,535,959
Payments				
Employee costs		(1,322,043)	(1,009,300)	(1,595,433)
Materials and contracts		(825,166)	(1,271,705)	(329,817)
Utility charges		(196,489)	(34,000)	(25,655)
Finance costs		0	0	(23,254)
Insurance paid		(127,600)	(64,500)	(107,190)
Goods and services tax paid		(294,811)	(130,881)	(322,370)
Other expenditure		(65,127)	(215,454)	(143,556)
		(2,831,236)	(2,725,840)	(2,547,275)
Net cash provided by (used in) operating activities	15(b)	1,825,505	556,705	1,988,684
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	7(a)	(669,615)	(925,000)	(1,879,321)
Payments for construction of infrastructure	8(a)	(1,633,154)	(1,710,000)	(1,323,140)
Non-operating grants, subsidies and contributions		797,414	765,890	704,500
Proceeds from financial assets at amortised cost		(129,374)	0	366,025
Proceeds from sale of property, plant & equipment	9(b)	385,360	360,000	283,818
Proceeds on community loan		0	5,000	0
Net cash provided by (used in) investing activities		(1,249,369)	(1,504,110)	(1,848,118)
Net increase (decrease) in cash held		576,136	(947,405)	140,566
Cash at beginning of year		857,730	6,568,314	717,164
Cash and cash equivalents at the end of the year	15(a)	1,433,866	5,620,909	857,730

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

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

		2022 Actual	2022 Budget	Restated 2021 Actual
	NOTE	\$	\$	\$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	23(c)	751,670	574,677	393,856
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	22(b)	6,643	6,643	0
Operating grants, subsidies and contributions		2,976,456	1,507,420	2,810,266
Fees and charges		533,461	491,874	502,641
Interest earnings		24,040	35,000	56,025
Other revenue		20,352	25,400	29,270
Profit on asset disposals	9(b)	92,771	9,000	53,864
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	1,939
Reversal of other provisions		2,932	0	0
		3,659,653	2,075,337	3,454,005
Expenditure from operating activities				
Employee costs		(1,388,534)	(1,009,300)	(1,584,693)
Materials and contracts		(983,831)	(1,271,705)	(518,539)
Utility charges		(196,489)	(34,000)	(25,655)
Depreciation		(1,869,790)	(2,007,296)	(2,113,655)
Finance costs		(1,466)	0	(23,254)
Insurance		(127,600)	(64,500)	(107,190)
Other expenditure		(65,127)	(215,454)	(143,556)
Loss on asset disposals	9(b)	(81,332)	(41,000)	(24,858)
		(4,714,169)	(4,643,255)	(4,541,400)
Non-cash amounts excluded from operating activities	23(a)	1,743,326	1,974,367	2,181,908
Amount attributable to operating activities		688,810	(593,551)	1,094,513
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		797,414	765,890	704,500
Proceeds from disposal of assets	9(b)	385,360	360,000	283,818
Purchase of property, plant and equipment	7(a)	(669,615)	(925,000)	(1,879,321)
Purchase and construction of infrastructure	8(a)	(1,633,154)	(1,710,000)	(1,323,140)
Proceeds on community loan		0	5,000	0
		(1,119,995)	(1,504,110)	(2,214,143)
Non-cash amounts excluded from investing activities	23(b)	5,000	0	5,000
Amount attributable to investing activities		(1,114,995)	(1,504,110)	(2,209,143)
FINANCING ACTIVITIES				
Transfers to reserves (restricted assets)	24	(129,374)	(451,772)	(33,975)
Transfers from reserves (restricted assets)	24	0	840,000	400,000
Amount attributable to financing activities		(129,374)	388,228	366,025
Surplus/(deficit) before imposition of general rates		196,111	(1,134,756)	(354,749)
Total amount raised from general rates	22(a)	1,138,527	1,134,756	1,106,419
Surplus/(deficit) after imposition of general rates	23(c)	1,334,638	0	751,670

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

**SHIRE OF KOORDA
FOR THE YEAR ENDED 30 JUNE 2022
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SHIRE OF KOORDA
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 (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied 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 of provisions

SHIRE OF KOORDA
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:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Operating grants, subsidiaries and contributions 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
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
Fees and charges, licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire

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

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature 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	1,138,527	6,643	1,145,170
Operating grants, subsidies and contributions	230,302	0	0	2,746,154	2,976,456
Fees and charges	387,246	0	15,550	130,665	533,461
Interest earnings	0	0	6,000	18,040	24,040
Other revenue	2,648	0	12,622	5,082	20,352
Non-operating grants, subsidies and contributions	0	797,414	0	0	797,414
Total	620,196	797,414	1,172,699	2,906,584	5,496,893

For the year ended 30 June 2021

Nature or type	Contracts with customers \$	Capital grant/contributions \$	Statutory Requirements \$	Other \$	Total \$
Rates	0	0	1,106,419	0	1,106,419
Operating grants, subsidies and contributions	674,309	0	0	2,135,957	2,810,266
Fees and charges	279,225	0	196,485	26,931	502,641
Interest earnings	0	0	9,242	46,783	56,025
Other revenue	0	0	0	29,270	29,270
Non-operating grants, subsidies and contributions	0	704,500	0	0	704,500
Total	953,534	704,500	1,312,146	2,238,941	5,209,121

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

2. REVENUE AND EXPENSES (Continued)

	Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings				
Interest on reserve funds		18,040	28,000	45,786
Rates instalment and penalty interest (refer Note 22(e))		6,000	6,000	9,242
Other interest earnings		0	1,000	997
		24,040	35,000	56,025
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		33,400	31,900	31,600
		33,400	31,900	31,600
Finance costs				
Other provisions: unwinding of discount	13	1,466	0	23,254
		1,466	0	23,254
Other expenditure				
Sundry expenses		65,127	215,454	143,556
		65,127	215,454	143,556

SHIRE OF KOORDA
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
 Total cash and cash equivalents

Held as

- Unrestricted cash and cash equivalents

Note	2022 \$	2021 \$
	1,433,866	857,730
15(a)	1,433,866	857,730
	1,433,866	857,730
	1,433,866	857,730

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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.

Details of restrictions on financial assets can be found at Note 15.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

	2022 \$	2021 \$
	5,877,725	5,748,351
	5,877,725	5,748,351
	5,877,725	5,748,351
	5,877,725	5,748,351
15(a)	5,877,725	5,748,351
	5,877,725	5,748,351
	58,353	55,355
	58,353	55,355
	58,353	55,355
	58,353	55,355

(b) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

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 20 (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 19.

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

5. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for credit losses of trade and other receivables	
Sports Club loan	
Accrued interest	

Non-current

Pensioner's rates and ESL deferred	
Sports Club loan	

Note	2022 \$	2021 \$
	68,852	87,812
	15,561	4,376
	2,915	29,561
	0	(2,388)
	5,000	5,000
	0	11,812
	92,328	136,173
	18,207	15,956
	0	5,000
	18,207	20,956

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 19.

Classification and subsequent measurement

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

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

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

6. INVENTORIES

Current

Fuel and materials	
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The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Additions to inventory

Balance at end of year

	2022 \$	2021 \$
	27,851	10,992
	27,851	10,992
	10,992	5,254
	(147,162)	(163,274)
	164,021	169,012
	27,851	10,992

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

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

7. 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 - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$
Restated balance at 1 July 2020		436,879	9,571,026	10,007,905	193,991	2,413,040	12,614,936
Additions		7,359	1,187,069	1,194,428	19,629	665,264	1,879,321
Disposals		(24,000)	0	(24,000)	0	(230,812)	(254,812)
Revaluation increments / (decrements) transferred to revaluation surplus		100,062	2,251,223	2,351,285	0	0	2,351,285
Depreciation	9(a)	0	(443,035)	(443,035)	(51,402)	(419,817)	(914,254)
Transfers		0	(1,666,641)	(1,666,641)	0	0	(1,666,641)
Restated balance at 30 June 2021		520,300	10,899,642	11,419,942	162,218	2,427,675	14,009,835
Comprises:							
Gross balance amount at 30 June 2021		520,300	10,899,642	11,419,942	299,393	3,867,570	15,586,905
Accumulated depreciation at 30 June 2021		0	0	0	(137,175)	(1,439,895)	(1,577,070)
Restated balance at 30 June 2021		520,300	10,899,642	11,419,942	162,218	2,427,675	14,009,835
Additions		0	148,671	148,671	28,954	491,990	669,615
Disposals		(7,000)	(91,869)	(98,869)	0	(275,052)	(373,921)
Depreciation	9(a)	0	(198,353)	(198,353)	(28,796)	(419,674)	(646,823)
Balance at 30 June 2022		513,300	10,758,091	11,271,391	162,376	2,224,939	13,658,706
Comprises:							
Gross balance amount at 30 June 2022		513,300	10,955,313	11,468,613	328,348	3,983,172	15,780,133
Accumulated depreciation at 30 June 2022		0	(197,222)	(197,222)	(165,972)	(1,758,233)	(2,121,427)
Balance at 30 June 2022		513,300	10,758,091	11,271,391	162,376	2,224,939	13,658,706

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

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

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

8. 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 \$	Infrastructure - other \$	Infrastructure - landfill \$	Total Infrastructure \$
Balance at 1 July 2020		73,529,762	2,532,146	0	76,061,908
Additions		1,311,201	11,939	0	1,323,140
Revaluation (loss) / reversals transferred to profit or loss		0	0	(1,049,898)	(1,049,898)
Depreciation	9(a)	(978,797)	(185,058)	(35,546)	(1,199,401)
Transfers		0	(114,282)	1,780,923	1,666,641
Balance at 30 June 2021		<u>73,862,166</u>	<u>2,244,745</u>	<u>695,479</u>	<u>76,802,390</u>
Comprises:					
Gross balance at 30 June 2021		76,681,418	2,938,892	695,479	80,315,789
Accumulated depreciation at 30 June 2021		(2,819,252)	(694,147)	0	(3,513,399)
Balance at 30 June 2021		<u>73,862,166</u>	<u>2,244,745</u>	<u>695,479</u>	<u>76,802,390</u>
Additions		1,562,911	70,243	0	1,633,154
Depreciation	9(a)	(991,448)	(185,154)	(46,365)	(1,222,967)
Balance at 30 June 2022		<u>74,433,629</u>	<u>2,129,834</u>	<u>649,114</u>	<u>77,212,577</u>
Comprises:					
Gross balance at 30 June 2022		78,244,329	3,009,135	695,479	81,948,943
Accumulated depreciation at 30 June 2022		(3,810,700)	(879,301)	(46,365)	(4,736,366)
Balance at 30 June 2022		<u>74,433,629</u>	<u>2,129,834</u>	<u>649,114</u>	<u>77,212,577</u>

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

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost approach using current replacement cost	Management valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - other	3	Cost approach using current replacement cost	Management valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments inputs
	Infrastructure - landfill	3	Cost approach using depreciated discounted cash flow methodology	Management valuation	June 2021	Discounted future construction cost estimates based on inflated current costs.

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

9. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	Restated 2021 Actual \$
Buildings - specialised	7(a)	198,353	650,007	443,035
Furniture and equipment	7(a)	28,796	24,247	51,402
Plant and equipment	7(a)	419,674	304,124	419,817
Infrastructure - roads	8(a)	991,448	994,173	978,797
Infrastructure - other	8(a)	185,154	34,745	185,058
Infrastructure - landfill	8(a)	46,365	0	35,546
		1,869,790	2,007,296	2,113,655

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 - Specialised	25 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	4 to 7 years
Infrastructure - roads	25 to 60 years
Infrastructure - other	5 to 50 years
Infrastructure - landfill	15 Years

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

9. FIXED ASSETS (Continued)

(b) 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	7,000	0	0	(7,000)	0	0	0	0	24,000	0	0	(24,000)
Buildings - specialised	91,869	27,537	0	(64,332)	0	0	0	0	0	0	0	0
Plant and equipment	275,052	357,823	92,771	(10,000)	392,000	360,000	9,000	(41,000)	230,812	283,818	53,864	(858)
	373,921	385,360	92,771	(81,332)	392,000	360,000	9,000	(41,000)	254,812	283,818	53,864	(24,858)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Transport				
8T Truck - 1994 Ford LTS8	7,258	20,207	12,949	0
Trailer Semi - 1982 Haulmore	25,000	15,000	0	(10,000)
Prime Mover - 2017 Isuzu Gigi	59,787	91,492	31,705	0
Transportable shower/toilet block	0	2,750	2,750	0
Fire Wagon Ford	0	5,382	5,382	0
Bulldozer Caterpillar D4E	0	32,992	32,992	0
Other property and services				
CEO 2021 Toyota Prado GXL	63,440	63,636	196	0
DCEO 2021 Toyota Prado GXL	54,524	58,182	3,658	0
CEO 2021 Toyota Prado VX	65,043	68,182	3,139	0
	275,052	357,823	92,771	(10,000)
Land				
Economic services				
11 Railway Street	7,000	0	0	(7,000)
	7,000	0	0	(7,000)
Buildings				
Economic services				
Railway Commercial Building	91,869	27,537	0	(64,332)
	91,869	27,537	0	(64,332)
	373,921	385,360	92,771	(81,332)

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

9. 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 the following way:

- (i) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

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

10. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 ATO liabilities
 Bonds and deposits held
 Other payables

2022	2021
\$	\$
48,232	50,103
16,963	0
55,423	29,066
23,754	0
9,694	40,251
4,891	0
158,957	119,420

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

11. OTHER LIABILITIES

Current

Contract liabilities

Non-current

Contract liabilities

Reconciliation of changes in contract liabilities

Opening balance

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

	2022 \$	2021 \$
	16,145	49,429
	16,145	49,429
	0	164,761
	0	164,761
	214,190	280,095
	(198,045)	(65,905)
	16,145	214,190

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.

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

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

12. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual Leave

Long Service Leave

Non-current provisions

Long Service Leave

	2022 \$	2021 \$
	137,668	128,081
	107,724	117,855
	<u>245,392</u>	<u>245,936</u>
	55,363	38,439
	<u>55,363</u>	<u>38,439</u>
	<u>300,755</u>	<u>284,375</u>

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

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

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

	2022 \$	2021 \$
	135,484	107,104
	165,271	177,271
	<u>300,755</u>	<u>284,375</u>

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

13. OTHER PROVISIONS

	Note	Make good provisions \$	Total \$
Opening balance at 1 July 2021			
Current provisions		38,900	38,900
Non-current provisions		656,579	656,579
		695,479	695,479
Unused amounts reversed		(2,932)	(2,932)
Charged to profit or loss			
- unwinding of discount	2(b)	1,466	1,466
Balance at 30 June 2022		694,013	694,013
Comprises			
Non-current		694,013	694,013
		694,013	694,013

The unused amount of the provision reversed arose from a change in the time value of money.

Other provisions

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Make good provisions

Under the licence for the operation of the Shire of Koorda waste landfill site, the Shire has a legal obligation to restore the site.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

Provisions

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

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

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

14. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation (Decrement)	2022 Closing Balance	2021 Opening Balance (Restated)	2021 Revaluation Increment (Restated)	2021 Closing Balance (Restated)
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	915,782	0	915,782	815,720	100,062	915,782
Revaluation surplus - Buildings - specialised	5,835,459	0	5,835,459	3,584,236	2,251,223	5,835,459
Revaluation surplus - Plant and equipment	603,573	0	603,573	603,573	0	603,573
Revaluation surplus - Infrastructure - roads	29,800,929	0	29,800,929	29,800,929	0	29,800,929
Revaluation surplus - Infrastructure - other	2,115,665	0	2,115,665	2,115,665	0	2,115,665
	39,271,408	0	39,271,408	36,920,123	2,351,285	39,271,408

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

15. 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	1,433,866	5,620,909	857,730
Restrictions				
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	0	(388,228)	0
- Financial assets at amortised cost	4	5,877,725	5,748,351	5,748,351
		<u>5,877,725</u>	<u>5,360,123</u>	<u>5,748,351</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	24	5,877,725	5,360,123	5,748,351
Total restricted financial assets		<u>5,877,725</u>	<u>5,360,123</u>	<u>5,748,351</u>

**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		881,425	(667,272)	723,524
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(2,998)	0	(1,939)
Depreciation/amortisation		1,869,790	2,007,296	2,113,655
(Profit)/loss on sale of asset		(11,439)	32,000	(29,006)
Revaluation of landfill asset		0	0	1,049,898
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		46,594	0	54,791
(Increase)/decrease in inventories		(16,859)	0	(5,738)
Increase/(decrease) in trade and other payables		39,537	0	(65,159)
Increase/(decrease) in employee related provisions		16,380	0	4,507
Increase/(decrease) in other provisions		(1,466)	0	(1,085,444)
Increase/(decrease) in other liabilities		(198,045)	(49,429)	(65,905)
Non-operating grants, subsidies and contributions		(797,414)	(765,890)	(704,500)
Net cash provided by/(used in) operating activities		<u>1,825,505</u>	<u>556,705</u>	<u>1,988,684</u>

**(c) Undrawn Borrowing Facilities
Credit Standby Arrangements**

Bank overdraft limit		0		0
Bank overdraft at balance date		0		0
Credit card limit		15,000		5,000
Credit card balance at balance date		0		0
Total amount of credit unused		<u>15,000</u>		<u>5,000</u>

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

16. CONTINGENT LIABILITIES

Under the *Contaminated Sites Act 2003*, the Shire is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of risk to human health, the environment and environmental values. Where sites are classified as 'contaminated - remediation required' or 'possibly contaminated - investigation required', the Shire may have a liability in respect of investigation or remediation expenses.

Department of Water and Environmental Regulation has classified Ninghan Location 4187, Mollerin 6475 as 'possibly contaminated - investigation required'. Until the Shire conducts an investigation, it is not possible to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows.

To ensure Department of Water and Environment Regulation (DWER) contaminated site investigation requirements are met, the Shire intends to seek quotes from suitably qualified environmental consultants to carry out a site investigation and provide a report detailing their findings a report detailing their findings and, if necessary detail any, recommended remediation works.

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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17. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
President - J Stratford			
President's annual allowance	7,500	7,500	7,500
Meeting attendance fees	4,500	4,500	4,500
Annual allowance for ICT expenses	900	900	900
Travel and accommodation expenses	600	2,143	0
	13,500	15,043	12,900
Deputy President - B Cooper			
Deputy President's annual allowance	1,100	1,650	0
Meeting attendance fees	3,600	3,600	3,600
Annual allowance for ICT expenses	900	900	900
Travel and accommodation expenses	0	2,143	0
	5,600	8,293	4,500
Councillor 3 - G Greaves			
Meeting attendance fees	2,400	3,600	0
Annual allowance for ICT expenses	600	900	0
Travel and accommodation expenses	589	2,143	0
	3,589	6,643	0
Councillor 4 - G Boyne			
Meeting attendance fees	3,600	3,600	3,600
Annual allowance for ICT expenses	900	900	900
Travel and accommodation expenses	229	2,143	229
	4,729	6,643	4,729
Councillor 5 - L Smith			
Meeting attendance fees	3,600	3,600	3,600
Annual allowance for ICT expenses	900	900	900
Travel and accommodation expenses	0	2,143	0
	4,500	6,643	4,500
Councillor 6 - N Chandler			
Meeting attendance fees	2,400	3,600	0
Annual allowance for ICT expenses	600	900	0
Travel and accommodation expenses	0	2,143	0
	3,000	6,643	0
Councillor 7 - P McWha			
Deputy President's annual allowance	550	0	1,650
Meeting attendance fees	1,200	3,600	3,600
Annual allowance for ICT expenses	300	900	900
Travel and accommodation expenses	0	2,143	0
	2,050	6,643	6,150
Councillor 8 - G Storer			
Meeting attendance fees	1,200	0	3,600
Annual allowance for ICT expenses	300	0	900
Travel and accommodation expenses	176	0	484
	1,676	0	4,984
	38,644	56,551	37,763
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's annual allowance	7,500	7,500	7,500
Deputy President's annual allowance	1,650	1,650	1,650
Meeting attendance fees	22,500	26,100	22,500
Annual allowance for ICT expenses	5,400	6,300	5,400
Travel and accommodation expenses	1,594	15,001	713
17(b)	38,644	56,551	37,763

SHIRE OF KOORDA
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FOR THE YEAR ENDED 30 JUNE 2022

17. 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	331,458	317,800
Post-employment benefits	68,498	47,525
Employee - other long-term benefits	43,337	41,222
Council member costs	38,644	37,763
17(a)	481,937	444,310

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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

(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	5,580	7,086
Purchase of goods and services	123,465	184,660

(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 KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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18. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Koorda has 3 separate joint agreements with the Department of Communities for the provision of housing at 38, 46 and 49 Smith Street, Koorda.

For accounting purposes, these joint arrangements constitutes joint operations. The assets are land and 9 housing units. The ownership of the assets is determined by agreements which includes the percentage of each parties equitable interest. The assets are included in the Land and Buildings as follows:

	2022 Actual \$	2021 Actual \$
Non-Current Assets		
Land and Buildings		
Land - Lot 550 Smith Street @ 100%	19,000	19,000
38 Smith Street Koorda x 3 (A, B & C) @ 12.12%	25,452	21,816
Land - Lot 291 Smith Street @ 100%	7,000	7,000
46 Smith Street Koorda x 3 (1, 2 & 3) @ 15.35%	64,470	57,563
Land - Lot 13 Smith Street @ 100%	7,000	7,000
49 Smith Street Koorda x 3 (1, 2 & 3) @ 39.70%	142,920	142,920
Total assets	265,842	255,299
The Shire of Koorda manages the property and tenancy under the joint operation.		
Statement of Comprehensive Income		
Fees and charges	46,284	50,537
Depreciation	(16,533)	(19,702)
Employee costs	(5,483)	(4,449)
Insurance	(3,566)	(3,760)
Materials and contracts	(23,713)	(39,703)
Utilities	(6,900)	(5,579)
Profit/(loss) for the period	(9,911)	(22,656)
Other comprehensive income	0	(11,113)
Total comprehensive income for the period	(9,911)	(33,769)

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

19. 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.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rates	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	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.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.61%	1,433,866	0	1,364,393	69,473
Financial assets at amortised cost - term deposits	1.80%	5,877,725	5,877,725	0	0
2021					
Cash and cash equivalents	0.45%	857,730	0	804,488	53,242
Financial assets at amortised cost - term deposits	0.50%	5,748,351	5,748,351	0	0

Sensitivity

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

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	13,644	8,045

* Holding all other variables constant

SHIRE OF KOORDA
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19. 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
30 June 2022					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	726	28,447	39,679	0	68,852
Loss allowance	0	0	0	0	0
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	29,781	21,264	17,624	35,099	103,768
Loss allowance	0	0	0	0	0

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

	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2022					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	7,218	3,965	200	4,178	15,561
Loss allowance	0	0	0	0	0
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	430	231	2,728	987	4,376
Loss allowance	0	0	0	0	0

SHIRE OF KOORDA
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19. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

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

	Rates receivable		Trade and other receivables	
	2022 Actual \$	2021 Actual \$	2022 Actual \$	2021 Actual \$
Opening loss allowance as at 1 July	0	0	2,388	2,388
Unused amount reversed	0	0	(2,388)	0
Closing loss allowance at 30 June	0	0	0	2,388

Trade receivables 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 are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(c) Liquidity risk

Payables

Payables are 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 15(c).

The contractual undiscounted cash flows of the Shire's Payables 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 \$
2022					
Trade and other payables	135,203	0	0	135,203	135,203
	135,203	0	0	135,203	135,203
2021					
Trade and other payables	119,420	0	0	119,420	119,420
	119,420	0	0	119,420	119,420

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient 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.

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

21. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

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

Objective	Description
<p>Governance To provide decision making process for the efficient allocation of scarce resources.</p>	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
<p>General purpose funding To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants and interest revenue.
<p>Law, order, public safety To provide services to help ensure a safer and environmentally conscious community.</p>	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<p>Health To provide an operational framework for environmental and community health.</p>	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
<p>Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.</p>	Maintenance and support of family daycare/playgroup centre. Contribution to community welfare/care programs.
<p>Housing To provide and maintain staff, joint venture and elderly residents housing.</p>	Provision and maintenance staff, community and joint venture housing.
<p>Community amenities To provide services required by the community.</p>	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
<p>Recreation and culture To establish and effectively manage infrastructure and resources which will help the social well being of the community.</p>	Maintenance of public halls, aquatic centre, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library. Maintenance and support of museum and other cultural facilities and services.
<p>Transport To provide safe, effective and efficient transport services to the community.</p>	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
<p>Economic services To help promote the shire and its economic well being.</p>	Tourism and area promotion including the maintenance and operation of a caravan park and short term accommodation facility. Provision of rural services including weed control, vermin control and standpipes. Building control.
<p>Other property and services To monitor and control council's overheads operating accounts.</p>	Private works operation, plant repair and operation costs and engineering operation costs.

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21. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Income excluding grants, subsidies and contributions			
General purpose funding	1,170,750	1,177,499	1,176,454
Law, order, public safety	6,599	6,500	6,336
Health	7,010	7,000	7,229
Housing	157,719	178,464	208,481
Community amenities	199,097	196,894	202,876
Recreation and culture	17,036	15,136	14,139
Transport	94,400	17,400	28,396
Economic services	142,608	85,780	35,522
Other property and services	26,505	18,000	70,725
	1,821,724	1,702,673	1,750,158
Grants, subsidies and contributions			
Governance	220,545	65,905	65,905
General purpose funding	2,555,647	1,229,996	2,530,711
Law, order, public safety	32,257	14,519	10,562
Transport	941,775	922,890	861,375
Other property and services	23,646	40,000	46,213
	3,773,870	2,273,310	3,514,766
Total Income	5,595,594	3,975,983	5,264,924
Expenses			
Governance	(557,991)	(494,007)	(480,623)
General purpose funding	(88,096)	(106,513)	(121,579)
Law, order, public safety	(79,908)	(91,042)	(143,866)
Health	(126,603)	(169,962)	(136,844)
Education and welfare	(33,578)	(57,198)	(77,814)
Housing	(150,083)	(211,516)	(248,877)
Community amenities	(372,253)	(349,774)	(310,485)
Recreation and culture	(738,720)	(975,042)	(998,290)
Transport	(1,587,202)	(1,795,068)	(1,767,438)
Economic services	(455,939)	(386,402)	(223,944)
Other property and services	(523,796)	(6,731)	(31,640)
Total expenses	(4,714,169)	(4,643,255)	(4,541,400)
Net result for the period	881,425	(667,272)	723,524

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21. FUNCTION AND ACTIVITY (Continued)

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
(c) Fees and Charges			
General purpose funding	1,540	1,100	6,457
Law, order, public safety	2,598	2,500	6,336
Health	7,010	7,000	7,229
Housing	157,719	178,464	208,481
Community amenities	196,165	196,894	202,876
Recreation and culture	17,036	15,136	14,139
Economic services	142,608	85,780	35,522
Other property and services	8,785	5,000	21,601
	533,461	491,874	502,641

	2022	2021
	\$	\$
(d) Total Assets		
General purpose funding	87,059	133,329
Law, order, public safety	880,843	895,953
Health	825,262	824,315
Education and welfare	99,014	101,079
Housing	4,656,515	5,567,084
Community amenities	2,369,607	2,165,969
Recreation and culture	7,592,916	7,967,304
Transport	78,213,415	76,901,939
Economic services	1,460,613	616,902
Other property and services	1,552,546	2,367,336
Unallocated	641,823	100,572
	98,379,613	97,641,782

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22. 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
Rate Description	Basis of valuation			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross rental valuations	Gross rental valuation	0.01163	135	959,024	111,535	0	0	111,535	111,534	0	0	111,534	108,849
Unimproved valuations	Unimproved valuation	0.01743	220	60,116,000	1,048,014	1,131	0	1,049,145	1,047,822	0	0	1,047,822	1,020,733
Sub-Total			355	61,075,024	1,159,549	1,131	0	1,160,680	1,159,356	0	0	1,159,356	1,129,582
Minimum payment		Minimum \$											
Gross rental valuations	Gross rental valuation	400	27	27,250	10,800	0	0	10,800	10,800	0	0	10,800	10,800
Unimproved valuations	Unimproved valuation	400	24	210,996	9,600	0	0	9,600	9,600	0	0	9,600	9,639
Sub-Total			51	238,246	20,400	0	0	20,400	20,400	0	0	20,400	20,439
			406	61,313,270	1,179,949	1,131	0	1,181,080	1,179,756	0	0	1,179,756	1,150,021
Discounts on general rates (Refer note 22(d))								(42,553)				(45,000)	(43,602)
Total amount raised from general rates								1,138,527				1,134,756	1,106,419
* Rateable value is based on the value of properties at the time the rate is raised.													
(b) Rates (excluding general rates)		Rate in											
Ex-gratia Rates													
Ex Grata Rates - CBH			0	0	6,643	0	0	6,643	6,643	0	0	6,643	0
Sub-Total			0	0	6,643	0	0	6,643	6,643	0	0	6,643	0
Total amount raised from rates (excluding general rates)								6,643				6,643	0
(c) Total Rates								1,145,170				1,141,399	1,106,419

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

22. RATING INFORMATION (Continued)

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

Rates Discounts

Rate or Fee Discount Granted	Type	Discount %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$	Circumstances in which Discount is Granted
General rates	Rate	5.00%		42,553	45,000	40,152	Current year rates and all arrears are paid in full prior to the cut off date.
				42,553	45,000	40,152	

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Waiver/Concession %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$
Refuse charge	Fee and charge		80	2,100	1,760	2,070
Recycling charge	Fee and charge		60	2,100	1,320	1,380
				4,200	3,080	3,450
Total discounts/concessions				46,753	48,080	43,602

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
Refuse charge	Eligible aged pensioners	To encourage elderly residents to remain in their own home.	To encourage elderly residents to remain in their own home.

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

22. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	18/08/2021	0.00	0.00%	7.00%
Option Two				
First instalment	1/09/2021	0.00	0.00%	7.00%
Option Three				
First instalment	1/09/2021	0.00	0.00%	7.00%
Second instalment	10/11/2021	0.00	0.00%	7.00%
Third instalment	12/01/2022	0.00	0.00%	7.00%
Fourth instalment	16/03/2022	0.00	0.00%	7.00%

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Interest on unpaid rates	6,000	6,000	9,242
	6,000	6,000	9,242

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

23. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget	2020/21
	2021/22 (30 June 2022)	(30 June 2022)	(30 June 2021)
Note	Carried Forward)	Carried Forward)	Carried Forward
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	9(b) (92,771)	(9,000)	(53,864)
Less: Non-cash grants and contributions for assets	0	0	(1,196)
Less: Movement in liabilities associated with restricted cash	627	0	1,517
Less: Fair value adjustments to financial assets at fair value through profit & loss	(2,998)	0	(1,939)
Add: Loss on disposal of assets	9(b) 81,332	41,000	24,858
Add: Depreciation	9(a) 1,869,790	2,007,296	2,113,655
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(2,251)	0	3,444
Employee benefit provisions	16,924	975	(20,692)
Other provisions	37,434	0	(884,344)
Contract liabilities	(164,761)	(65,904)	(49,429)
Revaluation of landfill	0	0	1,049,898
Non-cash amounts excluded from operating activities	1,743,326	1,974,367	2,181,908
(b) Non-cash amounts excluded from investing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to investing activities			
Movement in non current loans receivable	5,000	0	5,000
Non-cash amounts excluded from investing activities	5,000	0	5,000
(c) Surplus/(deficit) after imposition of general rates			
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.			
Adjustments to net current assets			
Less: Reserve accounts	24 (5,877,725)	(5,360,123)	(5,748,351)
Add: Current liabilities not expected to be cleared at end of year - Employee benefit provisions	201,087	201,023	200,460
Total adjustments to net current assets	(5,676,638)	(5,159,100)	(5,547,891)
Net current assets used in the Rate Setting Statement			
Total current assets	7,431,770	5,740,389	6,753,246
Less: Total current liabilities	(420,494)	(581,289)	(453,685)
Less: Total adjustments to net current assets	(5,676,638)	(5,159,100)	(5,547,891)
Net current assets used in the Rate Setting Statement	1,334,638	0	751,670

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

24. RESERVE ACCOUNTS	2022	2022	2022	2022	2022	2022	2022	2022	2021	2021	2021	2021
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Opening	Transfer to	Transfer	Closing	Opening	Transfer to	Transfer	Closing	Opening	Transfer to	Transfer	Closing
	Balance		(from)	Balance	Balance		(from)	Balance	Balance		(from)	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	200,048	1,039	0	201,087	200,048	975	0	201,023	198,943	1,105	0	200,048
(b) Plant Reserve	829,437	43,830	0	873,267	829,437	104,042	(385,000)	548,479	825,547	3,890	0	829,437
(c) Road Reserve	704,021	3,656	0	707,677	704,021	103,421	(160,000)	647,442	699,438	4,583	0	704,021
(d) Council Building reserve	731,442	4,354	0	735,796	838,317	164,085	(140,000)	862,402	1,125,190	6,252	(400,000)	731,442
(e) TV reserve	31,817	165	0	31,982	31,817	155	0	31,972	31,641	176	0	31,817
(f) Recreation reserve	1,265,274	6,570	0	1,271,844	1,265,274	6,165	(155,000)	1,116,439	1,258,282	6,992	0	1,265,274
(g) Medical Practitioners reserve	297,484	1,545	0	299,029	297,484	1,449	0	298,933	295,840	1,644	0	297,484
(h) IT & Administration reserve	384,315	1,996	0	386,311	384,315	1,873	0	386,188	382,191	2,124	0	384,315
(i) Sewerage reserve	959,649	64,983	0	1,024,632	959,648	68,448	0	1,028,096	954,346	5,303	0	959,649
(j) Community Housing reserve	42,019	0	0	42,019	0	0	0	0	41,787	232	0	42,019
(k) JVC Units reserve	45,620	0	0	45,620	0	0	0	0	45,368	252	0	45,620
(l) Community Bus reserve	62,601	326	0	62,927	62,602	305	0	62,907	62,255	346	0	62,601
(m) NRM reserve	21,991	114	0	22,105	21,991	107	0	22,098	21,869	122	0	21,991
(n) Waste Management reserve	153,397	796	0	154,193	153,397	747	0	154,144	152,549	848	0	153,397
(o) JV Johnson reserve	19,236	0	0	19,236	0	0	0	0	19,130	106	0	19,236
	5,748,351	129,374	0	5,877,725	5,748,351	451,772	(840,000)	5,360,123	6,114,376	33,975	(400,000)	5,748,351

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets 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) Leave reserve	Perpetual	To be used to fund annual, long serve, accrued holiday and sick leave requirements.
(b) Plant Reserve	Perpetual	To be used to ensure plant purchases are funded from funds set aside and the use of those funds determined by a ten year Forward Plan, which is reviewed annually. The intent is that at least the annual plant depreciation component is set aside.
(c) Road Reserve	Perpetual	To be used to assist future road works difficult to fund on an annual basis including acts of nature.
(d) Council Building reserve	Perpetual	To be used to fund the major asset category the Shire owns, and allow some management of the various building requirements.
(e) TV reserve	Perpetual	To be used to fund future upgrading or extension of receiver/transmission facility.
(f) Recreation reserve	Perpetual	To be used to fund future upgrading, renovations and general requirements.
(g) Medical Practitioners reserve	Perpetual	To be used to fund future costs of attracting and retaining a qualified medical practitioner within the District/Region.
(h) IT & Administration reserve	Perpetual	To be used to fund future technology that will require future updating.
(i) Sewerage reserve	Perpetual	To be used to fund upgrading and replacement of the town sewerage treatment plant.
(j) Community Housing reserve	Perpetual	To be used to fund future maintenance and construction.
(k) JVC Units reserve	Perpetual	To be restricted (not Council controlled) funds that must be used for future maintenance, upgrading or replacement of JV Units or returned to the Department of Housing and Works.
(l) Community Bus reserve	Perpetual	To be used to fund the change over of costs of the community bus.
(m) NRM reserve	Perpetual	To be used to fund the future retention of the NRM officer.
(n) Waste Management reserve	Perpetual	To be used to fund future refuse development.
(o) JV Johnson reserve	Perpetual	This reserve is created by the reserve income over expenditure on this project - for future maintenance and development needs.

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

25. CORRECTION OF PRIOR PERIOD ERROR

The Shire has three joint agreements with the Department of Communities for the provision of aged housing. The joint arrangements are a joint operation. The assets involved are the land and nine housing units at 38, 46 and 49 Smith Street, Koorda.

The ownership of these assets is determined by an equity agreement, which includes the percentage of each parties' equity interest. The Shire's shares are 12.12%, 15.35% and 39.70% in the respective agreements.

The Shire had incorrectly recognised the full share of the fair value of these assets and associated depreciation expense, instead of just their shares as per the agreements. Corrections have been made to the affected financial statement line items as at 1 July 2020 and 30 June 2021 to only include the Shire's share of the assets. Adjustments were also made in 2020-21 to reflect only the Shire's share of depreciation expense in the financial report.

Statement of Financial Position (Extract)	30 June 2021			30 June 2020		
	30 June 2021	Increase/ (Decrease)	30 June 2021 (Restated)	30 June 2020	Increase/ (Decrease)	30 June 2020 (Restated)
	\$	\$	\$	\$	\$	\$
Property, plant and equipment	14,766,993	(757,158)	14,009,835	13,254,210	(639,274)	12,614,936
Net assets	97,085,476	(757,158)	96,328,318	93,892,783	(639,274)	93,253,509
Retained surplus	51,183,204	125,355	51,308,559	50,125,256	93,754	50,219,010
Revaluation surplus	40,153,921	(882,513)	39,271,408	37,653,151	(733,028)	36,920,123
Total equity	97,085,476	(757,158)	96,328,318	93,892,783	(639,274)	93,253,509

Statement of Comprehensive Income (Extract)	2021		2021	
	2021	Increase/ (Decrease)	2021	(Restated)
	\$	\$	\$	\$
Depreciation	2,145,256	(31,601)	2,113,655	
Net result for the period	691,923	31,601	723,524	
Other comprehensive income for the period				
Changes in asset revaluation surplus	2,500,770	(149,485)	2,351,285	
Total comprehensive income for the period	3,192,693	(117,884)	3,074,809	



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Koorda

To the Councillors of the Shire of Koorda

Opinion

I have audited the financial report of the Shire of Koorda (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, 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.

Emphasis of matter – restatement of comparative figures

I draw attention to Note 25 of the financial report which states that the amounts reported in the previously issued 30 June 2021 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

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.

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.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Koorda 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.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
20 December 2022