





# **INTRODUCTION**

#### What is an annual report?

As required by the *Local Government Act 1995* and associated regulations the Annual Report for 2022-2023 provides an overview of the operations, activities and major projects undertaken by the Shire of Halls Creek (Shire) for that period, and includes major initiatives proposed to commence or to continue in the next financial year.

The performance of the Shire of Halls Creek Council (Council) is assessed against the Vision, Values, Strategic Goals, Outcomes and Strategies as set out in the Shire of Halls Creek Strategic Community Plan 2015-2025 and the Actions contained in the Corporate Business Plan 2022-2026. These plans provide strategic focus for elected members and the organisation and affirm our commitments to the community.

#### Acknowledgement of the Traditional Owners of this land

We acknowledge the traditional owners of the Jaru and Kija lands on which we meet and pay respect to Elders, past, present and emerging; for they hold the memories, the traditions, the culture and hopes of First Nations peoples across the country and are instrumental in shaping our collective futures.



Aspiration or Value	Benefits
Respect for, and engagement with the traditional owners of the land.	Ensuring pace and level of development impacting Indigenous communities is guided by the Traditional Owners.
Social inclusiveness	Promotes a future for all residents, actively strengthens the social fabric of the community, values diversity and responds to special needs and disadvantage.
Community involvement	Values the contributions of all groups and ages and generates opportunities for active participation by residents in planning and action.
Positive Mindset	Fosters community attitudes that embrace change, proactive 'can do' behaviours, optimism, hopefulness and the belief in the community being architects and builders of their social and economic future.
Respect for the Environment, Cultures and Sustainable Practices	Respects the natural environment, cultures, heritage and town character and commits to ensuring that the needs of the present are met without compromising the ability of future generations to meet their needs.
Access and Equity	Provides all residents with adequate health, educational, learning, housing and recreational opportunities, facilities and programs.
Mutual Responsibility and Respect	Encourages attitudes and behaviours that foster harmony, equity before the law, personal accountability and respect for the ideas, potential and contributions of all residents.
Celebration	Encourages pride and times of celebration relating to the town's heritage, uniqueness, cultures and achievements.
Collaboration, Partnership and Networking	Creating and strengthening stakeholder collaboration, coordination, networking and cross-promotion to ensure maximum positive outcomes for the residents of the town.
Asset and Opportunity Focus	Focussing upon local assets, opportunities and creativity, and building upon and strengthening existing initiatives and groups.
Commitment to Excellence in Performance and Customer Service	Ensuring strong dedication to quality experiences and outstanding customer service where everyone experiences respect, hospitality and friendliness.





### STRATEGIC COMMUNITY PLAN

All Western Australia local governments are required to develop a Strategic Community Plan for a period of at least 10 years. In 2008, the Shire prepared its strategic community plan 2008-2018, based on extensive community consultation.

The Strategic Community Plan was updated. In 2015 the plan was reviewed based on extensive community consultation throughout the Shire.

We also took the opportunity to review the outcomes in 2015 and identified priorities for each of the objectives to guide us, as a Council, moving forward. The Strategic Community Plan outlines our long-term vision, values, aspirations and objectives, based on the input provided by the community.

A Corporate Business Plan has also been developed to ensure our resources are aligned to the priorities of the Strategic Community Plan. This will provide the framework within which our desired outcomes are delivered. The Corporate Business Plan will also be regularly reviewed.



The four pillars of the Strategic Community Plan are local jobs, local economy, local social and local leadership.

## LOCAL JOBS

That access to employment is a right, where employment, respect and growth are possible.

#### Strategy

The primary strategy of Local Jobs is to increase the net number, quality, and variety of employment and training opportunities in community services, local government, pastoral, mining, and tourism sectors.

#### Priorities

- Raising the Indigenous employment target to 75% by 2025 within the Shire
- Providing up to 10, Year 12 traineeships as pathways to employment
- Advocating for better service delivery by local job providers
- Collaborating with local businesses to invest in work experience, apprenticeships, and ongoing training

#### How will success be measured?

Successful outcomes will be evident when there's a notable rise in Indigenous employment, effective transition of trainees into jobs, improved job provider services, and enhanced employment and training opportunities within the community.





## LOCAL ECONOMY

Communities that develop strong economies, with rising local employment, training and income generation opportunities

#### Strategies

Strategies of Local Economy focus on pursuing new economic and entrepreneurial opportunities to diversify the economy, support local Aboriginal enterprises, and strengthen business capacity and profitability.





#### Priorities

- Recording business expansion and income projects
- Securing financial and technical support for sustainable businesses
- Pursuing state and federal funding to promote the district as a business and investment hub
- Strengthening interagency collaboration and promoting the district as a tourism destination are emphasised
- Lobbying for expanded services, promoting collective impact arrangements
- Supporting Aboriginal organisations
- Encouraging local purchasing and improving infrastructure

#### How will success be measured?

Success will be measured by visible contributions to economic growth, modern technology access for businesses, community support for economic strategies, and an attractive Halls Creek CBD. Increased business activity, effective infrastructure, strong partnerships, and growing visitor numbers will also be key indicators.







### LOCAL SOCIAL

Invest in welcoming, safe, liveable and thriving communities that are continually expanding healthy lifestyle options and opportunities, whilst maintaining natural and built environments.

#### Strategies

- Foster high levels of volunteerism and participation
- Protect country for future generations
- Enable well-informed and engaged communities
- Maintain a high-standard road network

#### Priorities

- Design and fund local community initiatives that require volunteer input to promote self-sufficiency
- Collaborate with government and NGOs to support community engagement
- Expand intergenerational activities that connect youth to Country and Elders
- Support the expansion of Ranger programs
- Ensure consultation with Traditional Owners
- Protecting heritage sites and promoting recycling campaigns are crucial

Other important facets of this campaign include effective communication and consultation methods, developing a consultation calendar, and encouraging resident feedback to engage the community.

Priorities for road network maintenance include maintaining efficient construction and maintenance enterprises, advocating for key road upgrades, lobbying for increased government funding, and working with remote communities to improve road access.

#### How do we measure success?

Successful outcomes will be reflected in increased community empowerment, effective program expansions, preserved heritage sites, engaged residents, and well-maintained infrastructure.



## LOCAL LEADERSHIP

Advance communities and organisations that foster leadership, collaboration, innovation, entrepreneurship and good governance.

#### Strategies

- Foster leadership, collaboration, innovation, entrepreneurship, and good governance within communities and organisations
- Secure financial and technical support
- Maintain effective and accountable governance
- Enhance community capabilities
- Empower young people

#### Priorities

- Monitor and secure external funding to meet community and economic aspirations
- Source funding that builds local capacity
- Adopt practices that support community-driven program development

Ensuring strong corporate governance, attracting and retaining quality employees, and increasing local skilled staff are critical to success. Additionally, enhancing youth capabilities through the 'Olabud Doogethu' projects, providing training for community builders, and promoting family and community responsibility are emphasised. Empowering young people involves expanding the 'Olabud Doogethu' project, connecting youth to Elders, and creating employment, education, healthy lifestyle, and recreation opportunities for young women.

#### How do we measure success?

Successful outcomes will be reflected in effective leadership and decision-making, increased community-driven initiatives, more local employment, inspired and motivated youth, and strong community engagement and responsibility.





### STATISTICS SNAPSHOT 2022-2023

Number of Development Approvals 11

Value of Development Approvals \$6,707,000

Number of Building Permits Issued 12

Value of Building Permits Issued \$8,994,673.27

Ranger infringements

Fire Mitigation Notices

**Breaches under Part 5, Division 9 of the Local Government Act 1995** 0

Service complaints responded to 6

Freedom on Information Requests 2

#### **Capital Works Program**

- Capital Road Works Program including resealing of roads in Halls Creek
- Flood Damage Reinstatement Program

#### Minor Works Program

Installation of drinking water fountains at the cemetery Gazebos.

#### Capital grants, subsidies and contributions





	2022-23	2021-22	2020-21
Renewal and Replacement Assets	\$1,015,525.72	\$2,882,096.16	\$1,707,474.42



#### **Revenue and Expenditure**





### GOVERNANCE

#### **President's Report**

To all residents and community members of the Shire of Halls Creek.

I would like to express my gratitude to our hardworking Shire staff, Council, and community members for their dedication and contribution to the success of our Shire. Your passion and commitment for creating a vibrant, sustainable, and inclusive community are commendable.

This year, we have continued to focus on providing essential services and infrastructure to our residents. We have invested significantly in upgrading and maintaining our road network, with several major projects completed, including significant upgrades to Tanami Road, Balgo Access Road, Lake Gregory Road, and more. These projects not only improve safety and accessibility for our residents but also contribute to the economic development of our Shire.

In addition to road infrastructure, we have also made significant progress in improving our community facilities. The Halls Creek Swimming Pool has undergone upgrades which include flood lighting, tiling repairs, line painting, and pump room infrastructure repairs. The facility is now fully accessible, inclusive, and safer for all users, and we are proud to offer this valuable asset to our community.

We have also continued our commitment to supporting local businesses and promoting economic development. The Shire has provided support to many local businesses, which has contributed to job creation, skill development, and the diversification of our local economy. We are excited to see the positive impact of these initiatives on our community and look forward to continuing our support in the coming years.

Our community engagement and partnerships have also been a key focus area this year. We have collaborated with various community groups, organisations, and stakeholders to deliver programs and services that meet the needs of our residents. The Shire has supported numerous events and activities, including the annual Halls Creek Rodeo, the NAIDOC Week celebrations, and the Anzac Day and Remembrance Day tributes, providing opportunities for our community to come together, celebrate, and strengthen our social connections.

The Western Australian government has recently announced a series of reforms to the local government system in Western Australia. These reforms are designed to improve the efficiency and effectiveness of local government, and to make it more responsive to the needs of the community.

Some of the key changes include the introduction of a new system of performance-based funding for local governments, the establishment of a new independent body to oversee the local government sector and the introduction of new measures to improve the transparency and accountability of local governments.

We look forward to incorporating these changes into the way we do business to improve the services we provide to The Shire. But the changes don't end there. The Federal government has recently introduced changes to industrial relations law. Some of the key changes include the introduction of a new system of enterprise bargaining, the establishment of a new Fair Work Commission to replace the Fair Work Australia and The Australian Industrial Relations Commission, and the introduction of new measures to reduce the incidence of industrial disputes.

As we continue to remain agile and adaptive to the changes afoot, we will also be considering the changes to the work health and safety legislation, which sees the introduction of a new duty of care on employers to ensure the health and safety of their workers, the establishment of a new national work health and safety regulator and the introduction of new penalties for breaches of the law.

I am proud of the accomplishments and progress we have made in the 2023/2024 financial year. The Shire of Halls Creek remains committed to providing quality services and infrastructure, promoting economic development, protecting our environment, and engaging with our community. I would like to thank everyone who has contributed to our Shire's success, and I look forward to continuing our journey towards a brighter and more prosperous future for all our residents.

Malcolm Edwards Shire President 22 August 2024





#### **CEO** Report

To the communities of the Shire of Halls Creek,

The 2022-2023 financial year presented myriad challenges many of which have been well documented. These include our ongoing inability to attract and retain staff during and post the pandemic and concerns around community safety.

However, staff remained steadfast in their commitment to the well-being and prosperity of our communities. Our programs and initiatives have centred around fostering economic development, improving infrastructure, enhancing community health and safety, and promoting inclusivity. The Shire is proud of the positive impact these initiatives have had on our residents and businesses.

Sue Leonard CEO 22 August 2024





### **OUR COUNCIL**

The Council is the governing body of the Shire of Halls Creek and is made up of seven Elected Members (called Councillors). The role of Council is defined in the *Local Government Act 1995 (the Act)* as:

- To direct and control the local government's affairs; and
- To be responsible for the performance of the local government's functions.

Each Elected Member is in office for a four-year-term. Local government elections take place every second year on the third Saturday in October, with half the Council retiring at each election. Retiring Council members are eligible for re-election. After each election Elected Members select a President and Deputy President from amongst themselves.

The role of a Councillor is to represent the community, provide leadership and guidance, facilitate communication between community and Council, make decisions on matters before Council, determine Council policy, govern finances and provide forward planning and evaluation of the progress toward achievement of Shire goals.

Councillors play a very important policy-making role, requiring the identification of community needs, setting objectives to meet those needs and establishing priorities between competing demands. Elected Members do not have authority to act or make decisions as individuals. They are members of an elected Council body that makes decisions on behalf of the local government through a formal meeting process.







## CR VIRGINIA O'NEIL

Councillor Term 2025 Mob 0467 766 146



# CR BONNIE EDWARDS

Councillor Term 2025 Mob 0488 225 636



# CR CHRIS LOESSL

Deputy Shire President Term 2025 Mob: 0417 187 636



## CR MALCOLM EDWARDS

Shire President Term 2023 Mob: 0417 187 636



# CR ANGIE BEDFORD

Councillor Term 2023 Mob 0491 344 581



# CR TRISH MCKAY

Councillor Term 2023 Mob 0418 877



## CR ROSEMARY STRETCH

Councillor Term 2025 Mob 0460 557 329



#### Elected Member Conduct

Section 5.121 of the *Local Government Act 1995* requires a local government to maintain a register of complaints that result in an action under section 5.110(6) (b) or (c) of the *Local Government Act 1995*. In the 2022/23 year there was 1 complaint lodged regarding elected members.

#### **Councillor meeting attendance**

Elected member	Ordinary Council Meeting (11)	Special Council Meeting (1)	General Electors Meeting (0)	Audit Committee (2)
Cr Edwards (President)	11/11*	1	0	1
Cr Loessl (Deputy)	11/11	1	0	1
Cr B. Edwards	7/11	1	0	0
Cr O'Neil	9/11	1	0	0
Cr Stretch	9/11	1	0	1
Cr Bedford	8/11	0	0	1
Cr McKay	9/11	1	0	0



#### **Councillor Remuneration**

Cr Malcolm Edwards	
President Allowance	\$10304.40
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
Reimbursements	\$2078.35
	\$25963.15
Cr Bonnie Edwards	
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
	\$13580.40
Cr Angeline Bedford	
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
	\$13580.40



Cr Rosemary Stretch	
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
	\$13580.40
Cr Virginia O'Neil	
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
	\$13580.40
Cr Christopher Loessl	
Deputy President Allowance	\$2576.04
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
	\$16156.44
Cr Patricia McKay	
Sitting Fee	\$10304.40
Information and Communication Allowance	\$3276.00
	\$13580.40



### **CHIEF EXECUTIVE OFFICER REMUNERATION**

The amount for the CEO's remuneration is \$239,100\*.

\*based on the information available at the time of preparation



### **COUNCIL TRAINING**

Councillor	Financial Report	Meeting Procedures	Serving on Council	Understanding Local Government	Conflicts of Interest
Malcolm Edwards	Completed	Completed	Completed	Completed	Completed
Chris Loessl	Completed	Completed	Completed	Completed	Completed
Virginia O'Neil	Completed	Completed	Completed	Completed	Completed
Bonnie Edwards	Completed	Completed	Completed	Completed	Completed
Rosemary Stretch	Completed	Completed	Completed	Completed	Completed
Patricia McKay	Completed	Completed	Completed	Completed	Completed
Angie Bedford	Completed	Completed	Completed	Completed	Completed



### **OUR SHIRE**

Located in the Kimberley region of north-west Western Australia, the Shire is one of Australia's iconic outback regions, with a unique cultural and heritage environment.

The Shire covers 142,908 square kilometres of the Kimberley and is located approximately 2,850 kilometres to the north-east of Perth, and 362 kilometres south of Kununurra. The Northern Territory forms the eastern boundary of the Shire, with the Shire of Wyndham-East Kimberley to the north, the Shire of Derby West Kimberley to the west and the Shire East Pilbara to the south and west.

The remote communities of Balgo (Wirrimanu), Billiluna (Mindibungu), Mulan, Kundat Djaru (Ringer Soak), Warmun (Turkey Creek) and Yiyili are an integral part of the district, with around 3,000 people residing in communities outside of the Halls Creek townsite. Throughout the Shire there are a number of smaller communities. The region is connected by 391 kilometres of sealed roads, and 1,449km of unsealed roads, which require extensive maintenance work due to seasonal flooding. The Shire is fortunate to have a population that is 70% First Nations people who are closely connected to country through language, culture and regular participation on their traditional lands.

The Shire is responsible for providing good governance for its community members. This includes ensuring quality information and due diligence underpins decision making, community participation and operational transparency. Pivotal to this is ensuring all staff conduct themselves with the highest personal integrity and accountability.

The Shire of Halls Creek is an independent corporate body constituted under the *Local Government Act 1995 (the Act)*. The Act requires the Shire to comply with its statutory and contractual obligations and meet the needs of current and future generations by integrating environmental protection, social advancement and economic prosperity for all.

The Shire provides a wide range of services including:

- Aboriginal Environmental Health
- Cemetery Services
- Environmental Health
- Infrastructure development and maintenance
- Land Management
- Olabud Doogethu
- Parks and Gardens
- Planning and Regulatory Services
- Ranger Services
- Recreation Centre
- Swimming Pool
- Road Construction and Maintenance
- Waste Management
- Youth and Community Development





## YEAR IN REVIEW AGAINST PRIORITIES OF THE STRATEGIC COMMUNITY PLAN

#### Statutory planning

#### Local Planning Scheme No. 2

Amendment 2 was initiated in March 2023, to rezone 31 Welman Road and 59 Welman Road from Residential R20 to Residential R40. The amendment was approved and gazetted in November 2023.

Amendment 3 was initiated in July 2023 and is still in process. The amendment aims to modify Table 3 - Zoning Table by changing the land use permissibility of 'Residential-Grouped Dwellings' in the 'Mixed Use' zone from 'X'- not permitted to 'A', meaning grouped dwellings are not permitted in the Mixed-Use zone unless Council exercises its discretion after community consultation.

#### Development approvals for the financial year 2022-2023

It is noted that there is little development of new projects such as additional housing, new commercial or industrial development etc. Most development is related to replacing dilapidated housing and renovating or improving existing structures and increasing security of existing structures.

There is a critical shortage of land for new development. The Shire is in the process of acquiring land for the development of new residential and industrial subdivisions.

Location	Description	Value
10 John Flynn Street	3 Double Storey Grouped Dwellings	\$2,805,000
36 Beckett Street	30 Vehicle Storage Shed + Single Dwelling	\$2,200,000
36 Roberta Avenue	2 Grouped Dwellings	\$380,000
2 Hall Street (Lot 71)	Electric Car Charging Station	\$120,000
Lot 7&8 Roberta Avenue	Electric Security Fence	\$60,000
Billiluna School	Alterations and additions to toilet block and Administration buildings	\$822,000
Lot 7&8 Roberta Ave	Retrospective Application-Razor security wire fence	\$5,000
165 GNH, Halls Creek	Installation of colour bond fence	\$100,000
SL-Lot 902 (Lot 4 P240207) 173 Balgo	Ranger base, storage shed and ablution block	65,000
Koongie Park Station-Lot 132 DP191020	Telecommunications Facility	\$150,000
Halls Creek Hospital-Lot 70	6 Staff Grouped Dwellings	Not provided
<b>```</b>	Total	\$6,707,000



#### Public works projects in progress and proposed

- Proposed industrial subdivisionProposed residential subdivision at Blueberry Hill
- Proposed Caravan Park and Camp site on Lot 508, along the Great Northern Highway
- Proposed new shopping centre
- Proposed BMX track

#### Estimated value of development projects over the last 4 years

Year	No. of Projects	Total Estimated Value	Mean Value
2019	6	\$1,710,650	\$285,100
2020	11	\$5,930,000	\$539,100
2021	7	\$6,788,478	\$969,700
2022	10	\$9,550,100	\$955,510
2023	11	\$6,707,000	\$744,666.67*

#### **Building Control**

Building Permits issued in the financial year 2022-2023

Location	Description	Value
21 Neighbour Street (Frail Age)	4x4m Gazebo	\$33,034.09
Mulan Community School	Covered playground, alterations to early learning classroom, UAT and staff toilets, repair existing verandas	\$1,040,000
Warlawurru Catholic Sch. Red Hill Community	Single Storey 2 classroom block & outdoor learning space	\$1,470,000
8 Terone Street – YY Aboriginal Health Service	Expansion of the YY Medical Centre Stage A: Renal Dialysis Clinic Stage B: New Offices and Re-Roof Stage C: New Pharmacy and Community Purpose Space	\$4,600,531
Lot 7 & 8-Kimberley Hotel	Electric Fence erection	\$60,000
Lot 71 P205582 – 2 Halls Street, Halls Creek	Electric Vehicle charging station	\$81,092
Lot 22 P184874 – Warmun	Electric Vehicle charging station	\$85,220
Lot 7 & 8 Kimberley Hotel	2.4m high Garrison Security fence	\$15,000
Lot 70-Halls Creek Hospital	2.1m high Garrison Security fence	\$110,946



#### **Government Issued Permits**

Location		Cost
4 John Flynn St	Residential Dwelling	\$812,335
14a Terone Street	Conversion of part of building from residential accommodation to office area	\$577,315.5
14 Minyjaarra Way	Installation of boundary fence and gates	\$109,199.68
Total		\$8,994673.27

#### Local Laws

The *Local Government Act 1995* requires local laws to be reviewed every 8 years. The following local laws are due for review in 2024:

- Shire of Halls Creek Health Local law 2002
- Shire of Halls Creek Cemeteries Local Law 2015
- Shire of Halls Creek Dogs Local Law 2015
- Shire of Halls Creek Standing Orders Local Law 2015

The Department of Health is now implementing Stage 5 of the Public Health Act 2016, which should provide the local government health local laws model.

#### **Environmental Health Services**

The Department of Health has further extended the Aboriginal Environmental Health funding agreement to the end of December 2025. Under this program the Shire continues to provide environmental health services to rural and remote Aboriginal communities including:

- the implementation and review of Community Environmental Health Action Plans;
- control of communicable diseases, including investigation of notifiable diseases and cases referred by health facilities;
- monitoring of water supplies, biological and chemical monitoring of recreational waters, liquid, and solid waste management; and
- control of Arbovirus diseases through the control of mosquito infestations.

The provision of environmental health services in Aboriginal communities is under review and it is expected that a new model will come into effect in 2026.

The Shire is implementing a pilot project that aims at environmental health promotion activities being implemented within the community. To date, ten community members have undergone training in environmental health promotion in the communities of Balgo and Yiyili.

#### Ranger Services

The Shire Rangers are successfully implementing the option of re-homing unwanted dogs and cats, instead of destroying them. The Shire now provides boarding services for dogs for short periods of time, especially during long holidays, including Christmas and New Year, and Easter Holidays. The rangers were responsible for re-homing 80% of dogs that ended up in the pound. A free dog and cat sterilisation program was delivered, funded by the Shire. The total number of animals sterilised was 87 (81 dogs and 6 cats).



#### Kundat Jaru Basketball Court

Community infrastructure facility consisting of a full-sized court, full shade cover, stage area, storage area, and drink fountain. Jointly funded by Department of Local Government, Sport and Culture, and the Central Land Council.

The cost of this project was \$685,000.

#### Local Roads and Community Infrastructure Program

Re-sheeting of various Shire roads including Thomas Road, Kinivan Street, Jinggul Street, Roberta Avenue and more. Funded by Department of Infrastructure, Transport, Regional Development, Communications and the Arts. Project cost \$495,000.

#### Flood Damage Reinstatement

This project involved emergency opening up works, flood damage reinstatement works of AGRN899 and AGRN951 to the value of \$1,222,535 across the financial year. Funded by Department of Fire and Emergency Services.



#### **Road Construction and Upgrade projects**

This project focused on construction and upgrade of a number of Shire roads including Tanami Road (several sections), Balgo Mission Road, Lake Gregory Access Road to the value of \$**981,893**.

#### Fit out and opening of new gym

This project significantly increased the footprint and variety of equipment. Equipment includes an array of cardio equipment, free weights, and machines. Gym membership numbers subsequently increased by at least **400**%.

#### Renovation works and re-opening of the pool after an extended closure

This project included repairs to tiling, re-marking of swim lane lines, lighting upgrades, and more. Estimated value of this project was \$100,000.

#### Wood Working workshop

This project included fit out and purchasing of all new equipment, building upgrade works, and launch of new program activities. Funded by Department of Justice this project cost of \$40,000.

#### Establishment and launch of the Men's Tribal Area

This project focused on providing a safe place for men's yarning and support, cultural advice, drug and alcohol support, youth support and more.

#### Local justice system redesign

Engagement of Dr Harry Blagg from the University of Western Australia for the consultation and redesign of the local justice system.





#### Grant Funding for training of Environmental Health Workers

This project attracted \$**180,000** to provide environmental health worker training in remote communities. Six workers from Balgo and four from Yiyili completed the training.

#### **Oolabud Doogethu leadership and development**

The Shire secured \$2.7 million over five years from the Paul Ramsey Foundation for the leadership and development of key staff in the Olabud Doogethu program. This funding will go towards the mentoring and support of staff to realise their full potential in the workforce.



#### Youth Engagement Night Officers

Secured funding from Department of Justice for the Youth Engagement Night Officers program and associated support.

#### Cheeky Dog Café

This project focused on the reopening and launch of Cheeky Dog Café after being closed for several years. Training and upskilling of local staff to prepare and serve coffee, cakes, toasted sandwiches and more was conducted. Minor building and system upgrade works were carried out. Estimated cost was \$40,000.





### **EMPLOYEE DATA**

#### **Current Employee Status**



#### **Current Employee Years of Service**

9%















#### Annual Staff Numbers by Service



Gender







#### **Employee Salary**

It is a requirement of the *Local Government Act 1995*, and related Administration Regulations, that the number of employees entitled to an annual salary of \$**130,000** or more per annum, are disclosed in the Annual Report in bands of \$**10,000**. This information is set out below.

Salary Range \$	2020/21	2021/22	2022-2023
130,000 - 139,999	1	0	0
140,000 — 149,999	0	0	3
150,000 – 159,999	0	0	0
160,000 – 169,999	0	0	0
170,000 – 179,999	0	0	0
180,000 – 189,999	0	0	0
190,000 — 199,999	0	0	0
200,000 – 209,999	0	0	1
210,000 – 219,999	0	0	0
220,000 - 229,999	0	0	0
230,000 - 239,999	0	0	0
240,000 – 259,999	1	0	0
260,000 – 269,999	0	0	0
270,000 - 279,999	0	1	0



### **OUR PERFORMANCE**

#### Compliance

#### **Register of Complaints**

During the period 1 July 2022 and June 30, 2023, no breach or complaint was registered under Part 5, Division 9 of the *Local Government Act 1995*.

#### **Freedom of Information**

The Shire is subject to the provisions of the Freedom of Information (FOI) *Act* 1992. The Shire processed 1 Freedom of Information request in 2022-2023. The Shire has reviewed its Information Statement Document, which is published to the Shire website as required under the FOI Act. For further information on the Freedom of Information process, visit Department of Home Affairs at <u>https://www.homeaffairs.gov.au/access-and-accountability/freedom-of-information</u>

Two Freedom of Information requests were responded to in 2022-2023.

#### **State Records Compliance**

The Shire maintains accurate and compliant recordkeeping practices in line with requirements of the State Records *Act* 2000. More information on the Shire's records management process can be obtained from the Shire website.

#### **Risk Management**

The Shire provides a diverse range of services and facilities to the public which exposes it to risks. As part of the Implementation of Integrated Planning and Reporting, the Shire intends to formalise its risk management practices to improve the management of identified risks.

The Shire has a practice of conducting regular reviews of insurance levels of assets to the ensure level is adequate. The Shire's insurer is LGIS.

The Financial Management Regulations require the investment of surplus funds (including cash reserves) to be in term deposits held by authorised deposit taking institutions or Treasury bonds.

The Shire seeks to engage experienced and qualified personnel in areas of high risk and provides them with appropriate ongoing training and equipment to ensure they can undertake their roles with minimal risk to the community and the Shire.

### DISABILITY ACCESS AND INCLUSION PLAN (DAIP)

The Disability Services Act 1993 requires all local governments and selected State Government agencies to develop a Disability Access and Inclusion Plan (DAIP). The Shire's current DAIP extends to 2027. Endorsed by the Department of Communities, the Plan can be freely accessed on the Shire's website at

<u>https://www.hallscreek.wa.gov.au/documents-and-forms/disability-access-and-inclusion-plan-2022-2027</u> The Shire's DAIP identifies seven outcomes to improve access to Shire facilities and participation in Shire activities and

employment.



## DISABILITY ACCESS AND INCLUSION PLAN (1 - 3)

1	People with disabilities have the same access to Shire of Halls Creek services and events. The strategies involve linking the Disability Access and Inclusion Plan (DAIP) with the Shire's Community Strategy, fostering partnerships with key agencies, maintaining an updated directory of local services, staying informed on public health research and government initiatives, and promoting accessible events. Tasks include referencing the DAIP in strategic planning, supporting interagency meetings, maintaining service directories, keeping abreast of the NDIS rollout, and promoting accessible event guidelines.	<ol> <li>Pool Opening - Access to pool is disability friendly, seating always made available for those requiring, loud speaker utilised for those requiring, shallow pool option available.</li> <li>Outcome achieved was well attended – approximately 200 of all abilities.</li> <li>Anzac Day Ceremony - Seating provided for ceremony, loud speaker utilised for those requiring.</li> <li>Outcome achieved was well attended – approximately 40 people.</li> <li>Movie nights (multiple). Seating provided.</li> <li>Amplifying speakers provided.</li> </ol>
2	People with disabilities have access to buildings and facilities. Strategies include replacing heavy doors, integrating access and inclusion into project planning, advocating for improved accessibility, reviewing Shire facilities, and conducting audits. Tasks involve conducting access audits, developing accessible building checklists, engaging access consultants, and providing training on continuous path of travel. It has been identified that sliding doors are required at the Shire Administration office to ensure people with disabilities can enter the facility safety.	
3	<b>People with disabilities have equal access to</b> <b>information</b> . Strategies include informing the community about alternative formats, ensuring staff can provide information in these formats, and using various communication methods. Tasks involve identifying communication needs, updating the Shire's website, and ensuring library services meet community demand.	All Shire notices are communicated in a range of formats, including verbal by door to door local level engagement. This was particularly utilised during times of COVID peaks. In written format – i.e. website, Facebook, notice boards. Community newsletters issued. Invitations are always open for Council in-person formats at monthly Council meetings. Councillors phone numbers are available on the Shire website. Shire phone always manned and employees work with customers in many ways to take feedback or engage. New Shire Facebook pages have been created to reach a greater target of individuals, this includes a Health based page as well as an Events based page.





## **DISABILITY ACCESS AND INCLUSION PLAN (4-7)**

4	People with disabilities receive quality service from Shire staff. Strategies include training staff on access and inclusion, making access resources available, and increasing staff knowledge of public health issues. Tasks involve conducting regular training, reviewing resources, and engaging community experts.	No particular events to report for this outcome, however all staff here are trained in such a way to assist all customers with their enquiries. This may extend to overcoming language barriers, physical barriers, hearing impairments and so on. Staff will exercise a range of different efforts to assist including: 1. Interpreter from within the organisation 2. Pen/paper communication 3. Assisting with filling in of forms 4. Face to face assistance with applications and other services 5. Anything else as requested.
5	<b>People with disabilities are provided with equal</b> <b>opportunities to make complaints.</b> Strategies involve promoting the complaints process, ensuring multiple avenues for complaints, and reviewing and reporting on complaints related to access and inclusion.	Similarly to the information provided for Outcome 4, the Shire will accept complaints in the follow ways: 1. Written 2. Face to face 3. Verbal 4. Via a proxy 5. Via email 6. Via Phone If there are other attempts to make a complaint, this will readily be taken on by the Shire to remain as accessible for residents and ratepayers as possible.
6	People with disabilities can participate in public consultations. Strategies include gathering community input on access and inclusion, making Council meetings accessible, and following accessible event guidelines. Tasks involve identifying ways to gather input, following accessibility guidelines for meetings, and providing meeting papers in other languages on request.	Consultation is undertaken in a range of different ways across the Shire. One example of inventive consultation was for the new BMX track where the target audience were juveniles. Information sessions were organised with the target audience with attractions to encourage participation including a BBQ lunch. Feedback was received within the consultation via a range of ways to inform the construction, these included: 1. Verbal 2. Physically on site demonstration 3. Post it notes as votes on pictures of what was desired 4. Written The Outcome was that the BMX track was constructed in such a way that was informed by the target audience. Other examples of consultation include advertisement on Shire webpage, Shire Facebook pages and community Facebook pages, Notice Boards.
7	People with disabilities have equal employment opportunities at the Shire of Halls Creek. Strategies include developing an inclusive culture, conducting workplace access audits, ensuring new buildings meet accessibility standards, and using resources to guide recruitment and employment. Tasks involve reviewing policies, promoting inclusivity, providing adaptive equipment, and establishing clear career development opportunities.	Employees within the Shire are encouraged and supported to gain support through local services if requires and if they are something that is not able to be provided directly through the Shire. As a small organisation nothing of note has been required during the last reporting year however this Shire commits to assisting staff that do require support whether that be literacy support, communications support, additional support for engaging with internal Shire services such as payroll, and so on. Employees additionally are encouraged to work with their supervisors/managers to ensure access to all available internal services.



#### Information Technology

The Shire is continually reviewing and implementing new technology to assist in streamlining operations and providing a positive return on investment. In 2022-2023 the Shire roll out a VOIP phone system aimed at reducing service interruption and increasing enhanced customer accessibility via an effective communications system.



#### National Competition Policy

The National Competition Policy is a set of competition enhancing principles agreed to by the State and Federal Governments in 1995.

The intention of the policy is to promote competition for the benefit of businesses, consumers and the economy by eliminating any advantage received by government as a result of public sector ownership. The result should be a more 'level playing field' between the public and private sectors.

All governments with business activities that generate in excess of \$200,000 per annum of user-pays income must assess these activities and, if necessary, introduce measures to eliminate any net advantages that may have arisen because of the public ownership of the activities.

During the 2022-2023 financial year, the Shire did not have any significant business activities that met this criterion and is not required to complete this assessment. The Shire is committed to ensuring full compliance with the principles of the National Competition Policy, and therefore monitors its business activities accordingly.



#### **Review of Local Laws**

The *Local Government Act 1995* requires Local Laws to be reviewed every 8 years. All local laws are current except the Health Local Law. Since the gazettal of the Public Health Act 2016, the local government health local laws model has not yet been produced. Shire local laws can be accessed at the Shire of Halls Creek website. The Cemeteries Local Law, Dogs Local Law and the Standing Orders Local Law are due for review in 2024-2025.

Local Law Reviewed	Action (unchanged, repealed or amended)
Cemeteries Local Law 2015	Unchanged
Dogs Local Law 2015	Unchanged
Standing Orders Local Law 2015	Unchanged
Local Government Act Local Law 2002	Repealed
Local Government Property Local Law 2017	Unchanged
Fencing Local Law 2017	Unchanged
Health Local Law 2002	Unchanged and due for review
Waste Local Law 2019	Unchanged



### **OUR PLAN FOR THE FUTURE**

Priority Projects	Funded	Benefits to the community			
RECREATION AND CULTURE					
Town Centre upgrade	State Government	<ul> <li>Improve useability of existing facilities</li> <li>Increase in facilities within the town for youth and children such as the BMX track.</li> </ul>			
Upgrades to Old Town	State Government	<ul> <li>Increase visitation and tourism opportunities</li> </ul>			
BMX Track	State Government	Enhancement of youth spaces			
TRANSPORT					
Capital Road Works	Shire funded/ contribution funding from	Improved safety and trafficability of roads. Project locations include Balgo Mission Road, Carranya Road and Tanami Road			
Flood Damage Repair Work	Main Roads WA State Government	Completion of AGRN 899 to the value of approximately \$4M Progressing of AGRN 951 and 1044 to the value of \$7M and \$3.5M respectively.			
Duncan Gordon Upgrade Project	State Funded	Approximately 50km reformed and resheeted utilising local staff and plant on panel arrangement.			
LRCIP	Federal Government	Sealing of Town Street locations including Thomas Street, Beckett Street, Stan Tremlett Drive, Terrone Street.			





## **Our contact details**

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2 Hall St Halls Creek WA 6770 Australia







## **Auditor General**

### INDEPENDENT AUDITOR'S REPORT 2023 Shire of Halls Creek

To the Council of the Shire of Halls Creek

### **Disclaimer of Opinion**

I am required by section 7.7 of the *Local Government Act* 1995 to audit the annual financial report of the Shire of Halls Creek (Shire) which comprises:

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

I do not express an opinion on the accompanying financial report of the Shire. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

### **Basis for Disclaimer of Opinion**

### Financial report not supported with complete and accurate underlying records

I was unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole as the financial report was submitted for audit purposes without complete and accurate underlying records. I was unable to audit the financial report by alternative means.

Consequently, I am unable to determine whether any adjustments were necessary to the financial report as a whole for the year ended 30 June 2023.

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

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

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the 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.
### SHIRE OF HALLS CREEK

### **FINANCIAL REPORT**

### FOR THE YEAR ENDED 30 JUNE 2023

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

The Shire of Halls Creek town and remote communities are economically diverse, caring, and proactive with a strong sense of responsibility and pride.

Principal place of business: 2 Hall Street Halls Creek WA 6770

### SHIRE OF HALLS CREEK FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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

### STATEMENT BY CEO

The accompanying financial report of the Shire of Halls Creek has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

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

Signed on the TWENTY FOURTH day of October 2023 au Chief Executive Officer Phillip Cassell Name of Chief Executive Officer



### SHIRE OF HALLS CREEK STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue	D(a) D(a)	2 450 074	2.254.052	0.045.400
Rates Grants, subsidies and contributions	2(a),21	3,452,971 13,397,544	3,354,853 12,008,079	2,845,190 12,222,612
Fees and charges	2(a) 2(a)	1,367,987	3,580,159	940,015
Service charges	2(a) 2(a)	4,175	4,171	4,172
Interest revenue	2(a)	239,304	31,000	33,981
Other revenue	2(a)	814,394	458,307	608,038
	-(/	19,276,375	19,436,569	16,654,008
Expenses				
Employee costs	2(b)	(6,269,937)	(6,828,141)	(6,325,385)
Materials and contracts		(3,289,762)	(8,335,904)	(5,129,789)
Utility charges		(603,829)	(543,530)	(643,665)
Depreciation		(5,969,454)	(6,089,491)	(5,985,131)
Finance costs	2(b)	(71,622)	(61,417)	(136,038)
Insurance		(640,045)	(560,942)	(493,893)
Other expenditure	2(b)	(804,390)	(457,820)	(2,192,257)
		(17,649,039)	(22,877,245)	(20,906,158)
		1,627,336	(3,440,676)	(4,252,150)
Capital grants, subsidies and contributions	2(a)	2,752,243	1,402,968	3,677,911
Profit on asset disposals		163,807	0	1,200
Loss on asset disposals		(228,568)	0	(99,463)
		2,687,482	1,402,968	3,579,648
Net result for the period		4,314,818	(2,037,708)	(672,502)
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit	or loss			
Changes in asset revaluation surplus	15	5,068,746	0	5,098,776
Total other comprehensive income for the period	15	5,068,746	0	5,098,776
Total comprehensive income for the period		9,383,564	(2,037,708)	4,426,274

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



### SHIRE OF HALLS CREEK STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	NOTE	2023	2022
CURRENT ASSETS		\$	\$
Cash and cash equivalents	3	12,673,528	7,121,011
Trade and other receivables	4	2,283,837	1,536,941
Inventories	5	109,926	116,220
Other assets	6	0	120,000
TOTAL CURRENT ASSETS		15,067,291	8,894,172
NON-CURRENT ASSETS			
Trade and other receivables	4	12,891	11,188
Property, plant and equipment	7	37,036,076	39,386,768
Infrastructure	8	101,605,974	96,054,607
TOTAL NON-CURRENT ASSETS		138,654,941	135,452,563
TOTAL ASSETS	1	153,722,232	144,346,735
CURRENT LIABILITIES			
Trade and other payables	10	1,492,817	1,320,304
Other liabilities	11	2,478,432	1,684,468
Borrowings	12	919,817	982,737
Employee related provisions	13	475,432	488,534
TOTAL CURRENT LIABILITIES		5,366,498	4,476,043
NON-CURRENT LIABILITIES			
Borrowings	12	819,329	1,664,704
Employee related provisions	13	96,127	24,745
Other provisions	14	1,159,522	1,284,051
TOTAL NON-CURRENT LIABILITIES		2,074,978	2,973,500
TOTAL LIABILITIES		7,441,476	7,449,543
NET ASSETS	1	146,280,756	136,897,192
EQUITY			
Retained surplus		38,803,396	34,548,392
Reserve accounts	24	4,052,189	3,992,375
Revaluation surplus	15	103,425,171	98,356,425
TOTAL EQUITY		146,280,756	136,897,192

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



### SHIRE OF HALLS CREEK STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2021		34,512,118	4,701,151	93,257,649	132,470,918
Comprehensive income for the period Net result for the period		(672,502)	0	0	(672,502)
Other comprehensive income for the period	15	0	0	5,098,776	5,098,776
Total comprehensive income for the period	65	(672,502)	0	5,098,776	4,426,274
Transfers from reserve accounts	24	708,776	(708,776)	0	0
Balance as at 30 June 2022	-	34,548,392	3,992,375	98,356,425	136,897,192
Comprehensive income for the period Net result for the period		4,314,818	0	0	4,314,818
Other comprehensive income for the period	15	0	0	5,068,746	5,068,746
Total comprehensive income for the period	-	4,314,818	0	5,068,746	9,383,564
Transfers to reserve accounts	24	(59,814)	59,814	0	0
Balance as at 30 June 2023	-	38,803,396	4,052,189	103,425,171	146,280,756

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

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### SHIRE OF HALLS CREEK STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

FOR THE YEAR ENDED 30 JUNE 2023	1	0000	0000
	NOTE	2023 Actual	2022 Actual
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		3,217,831	2,970,338
Grants, subsidies and contributions		13,696,777	12,765,565
Fees and charges		1,367,987	743,556
Service charges Interest revenue		4,175	4,172
Goods and services tax received		239,304 1,089,415	33,981 379,660
Other revenue		814,394	608,038
	1	20,429,883	17,505,310
Payments			, ,
Employee costs		(5,991,921)	(6,307,989)
Materials and contracts		(3,315,458)	(4,980,715)
Utility charges		(603,829)	(643,665)
Finance costs		(61,417)	(139,748)
Insurance paid	-	(640,045)	(493,893)
Goods and services tax paid		(1,003,376)	(1,372,827)
Other expenditure	-	(804,390)	(2,192,257)
		(12,420,436)	(16,131,094)
Net cash provided by operating activities		8,009,447	1,374,216
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	7(a)	(141,627)	(525,955)
Payments for construction of infrastructure	8(a)	(5,437,307)	(4,018,823)
Capital grants, subsidies and contributions		2,752,243	4,935,815
Proceeds from sale of property, plant & equipment	-	1,278,056	85,623
Net cash provided by (used in) investing activities		(1,548,635)	476,660
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	23(a)	(908,295)	(892,074)
Net cash (used in) financing activities		(908,295)	(892,074)
Net increase in cash held		5,552,517	958,802
Cash at beginning of year		7,121,011	6,162,209
Cash and cash equivalents at the end of the year		12,673,528	7,121,011

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

### SHIRE OF HALLS CREEK STATEMENT OF FINANCIAL ACTIVITY FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	21	3,452,971	3,354,853	2,845,190
Grants, subsidies and contributions		13,397,544	12,008,079	12,222,612
Fees and charges		1,367,987	3,580,159	940,015
Service charges		4,175	4,171	4,172
Interest revenue		239,304	31,000	33,981
Other revenue		814,394	458,307	608,038
Profit on asset disposals		163,807	0	1,200
		19,440,182	19,436,569	16,655,208
Expenditure from operating activities				
Employee costs		(6,269,937)	(6,828,141)	(6,325,385)
Materials and contracts		(3,289,762)	(8,335,904)	(5,129,789)
Utility charges		(603,829)	(543,530)	(643,665)
Depreciation		(5,969,454)	(6,089,491)	(5,985,131)
Finance costs		(71,622)	(61,417)	(136,038)
Insurance		(640,045)	(560,942)	(493,893)
Other expenditure		(804,390)	(457,820)	(2,192,257)
Loss on asset disposals		(228,568)	0	(99,463)
		(17,877,607)	(22,877,245)	(21,005,621)
Non-cash amounts excluded from operating activities	22(a)	6,120,267	6,089,541	7,270,249
Amount attributable to operating activities		7,682,842	2,648,865	2,919,836
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,752,243	1,402,968	3,677,911
Proceeds from disposal of assets		1,278,056	40,000	85,623
		4,030,299	1,442,968	3,763,534
Outflows from investing activities			,	
Purchase of property, plant and equipment	7(a)	(141,627)	(173,035)	(525,955)
Purchase and construction of infrastructure	8(a)	(5,437,307)	(1,823,040)	(4,018,823)
		(5,578,934)	(1,996,075)	(4,544,778)
Amount attributable to investing activities		(1,548,635)	(553,107)	(781,244)
-	0		(,,	(· - · i– · · ·)
Inflows from financing activities			•	
Transfers from reserve accounts	24	0	0	708,776
Outflows from financing activities		U	U	700,770
Repayment of borrowings	23(a)	(908,295)	(982,736)	(892,074)
Transfers to reserve accounts	24	(59,814)	(2,682,307)	(002,074)
8		(968,109)	(3,665,043)	(892,074)
American stadio de la testino de sino de		(000,400)	(0.005.040)	(100.000)
Amount attributable to financing activities		(968,109)	(3,665,043)	(183,298)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	22(b)	1,820,207	1,569,285	(135,087)
Amount attributable to operating activities		7,682,842	2,648,865	2,919,836
Amount attributable to investing activities		(1,548,635)	(553,107)	(781,244)
Amount attributable to financing activities		(968,109)	(3,665,043)	(183,298)
Surplus or deficit after imposition of general rates	22(b)	6,986,305	0	1,820,207

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



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### 1. BASIS OF PREPARATION

The financial report of the Shire of Halls Creek which is a Class 3 local government, comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

### Local Government Act 1995 requirements

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Local Government Act 1995, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board except for disclosure requirements of: AASB 7 Financial Instruments Disclosures

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

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

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

### Initial application of accounting standards

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

- AASB 2020-3 Amendments to Australian Accounting Standards -Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards
   Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards
   Illustrative Examples for Not-for-Profit Entities accompanying
- AASB 15 Revenue from Contracts with Customers These amendments have no material impact on the current
- annual financial report
- New accounting standards for application in future years The following new accounting standards will have application to local a government in future years:
- AASB 2014-10 Amendments to Australian Accounting Standards

   Sale or Contribution of Assets between an Investor and its
   Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards -Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards -Disclosure of Accounting Policies or Definition of Accounting Estimates
- This standard will result in a terminology change for significant accounting policies
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
   Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards
   Fair Value Measurement of Non-Financial Assets of Not-for-
- Profit Public Sector Entities The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

### 2. REVENUE AND EXPENSES

### (a) Revenue

### Contracts with customers

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

of revenue and recognised as		When abligations		Deturne (Defundel	Timina of an arrive
Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

### **Revenue Recognition**

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

### For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	3,452,971	0	3,452,971
Grants, subsidies and contributions	6,710,747	0	0	6,686,797	13,397,544
Fees and charges	1,252,954	0	37,203	77,830	1,367,987
Service charges	0	0	4,175	0	4,175
Interest revenue	0	0	71,160	168,144	239,304
Other revenue	565,660	0	8,764	239,970	814,394
Capital grants, subsidies and contributions	0	2,752,243	0	0	2,752,243
Total	8,529,361	2,752,243	3,574,273	7,172,741	22,028,618

### For the year ended 30 June 2022

Nederan	Contracts with	Capital	Statutory	<b>•</b> //	_
Nature	customers	grant/contributions	Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,845,190	0	2,845,190
Grants, subsidies and contributions	4,109,563	0	0	8,113,049	12,222,612
Fees and charges	347,327	0	397,341	195,347	940,015
Service charges	0	0	4,172	0	4,172
Interest revenue	0	0	33,951	30	33,981
Other revenue	324,186	0	0	283,852	608,038
Capital grants, subsidies and contributions	0	3,677,911	0	0	3,677,911
Total	4,781,076	3,677,911	3,280,654	8,592,278	20,331,919

### 2. REVENUE AND EXPENSES (Continued)

(a) Revenue	(Continued)
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(a) Revenue (Continued)	Note	2023 Actual	2022 Actual
		\$	\$
Interest revenue Interest on reserve account funds		89,704	0
Rates receivables overdue interest Other interest revenue		71,160 78,440	33,951 30
The 2023 original budget estimate in relation to: Trade and other receivables overdue interest was \$30,000	D.	239,304	33,981
Fees and charges relating to rates receivable Charges on instalment plan		3,000	4,020
The 2023 original budget estimate in relation to: Charges on instalment plan was \$3,000.			
(b) Expenses			
Auditors remuneration - Audit of the Annual Financial Report - Other services – grant acquittals		66,230 0 66,230	59,995 2,000 61,995
Employee Costs Employee benefit costs Other employee costs		6,080,956 188,981	6,140,773 184,612
Finance costs		6,269,937	6,325,385
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value			
through profit or loss Interest on overdraft facility Provisions: unwinding of discount		61,417 0 10,205	98,724 37,314 0
-		71,622	136,038
Other expenditure Sundry expenses		804,390 804,390	<u>2,192,257</u> 2,192,257

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### 3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand Total cash and cash equivalents

### Held as

- Unrestricted cash and cash equivalents

- Restricted cash and cash equivalents

### SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk 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.

Note	2023	2022
63	\$	\$
	12,673,528	7,121,011
15(a)	12,673,528	7,121,011
	6,142,907	3,128,636
15(a)	6,530,621	3,992,375
133	12,673,528	7,121,011

### **Restricted financial assets**

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

4. TRADE AND OTHER RECEIVABLES	Note	2023	2022
	191	\$	\$
Current	10.2		
Rates and statutory receivables		807,475	555,310
Trade receivables	100	1,507,740	1,042,632
Allowance for credit losses of trade receivables	18(b)	(70,870)	(70,870)
ESL receivable		39,492	9,869
	1.5	2,283,837	1,536,941
Non-current			
Rates and statutory receivables		12,891	11,188
		12,891	11,188

Disclosure of opening and closing balances related to contracts with customers Information about receivables from contracts with 30 June

customers along with financial assets and associated liabilities arising from transfers to enable the acquisition	Note	2023 Actual	2022 Actual
or construction of recognisable non financial assets is:		\$	\$
Trade and other receivables from contracts with customers		1,507,740	1,042,632
Allowance for credit losses of trade receivables	4	(70,870)	(70,870)
Total trade and other receivables from contracts with customer	s	1,436,870	971,762

### SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

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

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

### Trade receivables

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

### Other receivables

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

### Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value. Classification and subsequent measurement Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

30 June

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.

### 5. INVENTORIES

	Note	2023	2022
Current	100	\$	\$
Fuel and materials		66,811	73,105
Visitor centre stock	100	43,115	43,115
		109,926	116,220
The following movements in inventories occurred during the y	ear;		
Balance at beginning of year		116,220	85,173
Inventories expensed during the year	13	(348,498)	(156,303)
Additions to inventory		342,204	187,350
Balance at end of year	131	109,926	116,220

### 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.

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### 6. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
Accrued income	0	120,000
	0	120,000

### SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

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## 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.

	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings not subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment \$
Balance at 1 July 2021	5,110,000	\$,611,755	16,535,096	30,256,851	30,256,851	186,237	7,407,059	37,850,147
Additions	0	45,423	122,625	168,048	168,048	22,067	335,840	525,955
Revaluation increments / (decrements) transferred to revaluation surplus	(870,000)	1,720,913	4,247,863	5,098,776	5,098,776	0	0	5,098,776
Depreciation	0	(242,811)	(655,856)	(898,667)	(898,667)	(30,779)	(607,456)	(1,536,902)
Transfers Balance at 30 June 2022	0 4,240,000	447,720 10,583,000	(2,998,928) 17,250,800	(2,551,208) 32,073,800	(2,551,208) 32,073,800	0 177,525	0 7,135,443	(2,551,208) 39,386,768
<b>Comprises:</b> Gross balance amount at 30 June 2022 Accumulated depreciation at 30 June 2022	4,240,000 0	10,583,000 0	17,250,800 0	32,073,800 0	32,073,800 0	299,038 (121,513)	8,868,583 (1,733,140)	41,241,421 (1,854,653)
Balance at 30 June 2022	4,240,000	10,583,000	17,250,800	32,073,800	32,073,800	177,525	7,135,443	39,386,768
Additions	0	0	0	0	0	24,065	117,562	141,627
Disposals	0	0	0	0	0		(1,295,617)	(1,295,617)
Depreciation	0	(264,573)	(276,681)	(541,254)	(541,254)	(28,703)	(626,745)	(1,196,702)
Balance at 30 June 2023	4,240,000	10,318,427	16,974,119	31,532,546	31,532,546	172,887	5,330,643	37,036,076
<b>Comprises:</b> Gross balance amount at 30 June 2023 Accumulated depreciation at 30 June 2023	4,240,000 0	10,583,000 (264,573)	17,250,800 (276,681)	32,073,800 (541,254)	32,073,800 (541,254)	323,103 (150,216)	7,301,905 (1,971,262)	39,698,808 (2,662,732)
Balance at 30 June 2023	4,240,000	10,318,427	16,974,119	31,532,546	31,532,546	172,887	5,330,643	37,036,076

# 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	Independent registered valuer	June 2022	While the unit rates based on square metres could be supported from market evidence, other inputs such as zoning, restrictions and accessibility required extensive professional judgement and impacted significantly on the final determination.
Buildings - non-specialised	7	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2022	Market or estimated price per square metre.
Buildings - specialised	σ	Cost approach using depreciated replacement cost	Independent registered valuer	June 2022	This required estimating the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. Other inputs such as residual value, useful life, pattern of consumption and asset condition required extensive professional judgement and impacted significantly on the final determination.
Level 3 inputs are based on as they have the potential to resul	ssumptions with rega It in a significantly hi	Level 3 inputs are based on assumptions with regards to future values and patterns of con: they have the potential to result in a significantly higher or lower fair value measurement.	sumption utilising c	surrent information	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.

property, plant and equipment using either level 2 or level 3 inputs.

(ii) Cost Furniture and (

Furniture and equipment	N/A	At cost	At cost	N/A	N/A
Plant and equipment	N/A	At cost	At cost	N/A	N/A

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## 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.

	Infrastructure -	Infrastructure -	Infrastructure -		Total
	roads	other	landfill	Work in progress	Infrastructure
Balance at 1 July 2021	\$ 81,021,058	<b>\$</b> 4,795,143	0 \$	\$ 8,116,604	<b>\$</b> 93,932,805
Additions	2,078,344	41,720	1,122,100	776,659	4,018,823
Depreciation	(4,023,329)	(424,900)	0	0	(4,448,229)
Transfers	0	2,551,208	0	0	2,551,208
Balance at 30 June 2022	79,076,073	6,963,171	1,122,100	8,893,263	96,054,607
Comprises: Gross balance at 30 lune 2022	03 488 016	0 070 337	1 1 2 2 100	8 803 263	112 573 716
Accumulated depreciation at 30 June 2022	(14,411,943)	(2,107,166)	0	0	(16,519,109)
Balance at 30 June 2022	79,076,073	6,963,171	1,122,100	8,893,263	96,054,607
Additions	2,985,047	2,452,260	0	0	5,437,307
(Disposals)	0	(47,200)		0	(47,200)
Revaluation increments / (decrements) transferred to revaluation surplus - Refer note 15	4,934,012	0	0	0	4,934,012
Depreciation	(4,197,032)	(495,568)	(80,152)	0	(4,772,752)
Transfers	0	8,841,863	0	(8,841,863)	0
Balance at 30 June 2023	82,798,100	17,714,526	1,041,948	51,400	101,605,974
<b>Comprises</b> : Gross balance at 30 June 2023	101,407,075	20,305,460	1,122,100	51,400	122,886,035
Accumulated depreciation at 30 June 2023	(18,608,975)	(2,590,934)	(80,152)	0	(21,280,061)
Balance at 30 June 2023	82,798,100	17,714,526	1,041,948	51,400	101,605,974

## 8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value Infrastructure - roads	Hierarchy	Valuation Technique	<b>Basis of Valuation</b>	Valuation	Inputs Used
	ო	Cost approach using depreciated replacement cost	Independent registered valuer	June 2023	Construction and current condition residual values and remaining useful life assessment inputs.
Infrastructure - other	м	Cost approach using depreciated replacement cost	Independent registered valuer	June 2018	Construction and current condition residual values and remaining useful life assessment inputs.
Infrastructure - landfill	ო	Cost approach using depreciated replacement cost and using discounted cashflow methodology for make good estimates	Management valuation utilising independent estimates of future make good costs.	June 2022	Construction costs including discounted future make good cost estimates and remaining useful life estimates.

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

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

### 9. FIXED ASSETS

### (a) Depreciation

### **Depreciation rates**

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

Asset Class	Useful life
Buildings	20 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	4 to 20 years
Roads and streets	
- subgrade	not depreciated
- basecourse unsealed	10 years
- basecourse sealed	40 years
- reseal	15 years
- asphalt	25 years
- sand seal	5 years
- culverts	80 years
- stock grids	80 years
- drainage	25-75 years
Footpaths - concrete	40 years
Footpaths - slabs	30 years
Footpaths - gravel	10 years
Floodways - unsealed	10 years
Floodways - sealed	30 years
Floodways - concrete	80 years
Landfill	40 years

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### 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 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.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, 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 Shire's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair 'They are subject to subsequent revaluation at the next revaluation consistent with *Financial Management Regulation 17A(4)*.

### Revaluation

The fair value of land, buildings and infrastructure 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 consistent with *Financial Management Regulation 17A(2)* which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

### **Revaluation (continued)**

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

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

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

### Depreciation

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

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

### **Depreciation on revaluation**

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

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

### Impairment

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 or losses on disposal

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

### **10. TRADE AND OTHER PAYABLES**

### Current

Sundry creditors Prepaid rates Accrued payroll liabilities ATO liabilities Bonds and deposits held Accrued interest on long term loans Accrued expenses

### 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 any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

2023	2022
\$	\$
1,016,654	1,034,532
38,669	19,941
278,757	59,021
84,792	0
60,816	116,678
6,215	10,151
6,914	79,981
1,492,817	1,320,304

### Trade and other payables

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

### **Prepaid rates**

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

### **11. OTHER LIABILITIES**

I. OTHER LIABILITIES	2023	2022
	\$	\$
Current		
Contract liabilities	2,478,432	1,684,468
	2,478,432	1,684,468
Reconciliation of changes in contract liabilities		
Opening balance	1,684,468	860,348
Additions	2,478,432	1,684,468
Revenue from contracts with customers included as a contract		
liability at the start of the period	(1,684,468)	(860,348)
	2,478,432	1,684,468
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$2,478,432 (2022: \$1,684,468)		
The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution		
Opening balance Revenue from capital grant/contributions held as a liability at	0	26,147
the start of the period	0'	(26,147)
	0	0

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

### SIGNIFICANT ACCOUNTING POLICIES

**Contract liabilities** 

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

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

### **12. BORROWINGS**

			2023			2022	
	Note	Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		919,817	819,329	1,739,146	982,737	1,664,704	2,647,441
Total secured borrowings	23(a)	919,817	819,329	1,739,146	982,737	1,664,704	2,647,441

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Halls Creek. Other loans relate to transferred receivables. Refer to Note 4.

The Shire of Halls Creek has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

### SIGNIFICANT ACCOUNTING POLICIES Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierachy (see Note 20(i)) due to the unobservable inputs, including own credit risk. Risk

Details of individual borrowings required by regulations are provided at Note 23(a).

### **13. EMPLOYEE RELATED PROVISIONS**

### **Employee Related Provisions**

	2023	2022
Current provisions	\$	\$
Employee benefit provisions		
Annual leave	330,179	287,837
Long service leave	145,253	178,810
Other employee leave provisions	0	21,887
	475,432	488,534
Total current employee related provisions	475,432	488,534
Non-current provisions		
Employee benefit provisions		
Long service leave	96,127	24,745
	96,127	24,745
Total non-current employee related provisions	96,127	24,745
Total employee related provisions	571,559	513,279

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.

### 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.

### **14. OTHER PROVISIONS**

		rovision for remediation	
	Note	costs	Total
		\$	\$
Opening balance at 1 July 2022			
Non-current provisions		1,284,051	1,284,051
		1,284,051	1,284,051
Unused amounts reversed Charged to profit or loss	15	(134,734)	(134,734)
- unwinding of discount		10,205	10,205
Balance at 30 June 2023		1,159,522	1,159,522
	13		
Comprises			
Non-current		1,159,522	1,159,522
		1,159,522	1,159,522

### **Other provisions**

Amounts which are 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. **Provision for remediation costs** 

Under the licence for the operation of the Halls Creek 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.

### **15. REVALUATION SURPLUS**

	Notes	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
		\$	\$	\$	\$	\$	\$
Revaluation surplus - Furniture and equipment		21,395	0	21,395	21,395	0	21,395
Revaluation surplus - Plant and equipment		866,220	0	866,220	866,220	0	866,220
Revaluation surplus - Land and buildings		13,853,911	0	13,853,911	8,755,135	5,098,776	13,853,911
Revaluation surplus - Infrastructure - roads	8(a)	79,271,111	4,934,012	84,205,123	79,271,111	0	79,271,111
Revaluation surplus - Infrastructure - other		4,343,788	0	4,343,788	4,343,788	0	4,343,788
		98,356,425	4,934,012	103,290,437	93,257,649	5,098,776	98,356,425
Revaluation surplus - Infrastructure - Iandfill liability	14	0	134,734	134,734	0	0	0
		98.356.425	5.068.746	103 425 171	93 257 649	5 098 776	98 356 425

### **16. RESTRICTIONS OVER FINANCIAL ASSETS**

		Note	2023 Actual	2022 Actual
imposed by regulation	es of financial assets have restri ons or other externally imposed limit or direct the purpose for w be used:		\$	\$
- Cash and cash equ	uivalents	3	6,530,621	5,676,843
			6,530,621	5,676,843
	ial assets are a result of the fol which the assets may be used:			
Restricted reserve a		24	4,052,189	3,992,375
Contract liabilities		11	2,478,432	1,684,468
Total restricted fina	ancial assets		6,530,621	5,676,843
	WING FACILITIES AND CREI	Л		
STANDBY ARRANG	GEMENTS			
Bank overdraft limit			2,000,000	2,000,000
Bank overdraft at ba	lance date		0	0
Credit card limit			35,000	20,000
Credit card balance		100	(11,019)	0
Total amount of cro	edit unused		2,023,981	2,020,000
Loan facilities				
Loan facilities - curre	ent		919,817	982,737
Loan facilities - non-	current		819,329	1,664,704
Total facilities in us	se at balance date		1,739,146	2,647,441
Unused Ioan facilit	ies at balance date		NIL	NIL

### **18. RELATED PARTY TRANSACTIONS**

### (a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.	Note	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
President's annual allowance		10,304	10,323	9,795
President's meeting attendance fees	10	10,304	10,323	9,795
President's ICT expenses		3,276	3,276	3,276
President's travel and accommodation expenses	13	0	200	0
		23,884	24,122	22,866
Deputy President's annual allowance		2,576	2,581	2,449
Deputy President's meeting attendance fees		10,304	10,323	9,795
Deputy President's ICT expenses		3,276	3,276	3,276
		16,156	16,180	15,520
All other council member's meeting attendance fees		51,522	51,615	46,408
All other council member's ICT expenses		16,380	16,380	14,994
		67,902	67,995	61,402
	18(b)	107,942	108,297	99,788
(b) Key Management Personnel (KMP) Compensation				
The total of compensation paid to KMP of the				
Shire during the year are as follows:				
Short-term employee benefits		647,533		888,363
Post-employment benefits		110,386		126,154
Employee - other long-term benefits		124,017		323,351
Employee - termination benefits		33,584		0
Council member costs	18(a)	107,942		99,788
		1,023,462		1,437,656

### Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in

respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

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

### Other long-term benefits

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

Termination benefits

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

### Council member costs

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

### **18. RELATED PARTY TRANSACTIONS**

### 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.

There were no transactions occurring with related parties.

### **19. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There were no events that occurred after the end of the reporting period 30 June 2023.

### 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 report is presented.

### e) Budget comparative figures

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

### f) Superannuation

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

### g) Fair value of assets and liabilities

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

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

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

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

### h) Interest revenue

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

### i) Fair value hierarchy

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

### Level 1

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

### Level 2

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

### Level 3

Measurements based on unobservable inputs for the asset or liability.

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

### Valuation techniques

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

### Market approach

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

### **Income** approach

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

### **Cost approach**

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

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

### j) Impairment of assets

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

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

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

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	<b>NOTES TO AND FORMING PART OF THE FINANCI</b>	2023
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SHIRE OF HALLS CREEK	OR	FOR THE YEAR ENDED 30 JUNI
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ц С	ž	5

## 21. RATING INFORMATION

(a) General Rates

	at indiana indi	ł		Mumhar	Anthel							
Sectiption         Basis of valuation         \$         Properties         Value*         Revenue         Rate	ation	Kat	te in	of	Rateable	Actual Rate	Actual Interim	Actual Total	Budget Rate	Budget Interim	Budget Total	Actual
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	vacant Pastoral ectinu/Exuloration		を行う	roperties	Value*	Revenue	Rates	Revenue	Revenue	Rate	Revenue	Revenue
	vacant Pastoral F ectinu/Fxnloration				\$	\$	\$	••	69	\$	\$	49
			08640	339	12,904,868	1,114,981	3,031	1,118,012	1,111,004	25.000	1.136.004	1.078.743
astoral Unimproved valuation $\begin{array}{ c c c c c c c c c c c c c c c c c c c$			15490	1	21,060	3,262	0	3,262	3.262	0	3.262	2,631
			04614	27	15,853,500	731,480	0	731,480	731.480	0	731.480	490 544
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $			38478	34	2,152,651	828,297	3,746	832,043	828,297	0	828.297	712.827
Minimum switch         580         33,401,298         3,252,978         116,239         3,368,217         3,245,006         25,000         3,270,006         3,2			23285	179	2,469,219	574,958	109,462	684,420	570,963	0	570.963	482.829
Minimum         Minimum           Payment         81         3         5,100         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         2,553         0         15,302         0         15,302         0         15,302         0         15,302         0         16,302         16,302         16,302         16,302         16,302         16,323         21,322         21,323         21,323 <td>Total general rates</td> <td></td> <td>5-40 V 10-5-5</td> <td>580</td> <td>33,401,298</td> <td>3,252,978</td> <td>116,239</td> <td>3,369,217</td> <td>3,245,006</td> <td>25,000</td> <td>3.270.006</td> <td>2.767.574</td>	Total general rates		5-40 V 10-5-5	580	33,401,298	3,252,978	116,239	3,369,217	3,245,006	25,000	3.270.006	2.767.574
Payment         2,553         0         5,280         0         5,280         0         5,280         0         5,283         5,283         5,283         5,283         5,283         5,283         5,283         5,283         5,283         2,324,833         1         1         1<1,293         3,452,971         0         3,354,853		Minit	mum									
Im payment         \$ <th< td=""><td></td><td>Payr</td><td>ment</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>		Payr	ment									
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Minimum payment		\$									
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$		valuation	851	e	5,100	2,553	0	2,553	2.553	0	2.553	3.336
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$		valuation	1,093	13	35,500	14,209	0	14,209	15,302	0	15.302	17.152
Cliny/Exploration     Unimproved valuation     880     6     7,480     5,280     0     5,280     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     5,280     0     43,292     0     43,292     0     43,292     0     43,292     0     43,292     0     43,292     0     43,292     0     84,847     <	astoral	valuation	921	20	32,500	18,420	0	18,420	18.420	0	18.420	17.420
Drift     Unimproved valuation     548     79     98,653     43,292     0     43,292     0     43,292     0     43,292       nents     121     179,233     83,754     0     83,754     0     83,754     0     84,847     0       nents     701     33,580,531     3,336,732     116,239     3,452,971     3,329,853     25,000     3,354,853       nd minimum payments     701     33,580,531     3,336,732     116,239     3,452,971     3,329,853     25,000     3,354,853       Note 2(a)     Note 2(a)     61,026     61,026     61,026     30,000     30,000		valuation	880	9	7,480	5,280	0	5,280	5,280	0	5.280	4,998
nents     121     179,233     83,754     0     83,754     84,847     0     84,847     0       nd minimum payments     701     33,580,531     3,336,732     116,239     3,452,971     3,329,853     25,000     3,354,853       nd minimum payments     701     33,580,531     3,336,732     116,239     3,452,971     3,329,853     25,000     3,354,853       nd minimum payments     701     33,580,531     3,336,732     116,239     3,452,971     3,329,853     25,000     3,354,853       nd minimum payments     7,01     3,356,732     116,239     3,452,971     3,329,853     25,000     3,354,853       nd minimum payments     7,452,971     3,329,853     25,000     3,354,853     7	2	valuation	548	79	98,653	43,292	0	43,292	43,292	0	43.292	34.710
nd minimum payments 701 33,580,531 3,336,732 116,239 3,452,971 3,329,853 25,000 3,354,853 3,554,853 3,452,971 3,329,853 25,000 3,354,853 3,354,853 3,452,971 3,452,971 3,554,853 3,554,853 000 000 2(a)	Total minimum payments			121	179,233	83,754	0	83,754	84,847	0	84,847	77,616
3,452,971 3,354,853 3,000 00te 2(a) 30th 00te 2(a) 30th 00te 2(a) 30th 00th 00th 00th 00th 00th 00th 00th	Total general rates and minimum payments		1	701	33,580,531	3,336,732	116,239	3,452,971	3,329,853	25,000	3,354,853	2,845,190
Note 2(a)	Total Rates							3,452,971		I	3,354,853	2,845,190
	Rate overdue interest Note 2(a)							61,026			30,000	33,951

ensure the information in the record was current and correct.

\*Rateable Value at time of raising of rate.

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### 22. DETERMINATION OF SURPLUS OR DEFICIT

		Note	2022/23 (30 June 2023 Carried Forward)	2022/23 Budget (30 June 2023 Carried Forward)	2021/22 (30 June 2022 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 Statement of				
	Financial Activity in accordance with <i>Financial Management Regulation</i> 32.		NAME DE LA		
	Adjustments to operating activities				
	Less: Profit on asset disposals		(163,807)	0	(1,200)
	Less: Movement in liabilities associated with restricted cash		6,168	50	(58,222)
	Add: Loss on disposal of assets		228,568	0	99,463
	Add: Depreciation	9(a)	5,969,454	6,089,491	5,985,131
	Non-cash movements in non-current assets and liabilities:				
	Pensioner deferred rates		(1,703)	0	(2,470)
	Employee benefit provisions		71,382	0	(36,504)
	Other provisions Non-cash amounts excluded from operating activities		10,205 6,120,267	6,089,541	1,284,051 7,270,249
	Non-cash amounts excluded from operating activities		0,120,207	0,009,041	7,270,249
(b)	Surplus or deficit after imposition of general rates				
	The following current assets and liabilities have been excluded				
	from the net current assets used in the Statement of Financial Activity				
	in accordance with Financial Management Regulation 32 to				
	agree to the surplus/(deficit) after imposition of general rates.				
	Adjustments to net current assets				
	Less: Reserve accounts	24	(4,052,189)	(6,674,682)	(3,992,375)
	Add: Current liabilities not expected to be cleared at end of year				
	<ul> <li>Current portion of borrowings</li> </ul>	12	919,817	919,817	982,737
	- Employee benefit provisions		417,884	411,766	411,716
	Total adjustments to net current assets		(2,714,488)	(5,343,099)	(2,597,922)
	Net current assets used in the Statement of Financial Activity				
	Total current assets		15,067,291	8,322,691	8,894,172
	Less: Total current liabilities		(5,366,498)	(2,936,046)	(4,476,043)
	Less: Total adjustments to net current assets		(2,714,488)	(5,343,099)	(2,597,922)
	Surplus or deficit after imposition of general rates		6,986,305	43,546	1,820,207

## 23. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Note	Principal at New Loans 1 July 2021 During 2021-22	Principal			Drincing			2	Deinoinal	
e Note -	al at New Loai 2021 During 202				LIIILipan				FILICIUM	
Note	2021 During 202	ns Repayments	Principal at 30	New Loans	Repayments	Principal at	Principal at 1	New Loans	Repayments	Principal at
		1-22 During 2021-22	June 2022	During 2022-23	During 2022-23 During 2022-23	30 June 2023	July 2022	During 2022-23	During 2022-23 30 June 2023	30 June 2023
	\$	\$	\$	\$	53	\$	107	\$	\$	49
	162,943	0 (42,798)	120,145	0	(45,703)	74 442	120,145	0	(120.145)	
	551,341	0 (54,203)	497,138	0	(57,868)	439,270	497.138	0	(57,868)	439 270
Plant and equipment 2,825,231	5,231	0 (795,073)	2,030,158	0	(804,724)	1,225,434	2.030,158	0	(804.723)	-
Total 3,539,515	9,515	0 (892,074)	2,647,441	0	(908,295)	1.739.146	2.647.441	C	(982 736)	
Borrowing Finance Cost Payments									(an 1')	
					Actual for year	Budget for	Actual for year			
Loan	-		Date final		endina	vear ending	ending			
Purpose Number	ber Institution	on Interest Rate	payment is due		30 June 2023	30 June 2023	30 June 2022			
					**	\$	\$			
Triplex 23		6.69%	1/07/2024		(7,166)	(7.166)	(686)			
		6.76%	1/10/2024		(32,113)	(32,113)	(39,852)			
Plant and equipment 26	WATC	1.21%	30/06/2029		(22,138)	(22,138)	(49,183)			
Total					(61,417)	(61,417)	(98,724)			
During the financial year 2022 the Shire utilised its overdraft facility incurring interest expense of \$ 37,314.	erdraft facility incur	ring interest expense o	f \$ 37,314.		0	0	(37.314)			

\* WA Treasury Corporation

**Total Finance Cost Payments** 

(136,038)

(61,417)

(61,417)

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SHIRE OF HALLS CREEK NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023	F THE FINAL 023	NCIAL REPO	RT									
	2023 Actual	2023 Actual	2023 Actual	2023 Actual	2023 Budget	2023 Budget	2023 Budget	2023 Budget	2022 Actual	2022 Actual	2022 Actual	2022 Actual
24. RESERVE ACCOUNTS	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
Restricted by legislation/agreement (a) Service charge reserve - TV re-broadcasting	s	s	\$	sa A	÷	69	ю	\$	\$	ю	€	\$
	65,977	988	0	66,965	65,977	œ	0	65,985	65,977	0	0	65,977
	65,977	988	0	66,965	65,977	Ø	0	65,985	65,977	0	0	65,977
Restricted by council												
(b) Leave reserve	411,715	6,169	0	417,884	411,716	127,586	0	539,302	541,972	0	(130,257)	411,715
(c) Computer upgrade reserve	231,198	3,465	0	234,663	231,198	100,028	0	331,226	231,198	0	0	231,198
(d) Office redevelopment reserve	784,553	11,754	0	796,307	784,552	100,096	0	884,648	924,553	0	(140,000)	784,553
(e) Refuse site rehabilitation reserve	62,867	942	0	63,809	62,867	100,008	0	162,875	62,867	0	0	62,867
(f) Airport reserve	488,426	7,317	0	495,743	488,426	100,059	0	588,485	503,426	0	(15,000)	488,426
(g) Road reserve	359,038	5,379	0	364,417	359,038	600,044	0	959,082	414,057	0	(55,019)	359,038
(h) Staff housing reserve	559,020	8,375	0	567,395	559,020	200,068	0	759,088	664,020	0	(105,000)	559,020
(i) Aquatic reserve	290,934	4,359	0	295,293	290,934	300,049	0	590,983	404,434	0	(113,500)	290,934
(j) EDL community reserve	103,647	1,552	0	105,199	103,647	13	0	103,660	103,647	0	0	103,647
(k) Mosquito reserve	2,000	30	0	2,030	2,000	4,771	0	6,771	2,000	0	0	2,000
(I) Town planning development reserve	633,000	9,484	0	642,484	633,000	100,077	0	733,077	783,000	0	(150,000)	633,000
(m) Roads reserve	0	0	0	0	0	750,000	0	750,000	0	0	0	0
(n) Staff alignment & development reserve	0	0	0	0	0	199,500	0	199,500	0	0	0	0
	3,926,398	58,826	0	3,985,224	3,926,398	2,682,299	0	6,608,697	4,635,174	0	(708,776)	3,926,398

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

(708,776) 3,992,375

0

4,701,151

0 6,674,682

2,682,307

3,992,375

4,052,189

0

59,814

3,992,375

36

## 24. RESERVE ACCOUNTS

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

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. However, based on the matter described in the basis for disclaimer of opinion of the auditor's report, I was not able to obtain adequate and appropriate audit evidence to provide a basis for an audit opinion on the financial report.

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

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

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

This auditor's report relates to the financial report of the Shire of Halls Creek for the year ended 30 June 2023 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 23 April 2024