



Annual Report 2022/23



Shire of Dowerin

(08) 9631 1202

13 Cottrell Street

Dowerin WA 6461

dowshire@dowerin.wa.gov.au

www.dowerin.wa.gov.au



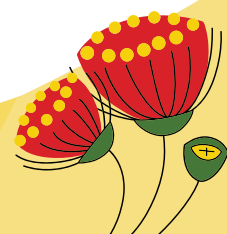
SHIRE OF

DOWERIN

TIN DOG TERRITORY

CONTENTS

Our Mission - Community, Vision & Values.....	5
President's Message.....	7
CEO'S Message	9
About Dowerin.....	10
Demographics	12
Your Council	13
Councillor Training & Continued Professional Development	14
Attendance at Council Meetings.....	15
Attendance at Committee Meetings	16
Year in Review	17
Corporate Services.....	17
Works & Assets.....	18
Development Services	18
Media & Communication Services.....	19
Community Services.....	19
Integrated Planning & Reporting	21
Our Community.....	21
Our Economy.....	21
Our Infrastructure	21
Our Natural Environment.....	21
Our Organisation.....	21
Our Economy.....	24
Statutory Reporting	28
Access & Inclusion Plan	28
Record Keeping Statement.....	28
Official Conduct - Complaints Register	29
Freedom of Information Statement.....	29
Public Interest Disclosure	29
Employees Remuneration.....	29
Community Services & Economic Development	30
Support for Community Events and Organisations	30
Grants and Funding	30
Community Services.....	31
Citizen of the Year Award	32
Economic Development	32
LRCIP Funding Projects	32
Exciting Community Activities	33
Asset and Works	34
Dowerin Home Care	37
Financial Reports	39





Vision Statement

“A thriving and supportive rural community which offers lifestyle choices and opportunities for all”

OUR MISSION - COMMUNITY VISION AND VALUES

Identified during the public engagement process for the development of the Integrated Strategic Plan, the Dowerin community adopted the following as its Vision Statement:

“A thriving and supportive rural community which offers lifestyle choices and opportunities for all”

In delivering this Vision for the community the Shire of Dowerin recognises our commitment to the community by:

The infographic consists of seven light green rectangular boxes arranged in two rows. Each box is topped with a green icon and contains a commitment statement. The icons are: a scale of justice, a group of people, two speech bubbles, a hand with a heart, a gear with a dollar sign, two hands shaking, and a small plant.

- Value 1:** We will be open, fair and impartial in what we do.
- Value 2:** We will consult and engage with our community.
- Value 3:** We will encourage, welcome and value feedback.
- Value 4:** We will encourage and support the volunteers in our community.
- Value 5:** We will spend local as often as we can.
- Value 6:** We will treat people with respect.
- Value 7:** We will value our natural environment and treat it with importance.





Rusty was born in 2004 when the children from the Dowerin District High School developed a project initiative to encourage people to stop in Dowerin.

The students helped with his initial design, sourced funding for his materials and employed an artist to build him.

The students were inspired by the legend of his home, the Tin Dog Creek, which originally got its name during settlement in the area and the commencement of mining in the Yilgarn Goldfields.

The story goes that settlers in Northam started using the surrounding land to feed

and rest their stock during winter and driving them home when the feed started to dry off.

A track was opened up as a result of this, leading to Moujakine, Yarragin and Eunuin.

From Goomalling onwards, the road followed a chain of water soaks, one of which became known as the 13-mile soak. The miners who were on their way to the Goldfields would leave their empty tinned beef cans (affectionately called 'tinned dog') by the water soak, thus Tin Dog Creek got its unique name (S. Gervas 1997).



PRESIDENT'S MESSAGE

“Building resilience within family, friends, businesses in our country community.”

LOCAL GOVERNMENT REFORM - REVIEW OF REPRESENTATION OF COUNCILLORS

This State Government is reforming the Local Government Act 1995 (the Act).

The reforms are aimed at ensuring local governments better serve residents and ratepayers. The reforms have been crafted in consultation with the local government sector. They are the most significant reforms to the sector in 25 years.

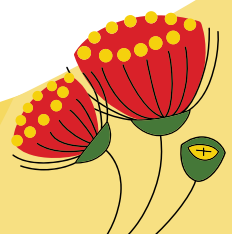
To ensure that key election related reforms were in place before the 2023 Local Government elections, the amendments to the Act were divided into two tranches. The first tranche, which was passed by Parliament on May 11 focuses on electoral reform, the electoral reforms are aimed at strengthening local democracy and providing greater transparency and accountability by:

- introducing optional preferential voting, bringing Local Government elections back in line with State and Federal elections and restoring the right of electors to express preferences.
- requiring public election of the mayor or president for all larger councils.
- abolishing the use of wards for smaller Local Governments.

- aligning the size of councils with the size of the population of each Local Government area.
- Local Governments with a population of less than 5,000 will have between 5 and 7 members.
- Local Governments with a population between 5,000 and 75,000 members will have between 5 and 9 members.
- Local Governments with a population above 75,000 will have between 9 and 15 members.

Given its population of fewer than 5,000 residents and the presence of 8 Councillors, the Shire of Dowerin opted to proactively embrace new arrangements instead of waiting for directives from the State Government. In October, the Council issued a Review of Representation Discussion Paper, initiating a six-week community consultation period.

During this period, no public submissions were received. Consequently, in December 2022, the Council decided to decrease the number of Councillors from eight to seven. This adjustment will come into effect starting from the 2023 Ordinary Local Government Elections.



COMMUNITY RESOURCE CENTRE AND SHIRE MERGER

In September 2022, the CRC Board informed the Shire of their decision to discontinue services as a not-for-profit business due to board member disengagement and governance issues. Following this, the Shire engaged in community consultation and collaborated with the CRC to potentially assume management responsibilities. The CRC, responsible for Library and Visitor Centre services on behalf of the Shire, faced the prospect of discontinuation.

Subsequently, the Council approved a merger with the CRC to ensure the uninterrupted provision of services to the community. The merger offers advantages such as enhanced CRC management and improved governance structures. Notably, no additional resources are anticipated for the merger. Without the merger, the Shire would need to internally resource the two services it oversees.

The newly implemented management structure became effective on July 1, 2023.

ROADS/TOWN IMPROVEMENTS

Over the past year, our road network experienced substantial enhancements, courtesy of funding from initiatives such as the Wheatbelt Secondary Freight Network, Regional Road Group, Roads to Recovery, and LCRIP. Notably, this period marked the implementation of the most extensive road program ever undertaken within the Shire.

THANK YOU & ACKNOWLEDGEMENTS

As the President of Council, I would like to express my gratitude to my fellow Councillors for their unwavering support and dedication to both Council and our community. It is with understanding and respect that we acknowledge our CEO, Rebecca McCall, decided to move on due to family commitments. On behalf of the Council, I extend heartfelt appreciation for her tireless commitment and hard work on behalf of the Shire and the community. Your dedication has not gone unnoticed and is truly valued. Recruitment for a replacement CEO was undertaken, with the appointment of Mr David Singe.

Robert Trepp
Shire President





CEO'S MESSAGE

“Despite the ongoing challenges of the COVID-19 pandemic, the Shire has achieved some solid results.”

LOCAL GOVERNMENT REFORMS

The State government has passed a number of reforms which impact all Local Governments, and the Shire has been implementing a number of the changes during the fiscal year. Reforms that have been implemented include tiered limits on the Number of Councillors; Standardised Election Caretaker period; CEO Recruitment process and Simplifying Strategic and Financial Planning.

A number of reforms will come into effect on a later date including; Recordings and Live-Streaming of All Council Meetings; Recording All Votes in Council Minutes; Chief Executive Officer Key Performance Indicators (KPIs) to be Published and the introduction of Preferential Voting.

CAPITAL ROAD CONSTRUCTION & GRAVEL RE-SHEETING PROGRAM

In the fiscal year 2022/23, the Shire made the decision to initiate a tendering process and engage contractors for our roadworks construction program—a departure from previous practices. Local contractors, Holberton Earthmoving, secured the contract, and owing to the success of this arrangement, Council has decided to once more invite tenders for the upcoming year's construction program.

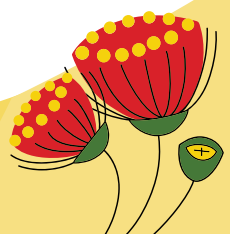
TOWN IMPROVEMENTS

Over the past year, notable enhancements have been made to our infrastructure. These include improvements in storage facilities at the Dowerin Short Stay Accommodation, the second stage of the Stewart Street lighting upgrade, lighting enhancements in our public park, ongoing improvements to Stage 2 of the Tin Dog Walk trail, and the commencement of Stage 1 of the Townsite Greening Water Scheme upgrade.

POOL ADMISSION DONATION

In 2022, Dayrell Jennings, a resident of Dowerin, generously contributed a donation to the Shire, covering all admission fees for the Dowerin Memorial Swimming Pool during the 22/23 season. This gracious gesture gained widespread recognition throughout the region and led to a significant rise in attendance throughout the pool season. The provision of free entry to the pool offered the youth of Dowerin a valuable space to engage in play, learning, and the enjoyment of summer with their friends and peers.

Rebecca McCall
Chief Executive Officer





ABOUT DOWERIN

Dowerin, green in winter and golden in summer, is known for its vibrant community and agricultural significance. With a population of 715 people, Dowerin represents a tight-knit, rural atmosphere where farming plays a pivotal role in the local economy.

Agriculture dominates Dowerin's economic landscape, with a focus on cereal crops, particularly wheat and barley. The town hosts the annual Dowerin Machinery Field Days, an annual agricultural exhibition attracting thousands of visitors and showcasing the latest farming technologies and innovations. This event serves as a hub for agricultural businesses, fostering connections and opportunities within the industry.

Dowerin boasts several local businesses catering to the needs of the community, including family-owned farms, machinery dealerships, hardware stores, and small retail shops. These businesses play an essential role in providing goods and services to both locals and visitors, contributing to the town's economy and sense of community.

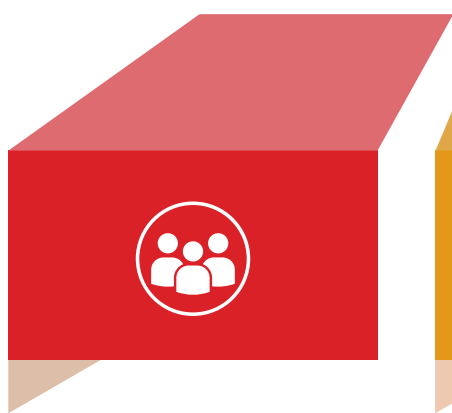
For our seniors, this includes Dowerin Home Care (DHC), and a range of independent living units. For families and children, Dowerin is home to Regional Early Education and Development (REED), which has proven to be a vital service to families and local businesses, as well as the highly successful District High School. With the inclusion of the 24/7 gym, Memorial Swimming Pool, and Dowerin Community Club, these combine to ensure that Dowerin is a family friendly place to live and work.



ABOUT DOWERIN

Dowerin prides itself on its community spirit, evident through various local events, sports clubs, and social gatherings. The town's residents actively participate in community initiatives, fostering a strong sense of belonging among its residents.

Dowerin stands as a testament to rural life in Western Australia, thriving on its agricultural roots while nurturing a closely-knit community and supporting local businesses.



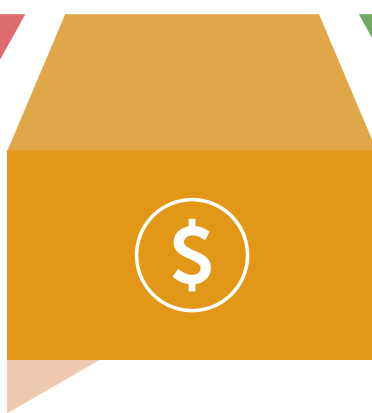
PEOPLE

Resident population of 715

Median Age is 45

21.8% of the population is aged 0 to 14

25.9% aged 65 and over



ECONOMY

137 registered businesses

Median weekly household income of \$1,197

Agriculture is the largest employing industry (37.5%)

Unemployment rate of 5.1%



COMMUNITY

Established in 1906

Located 156km from Perth

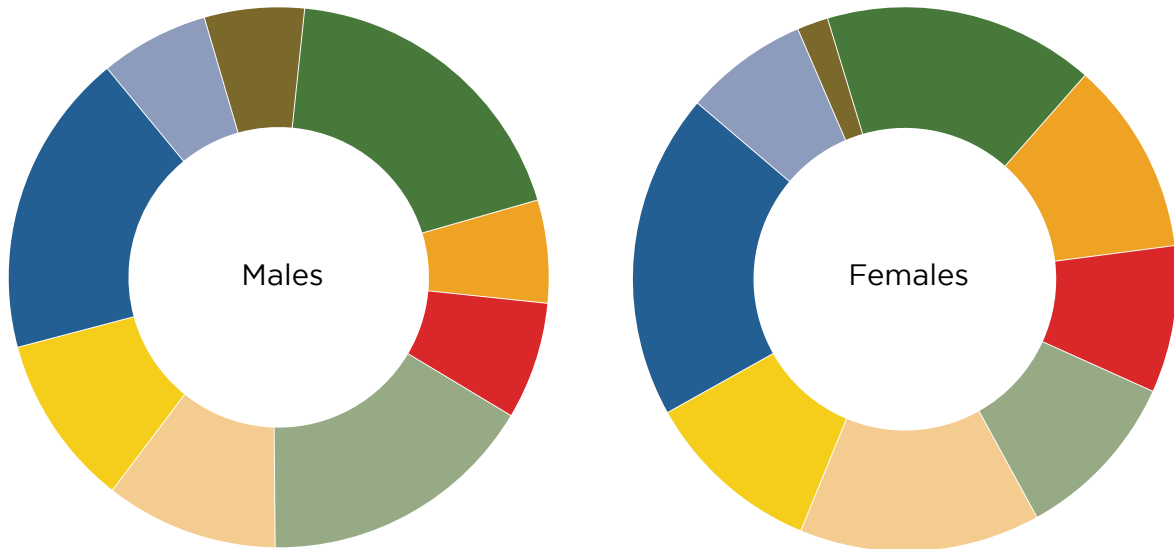
High quality community and sporting facilities

Diverse service delivery catering to community needs



Demographics

A significant proportion of the population of Dowerin is aged 0-14 years (154 persons). On the opposite end of the spectrum, Dowerin also has a significant portion of people aged 60 to 74 (164 persons). Young people are underrepresented in Dowerin with just 23 people aged 15-19 and 36 people aged 20-24.



■ 0-9 years
 ■ 10-19 years
 ■ 20-29 years
 ■ 30-39 years
 ■ 40-49 years
 ■ 50-59 years
 ■ 60-69 years
 ■ 70-79 years
 ■ 80+ years



YOUR COUNCIL



Cr Rob Trepp
SHIRE PRESIDENT
Term ends 2023



Cr Bev Ward
DEPUTY PRESIDENT
Term ends 2025



Cr Wayne Allsopp
COUNCILLOR
Term ends 2025



Cr Lindsay Hagboom
COUNCILLOR
Term ends 2023



Cr Darrel Hudson
COUNCILLOR
Term ends 2025



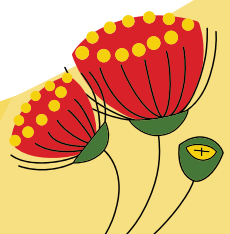
Cr Nadine McMorran
COUNCILLOR
Term ends 2025



Cr Adam Metcalf
COUNCILLOR
Term ends 2023



Cr Jason Sewell
COUNCILLOR
Term ends 2023



COUNCILLOR TRAINING & CONTINUED PROFESSIONAL DEVELOPMENT

In accordance with Section 5.127 of the *Local Government Act 1995*, local governments are to report on the training undertaken by Councillors during the financial year. In addition to being provided on the [Shire's website](#) the information is to be included in the Annual Report for that financial year.

Council Member Essentials	Cr Allsop	Cr Hagboom	Cr Hudson	Cr McMorran	Cr Metcalf	Cr Sewell	Cr Trepp	Cr Ward
Elected to Council:	2021	2021	2021	2021	2019	2019	2021	2021
Cost:	<i>Online Subscription \$4,000 per annum for unlimited users</i>							
Understanding Local Government Provider: WALGA via e-learning	✓	X	✓	✓	N/A	N/A	N/A	✓
Serving on Council Provider: WALGA via e-learning	✓	X	✓	✓	N/A	N/A	N/A	✓
Meeting Procedures Provider: WALGA via e-learning	✓	X	✓	✓	N/A	N/A	N/A	✓
Conflicts of Interest Provider: WALGA via e-learning	✓	X	✓	✓	N/A	N/A	N/A	✓
Understanding Financial Reports & Budgets. WALGA via e-learning	✓	X	✓	✓	N/A	N/A	N/A	✓

Legend:

N/A – Not applicable

In accordance with Section 5.126(1) of the *Local Government Act 1995* and Regulation 10 of the *Local Government (Administration) Regulations 1996*, newly elected or re-elected Councillors must complete the above five courses within twelve months of their election. Councillors who have completed any of the above courses within the period of five years ending immediately before the day on which they were elected/re-elected are exempt from the training course and need only to complete the online assessment.



Other professional development undertaken by Councillors during the 2022/23 financial year is detailed below:

Other Professional Development	Cr Allsop	Cr Hagboom	Cr Hudson	Cr McMorran	Cr Metcalf	Cr Sewell	Cr Trepp	Cr Ward
WALGA Annual Conference Cost: \$1295 each When: October 22	N/A	N/A	✓	N/A	N/A	✓	✓	N/A
Councillor Induction (in-house)	✓	N/A	N/A	✓	N/A	N/A	N/A	✓
CEO Performance Appraisals Cost: \$400 each When: 26 July 21	✓	N/A	N/A	N/A	N/A	N/A	✓	N/A
Economic Development Essentials for Elected Members Cost: \$530 each When: 16 Feb 23	N/A	N/A	N/A	N/A	N/A	N/A	✓	N/A

Legend:

N/A - Not applicable

ATTENDANCE AT COUNCIL MEETINGS

ATTENDANCE AT ORDINARY MEETINGS OF COUNCIL 2021/22												
COUNCILLOR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Cr WG Allsopp	✓	✓	A	✓	✓	✓	R	✓	✓	✓	✓	✓
Cr LG Hagboom	✓	A	✓	✓	LoA	LoA	R	✓	✓	LoA	✓	A
Cr DP Hudson	✓	✓	✓	✓	✓	LoA	R	✓	✓	✓	✓	✓
Cr NP McMorran	✓	✓	✓	✓	✓	✓	R	✓	✓	✓	✓	✓
Cr AJ Metcalf	✓	A	✓	✓	✓	A	R	✓	✓	A	✓	✓
Cr JC Sewell	✓	✓	✓	A	✓	✓	R	✓	✓	✓	✓	✓
Cr RI Trepp	✓	✓	✓	✓	✓	✓	R	✓	✓	✓	✓	✓
Cr BA Ward	✓	✓	✓	✓	✓	✓	R	LoA	✓	✓	✓	✓

Legend:

A - Apology submitted

N/A - Not applicable, not a Councillor at that time or not a Committee Member

LoA - Leave of Absence granted by Council

R - Recess



ATTENDANCE AT COMMITTEE MEETINGS

COUNCILLOR	Audit & Risk		Assets & Works Committee		Local Emergency Management		Bush Fire Advisory Committee		Australia Day Honours	
	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended
Cr RI Trepp	3	3	2	2	4	4	N/A	N/A	N/A	N/A
Cr BA Ward	3	2	N/A	N/A	N/A	N/A	N/A	N/A	1	1
Cr NP McMorrان	3	3	N/A	N/A	N/A	N/A	N/A	N/A	1	1
Cr JC Sewell	3	0	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Cr AJ Metcalf	N/A	N/A	2	2	N/A	N/A	1	1	N/A	N/A
Cr WG Allsopp	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1
Cr LG Hagboom	N/A	N/A	N/A	N/A	N/A	N/A	1	0	N/A	N/A
Cr DP Hudson	N/A	N/A	2	0	4	0	N/A	N/A	N/A	N/A

Legend:

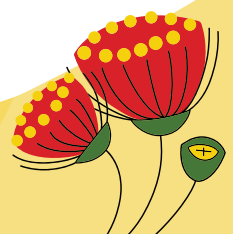
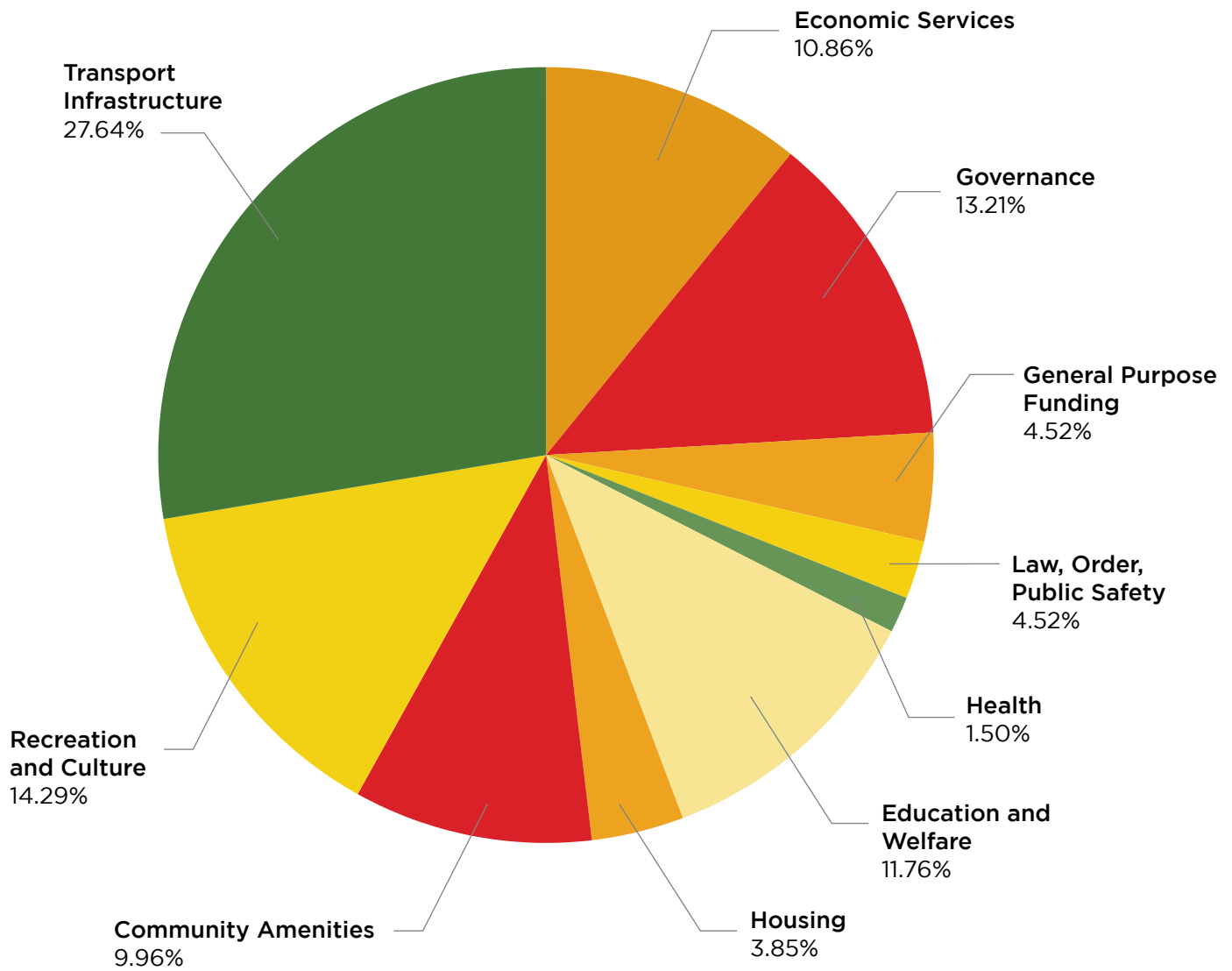
N/A - Not applicable, not a Councillor at that time or not a Committee Member



YEAR IN REVIEW


Corporate Services

The following table shows, by percentage, how much of the 2022/2023 Rate Revenue is distributed across each service based on its actual spend:



Works & Assets

During 2022/2023 the Shire:



Completed **\$75,871** of gravel resheeting




Road construction and maintenance
\$4,235,410



Capital projects including upgrades to Centenary Park
\$83,805



Completed **10.07km** reseal of roads



Maintenance Buildings & Infrastructure
\$397,951




Maintenance/minor improvements to Parks & Gardens
\$328,801

Development Services


During 2022/2023 the Shire:



Issued **11 Building Approvals**



Completed **0 Subdivisions/Amalgamations**



Completed **0 Demolition Permit**



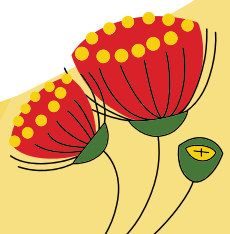
Reached Registration of **210 Dogs**



Issued **3 Planning Approvals**




Reached Registration of **43 Cats**



Media & Communication Services


During 2022/2023 the Shire:



Published **256 posts** on the Shire's **Facebook** Page

Shire's Facebook page likes have grown from **1000 to 1144** during FY 22/23, an increase of **14%**

Shire's Instagram follows have remained steady at **962** during FY 22/23.



Published **21 posts** on the Dowerin Short Stay Accommodation **Facebook** Page

Dowerin Short Term Accommodation Facebook page likes have grown from **530 to 573** during FY 22/23, an increase of **8%**


Instagram follows has remained steady at **344** during FY 22/23



Publication of **22 Council Connect / CEO Connect** Newsletter in the Despatch

Community Services


During 2022/2023 the Shire:




Received **2,439 Visitors** to the Short Stay




Reached **99 gym memberships**



Delivered **275 Meals on Wheels**



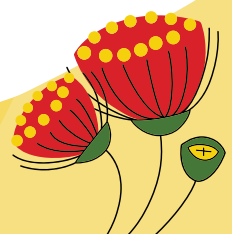
Submitted **7 grant applications**



Organised and held **8 Community events**



Delivered **17 Home Care Packages**





INTEGRATED PLANNING & REPORTING

Integrated Strategic Plan

The Integrated Strategic Plan (ISP) reinforces the commitment to the people who live, work and visit our Shire and to regional co-operation and prosperity. The ISP integrates the Strategic Community Plan and Corporate Business Plan elements of the WA Local Government Integrated Planning and Reporting Framework and is supported by informing and issue specific plans and strategies.

Our Community

Aspiration: We live in a diverse, healthy, and connected community.

Our Economy

Aspiration: We are an attractive location to invest, live, play, visit and work.

Our Infrastructure

Aspiration: We have functional assets and infrastructure that supports the community.

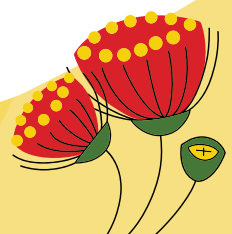
Our Natural Environment

Aspiration: We manage our natural environment appropriately to ensure a sustainable future for our community.

Our Organisation

Aspiration: We are recognised as a transparent, well governed, and effectively managed local government.

Strategies are outlined in the Integrated Strategic Plan. Actions to achieve the outlined strategies are identified within this plan, with the following tables reporting on the key directions of the Integrated Strategic Plan.



Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Community

"We live in a diverse, healthy, and connected community"

No	Community Priority	No	Actions	22 23	Status	Annual Update
1.1	Provide access to programs and services that connect residents and meet the needs of our community	1.1.1	Continue to advocate, support and value service delivery to our community	✓	●	Council adopted the business code for the Shire to merge with the CRC.
		1.1.2	Source funding and co-ordinate delivery on initiatives that support arts, culture, and learning	✓	●	Funding secured & implementation continues with the hosting of numerous events for the Community.
		1.1.3	Actively work with our community to strengthen relations to enhance safety, wellbeing, and a sense of belonging	✓	●	Community stakeholder relations continue.
1.2	Support and maintain facilities that connect people, and promote an active and healthy community	1.2.1	Review and action the Shire Disability Access and Inclusion Plan (DAIP)	✓	●	Next review due 23/24 FY.
		1.2.2	Establish service levels in line with community expectations, budget, and workforce capacity	✓	●	Service level review for transport completed, and community development underway. Programmed service levels review for Parks & Gardens commenced in May.
1.3	Encourage and support volunteers and community groups to strengthen an active volunteer base	1.3.1	Partner with community groups to develop and implement viable volunteer models	✓	●	Working group established to lead review of community structure in consultation with community groups.
		1.3.2	Advocate and support volunteer networks to expand the volunteer base across the region with a focus on continuous improvement	✓	●	Advocacy and support ongoing.
		1.3.3	Continue to share and provide resources to community groups to encourage the capability and capacity of volunteers	✓	●	Support and assistance provided upon request.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Community

“We live in a diverse, healthy, and connected community”

No	Community Priority	No	Actions	22 23	Status	Annual Update
1.4	Boost and continue to support the youth of Dowerin through projects, workshops, funding opportunities and promotion of youth leadership	1.4.1	Implement actions from the Youth Plan	✓	●	Planning underway to implement action 3.1.1 Skate Park Redevelopment, Urban Art project completed and funding application for infrastructure improvements lodged in May 2023. Funding secured and planning finalised for implement action 1.1 – Encourage skill and development training with young people, in the development of spaces and community facilities: Street Banner Project (completion June 2023).
		1.4.2	Maintain a strong supportive relationship with the Dowerin District High School to encourage youth development	✓	●	Supportive relationship in place.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Economy

"We are an attractive location to invest, live, play, visit and work"

No	Community Priority	No	Actions	22 23	Status	Annual Update
1.1	Attract investment, create jobs, and support small business growth	2.1.1	Proactively support the Dowerin Business Association and in partnership deliver identified initiatives	✓	●	Continue as silent Administration of DBA.
		2.1.2	Identify opportunities and strategies for attracting new businesses and expanding existing businesses	✓	●	Investment opportunities advertised on Shire website; RDA facilitated the first economic development workshop with Council in February 2023.
		2.1.3	Identify and implement initiatives to attract and retain population	✓	●	Campaigns to date broadly promote Dowerin.
		2.1.4	Implement a Marketing Plan that promotes the lifestyle and opportunities within Dowerin	✓	●	Shire website promotes Dowerin's lifestyle opportunities; Utilisation of Dowerin brand for marketing purposes.
1.2	Encourage, promote, and deliver activities and events that promote our region	2.2.1	Promote and develop tourism and maintain local attractions	✓	●	Participation in AGO and Wheatbelt Way campaigns. Activating Stage 1 of Everlasting Trail in collaboration with Goomalling and Cadoux.
		2.2.2	Investigate and implement opportunities to further develop Dowerin Short Stay Accommodation	✓	●	Implementation of SSA marketing plan ongoing; Review of the SSA Stage 3 Business Case progressing. Connected SSA to super-fast wireless broadband.
		2.2.3	Partner with NEWTravel and Pioneer's Pathway to promote the region as a great place to visit	✓	●	Continued liaison & product development with Wheatbelt Way and Pioneers' Pathway to promote region.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Infrastructure

"We have functional assets and infrastructure that supports the community"

No	Community Priority	No	Actions	22 23	Status	Annual Update
3.1	Work with regional partners to advocate for improved services, energy reliability and telecommunications coverage	3.1.1	Advocate for solutions to mobile blackspots and expansion of the NEWROC telecommunications network	✓	●	Provided letter of support to NBN for Regional Connectivity Program to fund fixed wireless in Dowerin, Goomalling and Wyalkatchem. Entered into a sub-agreement with Xenex to install infrastructure to provide access to super-fast wireless broadband within the Dowerin townsite.
		3.1.2	Advocate and seek funding for renewable power, emergency back up and a micro-grid that will complement current and sustainable power supplies within the region	✓	●	NEWROC developed its energy vision to articulate the vision, purpose, project & outcomes.
3.2	Sustainably manage assets and infrastructure	3.2.1	Review and implement the Shire Strategic Resource Plan	✓	●	Asset Management Plan and Long-Term Financial Plan adopted by Council.
		3.2.2	Review Shire facilities and develop a Community Facilities and Property Plan	21/ 22	●	Draft near finalisation.
		3.2.3	Develop and implement a Masterplan for the upgrade of public spaces	✓	●	Not yet commenced.
3.3	Housing meets existing and future community need for families and workers	3.3.1	Investigate and implement opportunities for appropriate housing investment models for Dowerin	✓	●	Investigations commenced, draft concept and indicative costings received.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Natural Environment:
"We manage our natural environment appropriately to ensure a sustainable future for our community"

No	Community Priority	No	Actions	22 23	Status	Annual Update
4.1	Deliver a sustainable and progressive approach to natural resource and waste management	4.1.1	Develop and implement a Waste Management Strategy	✓	●	Due diligence progressing; Contractor engaged to prepare Refuse Closure Management Plan.
		4.1.2	Develop and implement a Shire Water Management Plan	✓	●	Implementing Dowerin Townsite Greening Water Scheme Upgrade Plan; Shire Water Management Plan is drafted.
		4.1.3	Prepare management plans for Shire reserves	✓	●	Not yet commenced.
		4.1.4	Develop and implement a Sewage Management Plan	✓	●	Not yet commenced.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Organisation:
"We are recognised as a transparent, well governed, and effectively managed Local Government"

No	Community Priority	No	Actions	22 23	Status	Annual Update
5.1	Engage proactively with our community and provide quality community service	5.1.1	Review and improve processes and systems to be more responsive to community needs and customer relations	✓	●	Review progressing.
		5.1.2	Continue to uphold our Customer Service Charter	✓	●	Review completed; implementation ongoing.
		5.1.3	Undertake a community satisfaction survey every two years	✓	●	Completed September 2022.
5.2	Operate ethically professionally and in a transparent manner to our community and stakeholders	5.2.1	Continue to review and develop policy and frameworks that reflects our values and decision-making outcomes	✓	●	Reviewed regularly.
		5.2.2	Improve communication to inform our community of decision-making criteria	✓	●	Implementing; reviewed annually.
5.3	Ensure planning, reporting, and resourcing is in accordance with compliance and statutory requirements	5.3.1	Continue to implement and monitor the Integrated Planning and Reporting milestones	✓	●	Monitoring continues through quarterly reports.
		5.3.2	Continue to improve compliance with statutory and regulatory requirements	✓	●	All requirements complied with.
		5.3.3	Continue to foster a respectful, strong and supportive organisational culture	✓	●	Ongoing.
5.4	Advocate and lobby effectively on behalf of our community	5.4.1	Maximise the ability to advocate with members of Great Eastern Country Zone, North Eastern Wheatbelt Regional Organisation of Councils (NEWROC), and the WA Local Government Association	✓	●	Advocation takes place when required.
		5.4.2	Increase collaboration amongst stakeholders and surrounding local governments to identify opportunities that will improve local and regional service delivery	✓	●	Collaboration ongoing and new opportunities considered.



STATUTORY REPORTING

Access & Inclusion Plan

The Shire of Dowerin's Access and Inclusion Plan (AIP) 2018-2023 was formally endorsed by Council in July 2018. The AIP is a key strategic document which outlines the Shire's approach to working towards a more accessible and inclusive community.

The Shire is required by the *Disability Services Act 1993* to:

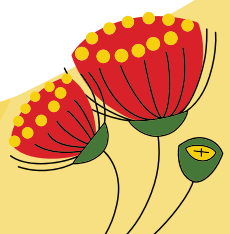
- Maintain an AIP; and
- Report on its AIP achievements within its Annual Report as well as to the Disability Services Commission.

Record Keeping Statement

The Shire of Dowerin is committed to the reliable and systematic management of its records, in accordance with legislative requirements and best practice standards. This report has been published in accordance with the *State Records Act 2000*.

Recordkeeping Plan

The Shire undertook a Recordkeeping Plan Review in early 2019 with the Review Report submitted to the State Records Office on 22 March 2019. The Review Report identified quite substantial changes to the Shire's Recordkeeping Plan. The State Records Office of WA have granted a 2-year timeframe, commencing 1 June 2019, in which to complete the necessary changes to the Recordkeeping Plan and supporting documentation. The review of the Record Keeping Plan was finalised in August 2022, with the Plan being presented to the State Records Office in the same month.



Information Management Systems

The Shire continues to use Sharepoint Online, along with other Microsoft Office 365 applications to improve business efficiencies. Aiming for continuous improvement to streamline efficiencies, further development of current systems and supporting applications is progressing.

Training and Awareness

Recordkeeping inductions are held for all new employees upon commencement. This includes their responsibilities and desktop training using Sharepoint. Online employee and contractor inductions are utilised at the Shire of Dowerin. This induction program is implemented in several local governments as a standard minimum requirement. This enables efficiencies with the onboarding of contractors.

Official Conduct - Complaints Register

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). In accordance with Sections 5.53(2) and 5.121 of the *Local Government Act 1995*, the Annual Report is required to disclose the number of complaints of minor breaches received each year.

Zero complaints were received during 2022/23.

Freedom of Information Statement

The *Freedom of Information Act 1992* gives the public a right to apply for access to documents held by the Shire of Dowerin. The Shire aims to make information available whenever possible, outside the freedom of information process.

The Shire received zero valid freedom of information applications in 2022/23.

The Shire of Dowerin's Information Statement, adopted at Council's October 2021 meeting, is available on its website at www.dowerin.wa.gov.au.

Public Interest Disclosure

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

No disclosures were made during 2022/23 and the Shire declares that all obligations under the *Public Interest Disclosure Act 2003* have been complied with.

Employees Remuneration

In accordance with Regulation 19B of the *Local Government (Administration) Regulations 1996*, the number of Shire employees entitled to an annual salary of \$130,000 or more are:

Salary range	Number of employees
\$130,000 to \$139,999	0
\$140,000 to \$149,999	0
\$150,000 to \$159,999	0
\$160,000 to \$169,999	0
\$170,000 to \$179,999	1
\$180,000 to \$189,999	0
\$190,000 to \$199,999	0
\$200,000 to \$209,999	0
\$210,000 to \$219,999	0
\$220,000 to \$229,999	1



COMMUNITY SERVICES & ECONOMIC DEVELOPMENT

Support for Community Events and Organisations

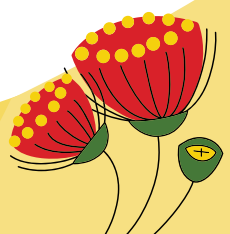
The Shire provided financial support towards several community events and organisations including:

Community Group	Purpose	Value
Dowerin District High School	Preparation of athletic jumps	\$800
Dowerin Community	Use of Dowerin Memorial Pool for Vacation Swimming	\$1347
Curtin University	4 x 1 night studio room accommodation at Dowerin SSA – Awards	\$540
TOTAL		\$2,687

Grants and Funding

The Shire was successful in obtaining a range of grant funds over 2022/23 including:

Funding Body	Project	Amount	Total Project Value
Lotterywest	Dowerin Event Schedule	\$14,800	\$35,860
Road Safety Commission	Road & Bike Safety Workshop	\$5,000	\$5,000
COTA	Seniors Art Workshop & Luncheon	\$500	\$2,225
Department of Communities	Urban Art Workshop & Skatepark Revamp	\$1,500	\$6,640
National Water Grid Connections Funding Program	Connecting Metcalf dam to irrigation	\$88,509	\$88,509



Community Services

Community Services continues to work with residents, community-based organisations and service providers to co-ordinate several community events and activities that provide social opportunities, the sharing of skills and knowledge, and the opportunity to participate as families in community events.

Event	Date
Seniors Art Workshop	10 November 2022
Volunteer Sundowner	18 December 2022
DDHS Solar Bench	December 2022
Community Christmas Festival	16 December 2022
Australia Day Celebrations	26 January 2023
Welcome to Dowerin	18 February 2023
Youth Skatepark Urban Art Workshop	14 - 16 April 2023
Pie & Pint Night	19 April 2023
ANZAC Day	25 April 2023





Wes Hagboom, Citizen of the Year and Jamie Newton, Senior Citizen of the Year

Citizen of the Year Award

Wes Hagboom was awarded Citizen of the Year at the annual Australia Day celebrations, for his tireless and selfless contribution towards the Dowerin community.

Jamie Newton was awarded Senior Citizen of the Year for his ongoing support and contribution toward the Dowerin Community.

Economic Development

The Shire of Dowerin continues to be involved in regional tourism and participates in regional marketing campaigns. Council is an active member of Pioneers' Pathway and Wheatbelt Way. Examples of campaigns include:

- Australia's Golden Outback Holiday Planner
- Caravan & Camping Trade Show
- Eastern Wheatbelt Holiday Planner
- Pioneers' Pathway Trail
- Western Australia Weekend Features
- Wheatbelt Way App & Instagram
- Wheatbelt Way Drive Trail
- Storytowns App

LRCIP Funding Projects

Local Road and Community Infrastructure Program (LRCIP), funded by the Australian Government, supported local councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies to help communities bounce back from the COVID-19 pandemic.

The Shire of Dowerin received an allocation, known as LRCIP Phase 3 and utilised the funding to improve functionality or upgrade identified facilities, enhance the aesthetics of the township and renew recognised assets.

Phase 3 Total Funding Allocated \$767,492:

- Berring East Road
- Nambling Road
- Nambling South Road
- Dowerin Wongan Road
- Stewart Street Lighting Upgrade Stage 2
- Caravan & Park Lighting LED Upgrade
- Short Stay Accommodation Laundry Improvements
- Administration Toilet Refurbishment



EXCITING COMMUNITY ACTIVITIES

Seniors Art Workshop

On the 10th of November, a Seniors Art Workshop was held to celebrate Seniors Week 2022. Sheree from Paint the Town facilitated a fantastic paint party, followed by a delicious lunch provided by Bear Pantry. The event was well attended and thoroughly enjoyed by the participants. It was great to see everybody giving something new ago and it turns out there are some talented artists in Dowerin! Thank you to Lotterywest and the Council of the Ageing Western Australia for making the day possible.

DDHS Solar Bench Project

A select group of high school students from Dowerin District High School took part in creating a functional solar bench that uses environmentally friendly solar energy to power various devices on the go. The wireless charging spot can power modern mobile phones, while the USB ports can charge multiple devices.

Youth Week 2023

The Urban Art Workshop was held on the 14th, 15th, and 16th of April during Youth Week. The workshop was a success with 17 young people contributing to the project.

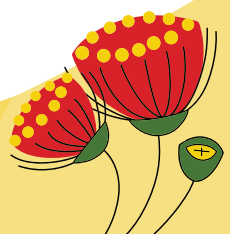
The first session was a brainstorming session, where the team developed concepts and themes they believe would enhance the skatepark as a public area. The team came up with lots of creative ideas to brighten up the space. The facilitator, Darren Hutchens then had the task of compiling all the ideas and creating final designs.

The Saturday and Sunday sessions were interactive, with everyone painting the skate ramps and shed. The participants learnt about different urban art techniques and got to try out mediums such as spray paint. The sessions were thoroughly enjoyed, and the team were excited to see their designs come to life.

Congratulations to all of the participants, the skatepark looks excellent. Over the last week, the skatepark has been busy with young locals enjoying the new and improved space.

A big thank you to the Dowerin Men's Shed for doing the preparation works at the skatepark. Without the installation of cladding and priming of the surfaces, the project would not have been possible.

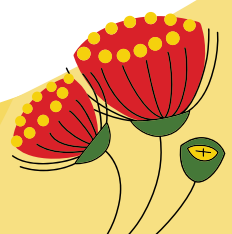
Thank you to the Department of Communities for the support and making this event possible.



ASSET & WORKS

Road Construction & Maintenance

Road Maintenance	\$865,846
Commodity Route - Dowerin-Koorda Road	\$248,073
LRCIP - Nambling Road	\$62,440
LRCIP - Berring East Road	\$21,174
LRCIP - Wongan-Koorda Road	\$217,687
LRCIP - Nambling South Road	\$212,128
Roads to Recovery - Minnivale North East Road	\$60,910
Roads to Recovery - McHugh Road	\$43,110
Roads to Recovery - Quelagetting West Road	\$52,654
Roads to Recovery - Nambling South Road	\$187,152
Regional Road Group - Cunderdin-Minnivale Road	\$107,160
Regional Road Group - Koomberkine North Road	\$414,827
Blackspot Funding - Dowerin-Meckering Road	\$31,865
Wheatbelt Secondary Freight Network - Dowerin-Kalannie Road (SLK 27.28-30.89)	\$865,133
Wheatbelt Secondary Freight Network - Dowerin-Kalannie Road (SLK 12.28-15.70)	\$929,057
Total Cost - Road Construction & Maintenance	\$4,319,215

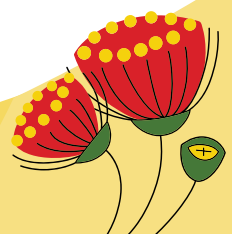


Plant Replacement

Cemetery Grave Shoring Box	\$16,686
Ride-on Mower	\$9,890
Dual Cab 4x2 Team Leader	\$43,381
Hino Watercart	\$8,365
New Slasher	\$27,900
Light Hino Truck 500 Series	\$81,904
Total Cost - Plant Replacement	\$188,127

Capital Projects

Centenary Park Capital Works	\$20,293
Shade Sails	\$9,780
Sewerage Pump	\$45,986
Tin Dog Walk Stage 2	\$21,595
Street Lighting LED Upgrade	\$25,106
Total Cost - Capital Projects	\$122,760





DOWERIN HOME CARE

Home Care Package Program (HCP) & Commonwealth Home Support Program (CHSP)

The Home Care Program services are provided through Dowerin Home Care (DHC), funded jointly by the Australian Government's Department of Health and client contributions (depending on program and Services Australia Income Assessment). For the period there were 26 CHSP clients receiving a service & 17 receiving assistance under a HCP, 4 of these were self-funded retirees and required to contribute an Income Tested Care Fee assessed by Services Australia.

Our Home Care Service provides an invaluable service that assists people to stay in their own homes longer with as much or as little assistance as required to stay at home safely. The service is provided with funding from the Federal Department of Health, CHSP-Commonwealth Home Support Program (low level care) and HCP-Home Care Packages (low to high level care, levels 1-4). Dowerin Home Care also assists when the community member has had a fall, illness or surgery and the assistance is only required short term until the person has recovered.

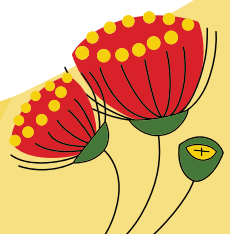
The assistance which can be provided is assessed as required and may include (depending on what program):

- Personal care - showering/grooming/dressing,
- Domestic assistance - household cleaning/grocery shopping/laundry,
- Garden home maintenance,
- Medication support & administration,
- Social support for individuals,
- Group Gentle Gym,
- Respite,
- Transport to local businesses/medical appointments,
- Meals on wheels and meal preparation for approximately 45 clients and carers.

Under the HCP program clients can use their funding for home modifications, mobility equipment, personal alarms, contractor services and for Lite N Easy meals, services provided by the local Chemist and incontinence aids. The Occupational Therapist also assists with major renovations to ensure that ramps/rails and any modifications are to standard. These are not options under the CHSP program.

COVID-19 is still in the Community and staff have continued with the procedures put in place back in 2020. Staff still social distance when interacting with clients as far as practicable for tasks such as the signing of documents and ensuring all parties have been vaccinated. All services have resumed as they were prior to the first COVID-19 lockdown but are modified to ensure everyone's safety. Staff and Contractors continue to COVID test if there is any close contact and clients generally cancel if positive or unwell.

We received numerous client referrals for Commonwealth Home Support Program services in this period as well as for Home Care Packages either from the My Aged Care Portal, RAS (Regional Assessment Service) or from ACAT (Aged Care Assessment Team). These referrals and acceptances took the place of some clients who have transitioned into full time care. The majority of HCP acceptances were from the client contacting us directly to see if we could assist them. There are still very few providers in regional areas providing a quality service. We are currently



assisting people in Dowerin, Wyalkatchem, Koorda, Wongan Hills, Mandurah and surrounds on a daily and weekly basis.

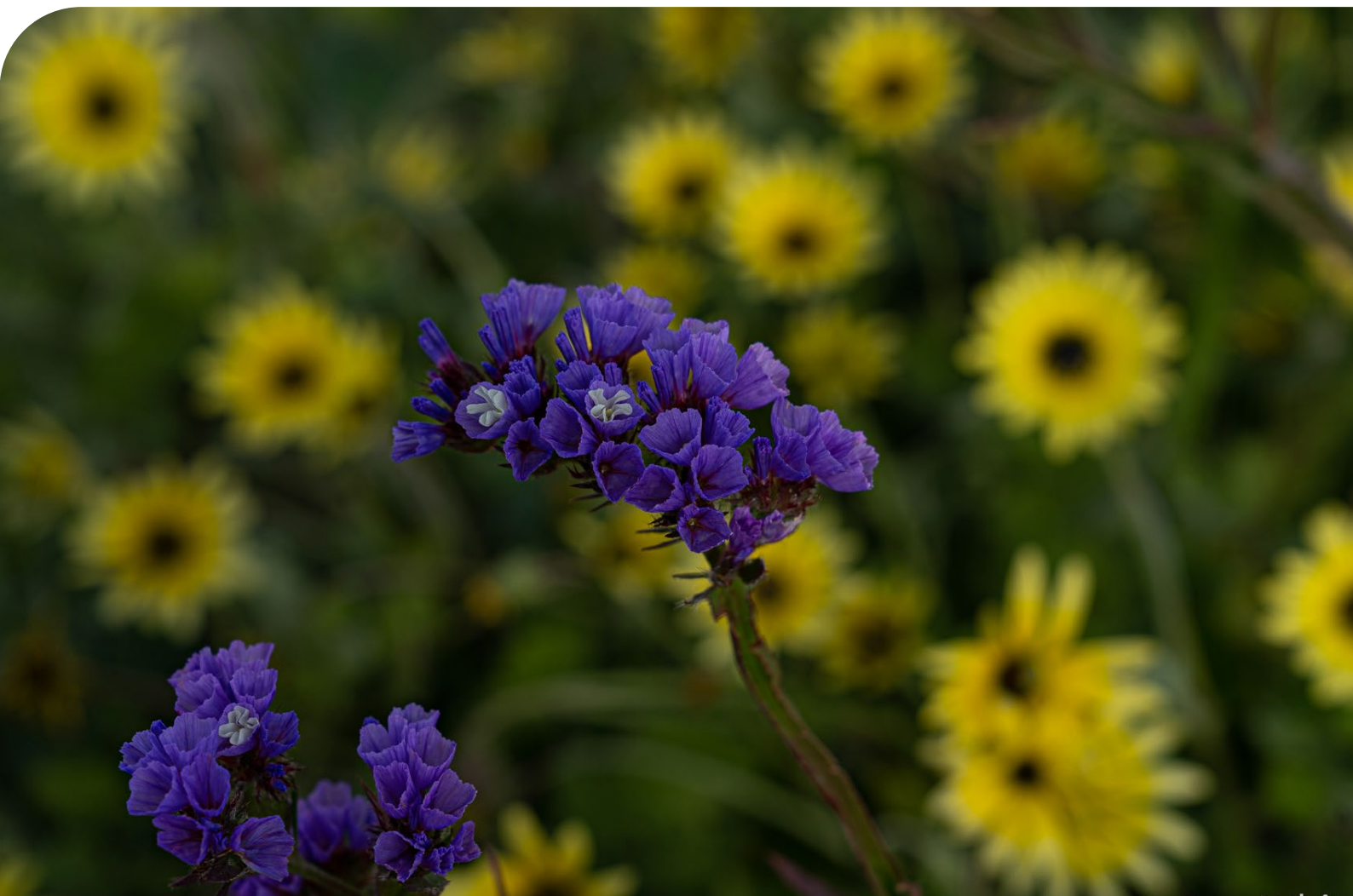
To provide services in these areas we have staff based in Dowerin and Wongan Hills and use contractors for the clients who DHC staff can't fit into their roster, or it is more cost effective for all parties to use a contractor. All contractors have eligibility criteria that they must meet. We also have a builder with a team who can assist with the modifications or ramps.

When purchasing goods or services (contractors) we start with local businesses in the town where the client lives, to support local but if that is not an option, we then source from one of our regular suppliers.

Active seniors enjoy the Gentle Gym sessions offered on Mondays and Thursdays. These classes are open to both DHC clients and community members for a small contribution.

Staff would like to thank the clients and carers for their patience and support with the many changes that have occurred throughout the year.

If you have any questions regarding accessing, assistance with My Aged Care please don't hesitate to call the Shire and leave your details if a staff member is not available or arrange an appointment. The navigation of the Aged Care System can be very daunting and complex, however we are here to assist where we can.





Financial Reports 2022/23

SHIRE OF DOWERIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	38

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

Dowerin will be a thriving and growing rural community which offers lifestyle choice for all generations, is progressive in environmental management and is a preferred location for business development.

Principal place of business:
13 Cottrell Street
DOWERIN WA 6461

**SHIRE OF DOWERIN
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 Dowerin 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 29th day of November 2023



Chief Executive Officer

David Singe

Name of Chief Executive Officer

**SHIRE OF DOWERIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Rates	2(a),23	1,510,346	1,514,214	1,452,239
Grants, subsidies and contributions	2(a)	3,094,492	1,252,739	6,802,965
Fees and charges	2(a)	829,958	669,810	632,335
Interest revenue	2(a)	70,100	47,000	17,340
Other revenue	2(a)	97,405	84,500	105,558
		5,602,301	3,568,263	9,010,437
Expenses				
Employee costs	2(b)	(1,626,971)	(1,796,711)	(1,749,048)
Materials and contracts		(1,642,309)	(1,651,443)	(5,743,873)
Utility charges		(160,293)	(179,674)	(262,201)
Depreciation	10(a)	(2,555,534)	(2,135,767)	(2,098,682)
Finance costs	2(b)	(31,872)	(32,281)	(36,122)
Insurance		(167,904)	(164,857)	(167,876)
Other expenditure	2(b)	(86,050)	(107,925)	(100,555)
		(6,270,933)	(6,068,658)	(10,158,357)
		(668,632)	(2,500,395)	(1,147,920)
Capital grants, subsidies and contributions	2(a)	3,215,837	3,470,765	1,795,075
Profit on asset disposals	10(b)	67,647	42,120	27,442
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		3,286,248	3,512,885	1,825,515
Net result for the period		2,617,616	1,012,490	677,595
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	2,420,352	0	3,476,154
Total other comprehensive income for the period	15	2,420,352	0	3,476,154
Total comprehensive income for the period		5,037,968	1,012,490	4,153,749

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

**SHIRE OF DOWERIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,832,247	1,518,378
Trade and other receivables	5	526,614	907,602
Other financial assets	4(a)	2,000,000	2,000,000
Inventories	6	17,171	5,266
Other assets	7	151,992	24,592
TOTAL CURRENT ASSETS		5,528,024	4,455,838
NON-CURRENT ASSETS			
Trade and other receivables	5	24,594	22,865
Other financial assets	4(b)	61,117	58,353
Property, plant and equipment	8(a)	20,660,378	18,910,412
Infrastructure	9(a)	65,270,617	63,408,457
TOTAL NON-CURRENT ASSETS		86,016,706	82,400,087
TOTAL ASSETS		91,544,730	86,855,925
CURRENT LIABILITIES			
Trade and other payables	11	382,374	427,756
Other liabilities	12	231,024	433,769
Borrowings	13	106,128	113,970
Employee related provisions	14	238,675	202,298
TOTAL CURRENT LIABILITIES		958,201	1,177,793
NON-CURRENT LIABILITIES			
Borrowings	13	1,054,870	1,186,004
Employee related provisions	14	28,882	27,319
TOTAL NON-CURRENT LIABILITIES		1,083,752	1,213,323
TOTAL LIABILITIES		2,041,953	2,391,116
NET ASSETS		89,502,777	84,464,809
EQUITY			
Retained surplus		34,284,143	32,174,843
Reserve accounts	26	2,984,280	2,475,964
Revaluation surplus	15	52,234,354	49,814,002
TOTAL EQUITY		89,502,777	84,464,809

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

**SHIRE OF DOWERIN
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		31,693,071	2,280,141	46,337,848	80,311,060
Comprehensive income for the period					
Net result for the period		677,595	0	0	677,595
Other comprehensive income for the period	15	0	0	3,476,154	3,476,154
Total comprehensive income for the period		677,595	0	3,476,154	4,153,749
Transfers from reserve accounts	26	253,605	(253,605)	0	0
Transfers to reserve accounts	26	(449,428)	449,428	0	0
Balance as at 30 June 2022		32,174,843	2,475,964	49,814,002	84,464,809
Comprehensive income for the period					
Net result for the period		2,617,616	0	0	2,617,616
Other comprehensive income for the period	15	0	0	2,420,352	2,420,352
Total comprehensive income for the period		2,617,616	0	2,420,352	5,037,968
Transfers from reserve accounts	26	370,620	(370,620)	0	0
Transfers to reserve accounts	26	(878,936)	878,936	0	0
Balance as at 30 June 2023		34,284,143	2,984,280	52,234,354	89,502,777

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

**SHIRE OF DOWERIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,584,589	1,469,503
Grants, subsidies and contributions		3,516,085	5,930,287
Fees and charges		829,958	632,335
Interest revenue		70,100	17,340
Goods and services tax received		565,135	422,742
Other revenue		97,405	105,558
		6,663,272	8,577,765
Payments			
Employee costs		(1,588,150)	(1,737,205)
Materials and contracts		(1,976,257)	(5,697,983)
Utility charges		(160,293)	(262,201)
Finance costs		(31,872)	(36,712)
Insurance paid		(167,904)	(167,876)
Goods and services tax paid		(533,332)	(265,561)
Other expenditure		(86,050)	(100,555)
		(4,543,858)	(8,268,093)
Net cash provided by (used in) operating activities	16(b)	2,119,414	309,672
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(202,626)	(258,013)
Payments for construction of infrastructure	9(a)	(3,611,261)	(2,442,012)
Capital grants, subsidies and contributions		3,013,092	1,795,075
Proceeds from financial assets at amortised cost		0	280,139
Proceeds from sale of property, plant & equipment	10(b)	134,226	60,909
Net cash provided by (used in) investing activities		(666,569)	(563,902)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25	(138,976)	(187,793)
Net cash provided by (used In) financing activities		(138,976)	(187,793)
Net increase (decrease) in cash held		1,313,869	(442,023)
Cash at beginning of year		1,518,378	1,960,401
Cash and cash equivalents at the end of the year	16(a)	2,832,247	1,518,378

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

**SHIRE OF DOWERIN
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	23	1,454,652	1,458,570	1,404,616
Rates excluding general rates	23	55,694	55,644	47,623
Grants, subsidies and contributions		3,094,492	1,252,739	6,802,965
Fees and charges		829,958	669,810	632,335
Interest revenue		70,100	47,000	17,340
Other revenue		97,405	84,500	105,558
Profit on asset disposals		67,647	42,120	27,442
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	2,764	0	2,998
		5,672,712	3,610,383	9,040,877
Expenditure from operating activities				
Employee costs		(1,626,971)	(1,796,711)	(1,749,048)
Materials and contracts		(1,642,309)	(1,651,443)	(5,743,873)
Utility charges		(160,293)	(179,674)	(262,201)
Depreciation		(2,555,534)	(2,135,767)	(2,098,682)
Finance costs		(31,872)	(32,281)	(36,122)
Insurance		(167,904)	(164,857)	(167,876)
Other expenditure		(86,050)	(107,925)	(100,555)
		(6,270,933)	(6,068,658)	(10,158,357)
Non-cash amounts excluded from operating activities	24(a)	2,501,174	2,108,647	2,083,657
Amount attributable to operating activities		1,902,953	(349,628)	966,177
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	2(a)	3,215,837	3,470,765	1,795,075
Proceeds from disposal of assets	10(b)	134,226	121,000	60,909
		3,350,063	3,591,765	1,855,984
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(202,626)	(72,000)	(258,013)
Purchase and construction of infrastructure	9(a)	(3,611,261)	(3,928,142)	(2,442,012)
		(3,813,887)	(4,000,142)	(2,700,025)
Amount attributable to investing activities		(463,824)	(408,377)	(844,041)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	26	370,620	102,561	253,605
		370,620	102,561	253,605
Outflows from financing activities				
Repayment of borrowings	25	(138,976)	(113,975)	(187,793)
Transfers to reserve accounts	26	(878,936)	(482,238)	(449,428)
		(1,017,912)	(596,213)	(637,221)
Amount attributable to financing activities		(647,292)	(493,652)	(383,616)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year		1,013,934	1,251,657	1,275,414
Amount attributable to operating activities		1,902,953	(349,628)	966,177
Amount attributable to investing activities		(463,824)	(408,377)	(844,041)
Amount attributable to financing activities		(647,292)	(493,652)	(383,616)
Surplus or deficit after imposition of general rates	24(b)	1,805,771	0	1,013,934

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

**SHIRE OF DOWERIN
FOR THE YEAR ENDED 30 JUNE 2023
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	13
Note 7	Other Assets	14
Note 8	Property, Plant and Equipment	15
Note 9	Infrastructure	17
Note 10	Fixed Assets	19
Note 11	Trade and Other Payables	22
Note 12	Other Liabilities	23
Note 13	Borrowings	24
Note 14	Employee Related Provisions	25
Note 15	Revaluation Surplus	26
Note 16	Notes to the Statement of Cash Flows	27
Note 17	Contingent Liabilities	28
Note 18	Capital Commitments	28
Note 19	Related Party Transactions	29
Note 20	Joint Arrangements	31
Note 21	Events Occurring After the End of the Reporting Period	32
Note 22	Other Significant Accounting Policies	33
Information required by legislation		
Note 23	Rating Information	34
Note 24	Determination of Surplus or Deficit	35
Note 25	Borrowings Detail	36
Note 26	Reserve accounts	37

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- 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 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.

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

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 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 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- 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.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Grants, subsidies and contributions with commitments	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies and contributions with no commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Capital grants, subsidies and contributions	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fees & Charges	Sale of general goods & services	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Other Revenue	Reimbursements, Donations, Insurance claims and Other revenue	Single point in time	Payment in arrears for claimable event	None	When assets are controlled

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	1,510,346	0	1,510,346
Grants, subsidies and contributions	3,094,492	0	0	0	3,094,492
Fees and charges	829,958	0	0	0	829,958
Interest revenue	0	0	0	70,100	70,100
Other revenue	97,405	0	0	0	97,405
Capital grants, subsidies and contributions	0	3,215,837	0	0	3,215,837
Total	4,021,855	3,215,837	1,510,346	70,100	8,818,138

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,452,239	0	1,452,239
Grants, subsidies and contributions	6,802,965	0	0	0	6,802,965
Fees and charges	632,335	0	0	0	632,335
Interest revenue	0	0	0	17,340	17,340
Other revenue	105,558	0	0	0	105,558
Capital grants, subsidies and contributions	0	1,795,075	0	0	1,795,075
Total	7,540,858	1,795,075	1,452,239	17,340	10,805,512

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2023 Actual \$	2022 Actual \$
Interest revenue		
Interest on reserve account funds	8	3,427
Other interest revenue	70,092	13,913
	70,100	17,340

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services – grant acquittals

34,500	30,800
1,150	0
35,650	30,800

Employee Costs

- Employee benefit costs
- Other employee costs

1,456,811	1,670,778
170,160	78,270
1,626,971	1,749,048

Finance costs

- Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss

31,872	36,122
--------	--------

Other expenditure

- Sundry expenses

86,050	100,555
--------	---------

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	2,832,247	1,518,378
Total cash and cash equivalents	2,832,247	1,518,378
Held as		
- Unrestricted cash and cash equivalents	1,616,943	608,645
- Restricted cash and cash equivalents	1,215,304	909,733
16	2,832,247	1,518,378

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Note	2023	2022
	\$	\$
Financial assets at amortised cost	2,000,000	2,000,000
Other financial assets at amortised cost		
Term deposits	2,000,000	2,000,000
Held as		
- Restricted other financial assets at amortised cost	2,000,000	2,000,000
16	2,000,000	2,000,000

(b) Non-current assets

Financial assets at fair value through profit or loss	61,117	58,353
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	58,353	55,355
Movement attributable to fair value increment	2,764	2,998
Financial assets at fair value through profit and loss WALGA	2,764	2,998
Units in Local Government House Trust - closing balance	61,117	58,353

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 22 (i)) due to the observable market rates).

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

Financial assets at fair value through profit or loss

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

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

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

5. TRADE AND OTHER RECEIVABLES

Note	2023	2022
	\$	\$
Current		
Rates and statutory receivables	160,197	119,592
Trade receivables	426,337	847,930
Allowance for credit losses of rates and statutory receivables	(138)	(138)
Allowance for credit losses of trade receivables	(59,782)	(59,782)
	<u>526,614</u>	<u>907,602</u>
Non-current		
Rates and statutory receivables	24,594	22,865
	<u>24,594</u>	<u>22,865</u>

Disclosure of opening and closing balances related to contracts with customers

Note	30 June 2023	30 June 2022	1 July 2021
	Actual	Actual	Actual
	\$	\$	\$
Trade and other receivables from contracts with customers	5 426,337	847,930	234,928
Contract Assets	7 103,668	0	0
Allowance for credit losses of trade receivables	5 (59,782)	(59,782)	(59,782)
Allowance for impairment of contract assets	7 0	0	0
Total trade and other receivables from contracts with customers	<u>470,223</u>	<u>788,148</u>	<u>175,146</u>

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

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

Measurement

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

Classification and subsequent measurement

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

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

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

6. INVENTORIES

Note	2023	2022
	\$	\$
Current		
Fuel and materials	17,171	5,266
	<u>17,171</u>	<u>5,266</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	5,266	14,603
Inventories expensed during the year	(107,266)	(97,226)
Additions to inventory	119,171	87,889
Balance at end of year	<u>17,171</u>	<u>5,266</u>

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

7. OTHER ASSETS

Note	2023	2022
	\$	\$
Other assets - current		
Prepayments	12,101	0
Accrued income	16,295	24,592
Contract assets	103,668	0
Other assets Fuel Tax Credits	6,893	0
Receivables for employee related provisions	13,035	0
14	151,992	24,592

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

Contract assets

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

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non-specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$		\$	\$	\$
Balance at 1 July 2021	1,125,000	15,821,491	16,946,491	79,109	2,499,385	19,524,985
Additions	0	186,150	186,150	0	71,863	258,013
Disposals	0	0	0	0	(33,467)	(33,467)
Depreciation	0	(501,360)	(501,360)	(15,120)	(308,120)	(824,600)
Transfers	0	(14,519)	(14,519)	0	0	(14,519)
Balance at 30 June 2022	1,125,000	15,491,762	16,616,762	63,989	2,229,661	18,910,412
Comprises:						
Gross balance amount at 30 June 2022	1,125,000	17,443,365	18,568,365	151,132	2,991,558	21,711,055
Accumulated depreciation at 30 June 2022	0	(1,951,603)	(1,951,603)	(87,143)	(761,897)	(2,800,643)
Balance at 30 June 2022	1,125,000	15,491,762	16,616,762	63,989	2,229,661	18,910,412
Additions	0	31,186	31,186	0	171,440	202,626
Disposals	0	0	0	0	(66,579)	(66,579)
Revaluation increments / (decrements) transferred to revaluation surplus	93,000	2,327,352	2,420,352	0	0	2,420,352
Depreciation	0	(505,314)	(505,314)	(13,972)	(287,147)	(806,433)
Balance at 30 June 2023	1,218,000	17,344,986	18,562,986	50,017	2,047,375	20,660,378
Comprises:						
Gross balance amount at 30 June 2023	1,218,000	17,344,986	18,562,986	151,132	3,027,489	21,741,607
Accumulated depreciation at 30 June 2023	0	0	0	(101,115)	(980,114)	(1,081,229)
Balance at 30 June 2023	1,218,000	17,344,986	18,562,986	50,017	2,047,375	20,660,378

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. 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 or estimated observable market data for similar items (Net revaluation method)	Independent Valuation	2023	Price per hectare/market borrowing rate
Land	3	Cost approach using recent or estimated observable market data for similar properties with adjustments to reflect the existing use or zoning of the land	Independent Valuation	2023	Price per hectare/market borrowing rate
Buildings - non-specialised	2	Market approach using recent or estimated observable market data for similar items	Independent Valuation	2023	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Buildings - non-specialised	3	Cost approach using current replacement cost (Net Revaluation Method)	Independent Valuation	2023	Improvements to buildings using construction costs and current condition, residual values and remaining useful life assessments inputs.
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment	N/A	Cost	Not Applicable		Not Applicable
Plant and equipment	N/A	Cost	Not Applicable		Not Applicable

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Other infrastructure drainage	Other infrastructure footpaths	Other infrastructure parks and ovals	Other infrastructure sewerage	Other infrastructure	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	51,300,682	3,964,398	751,272	1,038,061	890,700	804,741	58,749,854
Additions	1,943,873	0	0	0	229,330	268,809	2,442,012
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	343,034	1,349,803	1,783,317	3,476,154
Depreciation	(939,187)	(80,447)	(29,892)	(78,395)	(55,668)	(90,493)	(1,274,082)
Transfers	0	0	0	0	0	14,519	14,519
Balance at 30 June 2022	52,305,368	3,883,951	721,380	1,302,700	2,414,165	2,780,893	63,408,457
Comprises:							
Gross balance at 30 June 2022	80,151,991	7,933,609	1,427,520	1,853,000	3,259,019	4,892,593	99,517,732
Accumulated depreciation at 30 June 2022	(27,846,623)	(4,049,658)	(706,140)	(550,300)	(844,854)	(2,111,700)	(36,109,275)
Balance at 30 June 2022	52,305,368	3,883,951	721,380	1,302,700	2,414,165	2,780,893	63,408,457
Additions	3,453,368	0	0	30,073	45,987	81,833	3,611,261
Depreciation	(986,854)	(80,447)	(29,892)	(107,474)	(162,951)	(381,483)	(1,749,101)
Balance at 30 June 2023	54,771,882	3,803,504	691,488	1,225,299	2,297,201	2,481,243	65,270,617
Comprises:							
Gross balance at 30 June 2023	83,605,359	7,933,609	1,427,520	1,883,073	3,305,006	4,974,426	103,128,993
Accumulated depreciation at 30 June 2023	(28,833,477)	(4,130,105)	(736,032)	(657,774)	(1,007,805)	(2,493,183)	(37,858,376)
Balance at 30 June 2023	54,771,882	3,803,504	691,488	1,225,299	2,297,201	2,481,243	65,270,617

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Other infrastructure drainage	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Other infrastructure footpaths	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Other infrastructure parks and ovals	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Other infrastructure sewerage	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Other infrastructure	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.

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

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

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS

(a) Depreciation

	2023	2022
	\$	\$
Buildings - non-specialised	505,314	501,360
Furniture and equipment	13,972	15,120
Plant and equipment	287,147	308,120
Infrastructure - roads	986,854	939,187
Other infrastructure drainage	80,447	80,447
Other infrastructure footpaths	29,892	29,892
Other infrastructure parks and ovals	107,474	78,395
Other infrastructure sewerage	162,951	55,668
Other infrastructure	381,483	90,493
	2,555,534	2,098,682

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 - non-specialised	15 to 61 years
Furniture and equipment	1 to 40 years
Plant and equipment	4 to 27 years
Infrastructure - roads	
- Formation	not depreciated
- Pavement	17 years
- Bridges	50 years
- Kerbing	25 years
Other infrastructure drainage	50 years
Other infrastructure footpaths	25 years
Other infrastructure parks and ovals	17 years
Other infrastructure sewerage	20 years
Other infrastructure	8 - 40 years

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS (Continued)

(b) Disposals of assets

	2023 Actual Net Book Value	2023 Actual Sale Proceeds	2023 Actual Profit	2023 Actual Loss	2023 Budget Net Book Value	2023 Budget Sale Proceeds	2023 Budget Profit	2023 Budget Loss	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant And Equipment	\$ 66,679	\$ 134,226	\$ 67,647	\$ 0	\$ 78,880	\$ 121,000	\$ 42,120	\$ 0	\$ 33,467	\$ 60,909	\$ 27,442	\$ 0

The following assets were disposed of during the year.

	2023 Actual Net Book Value	2023 Actual Sale Proceeds	2023 Actual Profit	2023 Actual Loss
Plant and Equipment				
Transport				
Truck - Hino 300 Series	19,668	28,181	8,513	0
Other property and services				
Toyota Fortuna	25,231	47,954	22,723	0
Toyota Hilux DO18	641	4,182	3,541	0
Toyota Hilux 2.7L	625	1,636	1,011	0
Toyota Hilux SR5 4WD	20,414	52,273	31,859	0
	66,579	134,226	67,647	0

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value (as indicated), less 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 and infrastructure 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 value. 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 property, plant and equipment 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.

Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

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.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

11. TRADE AND OTHER PAYABLES

Current

	2023	2022
	\$	\$
Sundry creditors	120,795	319,614
Prepaid rates	120,170	3,593
Accrued payroll liabilities	44,531	39,590
ATO liabilities (PAYG)	22,622	26,682
Bonds and deposits held	12,045	11,369
Accrued Interest on Loans	6,734	7,141
FBT Liabilities	7,260	3,353
GST Payable	48,217	16,414
	382,374	427,756

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

Prepaid rates

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

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

12. OTHER LIABILITIES

Current

Contract liabilities
 Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

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

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

Reconciliation of changes in capital grant/contribution liabilities

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

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year

	2023	2022
	\$	\$
Contract liabilities	14,600	14,600
Capital grant/contributions liabilities	216,424	419,169
	<u>231,024</u>	<u>433,769</u>
Reconciliation of changes in contract liabilities		
Opening balance	14,600	542,502
Additions	0	14,600
Revenue from contracts with customers included as a contract liability at the start of the period	0	(542,502)
	<u>14,600</u>	<u>14,600</u>
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	419,169	161,511
Additions	216,424	419,169
Revenue from capital grant/contributions held as a liability at the start of the period	(419,169)	(161,511)
	<u>216,424</u>	<u>419,169</u>
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	216,424	419,169

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

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

13. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		106,128	1,054,870	1,160,998	113,970	1,186,004	1,299,974
Total secured borrowings	25	106,128	1,054,870	1,160,998	113,970	1,186,004	1,299,974

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the general funds of the Shire of Dowerin.

The Shire of Dowerin 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 hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 25.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	149,078	119,823
Long service leave	79,395	57,612
	228,473	177,435
Employee related other provisions		
Employment on-costs	10,202	24,863
Total current employee related provisions	238,675	202,298
Non-current provisions		
Employee benefit provisions		
Long service leave	26,965	25,431
	26,965	25,431
Employee related other provisions		
Employment on-costs	1,917	1,888
Total non-current employee related provisions	28,882	27,319
Total employee related provisions	267,557	229,617
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	7 13,035	0

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.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

15. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	Total Movement on Revaluation	2022 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	871,768	93,000	964,768	871,768	0	871,768
Revaluation surplus - Buildings - non-specialised	9,061,374	2,327,352	11,388,726	9,061,374	0	9,061,374
Revaluation surplus - Plant and equipment	197,973	0	197,973	197,973	0	197,973
Revaluation surplus - Infrastructure - roads	30,179,485	0	30,179,485	30,179,485	0	30,179,485
Revaluation surplus - Other infrastructure drainage	4,103,641	0	4,103,641	4,103,641	0	4,103,641
Revaluation surplus - Other infrastructure footpaths	497,095	0	497,095	497,095	0	497,095
Revaluation surplus - Other infrastructure parks and ovals	882,195	0	882,195	539,161	343,034	882,195
Revaluation surplus - Other infrastructure sewerage	2,203,605	0	2,203,605	853,802	1,349,803	2,203,605
Revaluation surplus - Other infrastructure	1,816,866	0	1,816,866	33,549	1,783,317	1,816,866
	49,814,002	2,420,352	52,234,354	46,337,848	3,476,154	49,814,002

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	2,832,247	1,518,378

Restrictions

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	1,215,304	909,733
- Financial assets at amortised cost	4	2,000,000	2,000,000
		<u>3,215,304</u>	<u>2,909,733</u>

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts	26	2,984,280	2,475,964
Contract liabilities	12	14,600	14,600
Capital grant liabilities	12	216,424	419,169
Total restricted financial assets		<u>3,215,304</u>	<u>2,909,733</u>

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

Net result		2,617,616	677,595
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss	4(b)	(2,764)	(2,998)
Depreciation/amortisation	10(a)	2,555,534	2,098,682
(Profit)/loss on sale of asset	10(b)	(67,647)	(27,442)
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		379,259	(443,686)
(Increase)/decrease in other assets		(127,400)	0
(Increase)/decrease in inventories		(11,905)	9,337
Increase/(decrease) in trade and other payables		(45,382)	35,363
Increase/(decrease) in employee related provisions		37,940	28,140
Increase/(decrease) in other liabilities		(202,745)	(270,244)
Capital grants, subsidies and contributions		(3,013,092)	(1,795,075)
Net cash provided by/(used in) operating activities		<u>2,119,414</u>	<u>309,672</u>

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit		60,000	60,000
Bank overdraft at balance date		0	0
Credit card limit		16,000	18,000
Credit card balance at balance date		(2,157)	(2,242)
Total amount of credit unused		<u>73,843</u>	<u>75,758</u>

Loan facilities

Loan facilities - current		106,128	113,970
Loan facilities - non-current		1,054,870	1,186,004
Total facilities in use at balance date		<u>1,160,998</u>	<u>1,299,974</u>

Unused loan facilities at balance date		0	0
---	--	---	---

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

17. CONTINGENT LIABILITIES

The Shire of Dowerin has identified the following sites, in relation to land owned, vested or leased that is known to be, or suspected of being contaminated.

1. Lot 98 Cottrell Street, Dowerin - Shire Depot - hydrocarbon.

The Shire is aware that contamination exists in the form of vehicle fuel, however the extent of the value and timing of remediation has not been ascertained as at the date of this report.

2. Amery Refuse Site – Pt4 – 13758, Cnr Dowerin/Kalannie Rds., Dowerin - Asbestos

Operated by the Shire as a single landfill which receives kerbside and general waste generated by the community.

This refuse site was registered with the Department of Environmental Protection on 10th November 2003 as a Schedule 2 Putrescible landfill.

The site covers a total area of 8.8472 hectares and is currently at 80% capacity. At the current rate of waste disposal, the site has an estimated remaining life of 5-8 years.

The Shire is aware that contamination exists in the form of asbestos, however the extent of the contamination has not yet been ascertained. As at the reporting date, the contamination had been reported to the Department of Water and Environmental Regulation in February 2022 as required by the Contaminated Sites Act 2003. The Shire has complied with this reporting requirement for 2022-23.

During the current reporting year the Shire received a report that presents the key strategies for the closure management plan of the refuse site. It considers the current condition of the site and the proposed design for landfill closure that has a timeframe of up to 10 years.

During 2024 the Shire will be considering 2 options for the site, being;

Option 1

Opening the current site to the West that would increase the estimated life of the site to 5 years.

Option 2

Opening the current site to the West and have options to apply for clearing permits to expand the pits. This is likely to increase the estimated life of the site to more than 8 years.

After implementing the preferred option the Shire will review the scale of the Council's rehabilitation liability and plan to use its Waste Management Reserve to fund the liability for the close out plan.

18. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	0	13,189
- plant & equipment purchases	108,700	61,187
	108,700	74,376
Payable:		
- not later than one year	108,700	74,376

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

19. 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	3,750	7,500	7,500
President's meeting attendance fees	9,485	2,904	3,625
	<u>13,235</u>	<u>10,404</u>	<u>11,125</u>
Deputy President's annual allowance	938	1,875	1,875
Deputy President's meeting attendance fees	3,962	2,904	2,900
	<u>4,900</u>	<u>4,779</u>	<u>4,775</u>
All other council member's meeting attendance fees	15,701	19,192	16,825
All other council member's other expenses	0	0	216
All other council member's communications allowance	150	1,000	712
All other council member's travel and accommodation expenses	171	2,002	0
	<u>16,022</u>	<u>22,194</u>	<u>17,753</u>
19(b)	<u>34,157</u>	<u>37,377</u>	<u>33,653</u>

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits	315,195	437,726
Post-employment benefits	35,142	48,328
Employee - other long-term benefits	4,002	9,871
Employee - termination benefits	0	38,859
Council member costs	34,157	33,653
19(a)	<u>388,496</u>	<u>568,437</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

19. 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.

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

	2023 Actual	2022 Actual
	\$	\$
Purchase of goods and services	74,179	164,464
Short term employee benefits - other related parties	72,287	63,686
Post employee benefits - other related parties	13,951	9,747
Amounts outstanding from related parties:		
Trade and other receivables	0	2,449

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 19(a) and 19(b)

ii. Other Related Parties

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

20. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Dowerin entered into joint arrangements with the State Housing Commission - Homeswest for construction of:

- 4 x 2 Bedroom Units for small families (Memorial Street Units) in 1996
The Shire has a 19% interest in the joint arrangement.
- 4 x Independent Living Units for Seniors (Lot 27 Goldfields Road - Hilda Street Units) in 2006
The Shire has a 21% interest in the joint arrangement.

Assets associated with the joint venture agreements are included in Council's Property, Plant & Equipment Register.

Statement of Financial Position

	2023 Actual	2022 Actual
	\$	\$
Land and Buildings	1,155,947	1,155,947
Less:accumulated depreciation	(139,493)	(111,595)
Total assets	1,016,454	1,044,352

Statement of Comprehensive Income

Other revenue	35,069	17,304
Depreciation	(27,899)	(27,899)
Other expense	(30,245)	(56,538)
Profit/(loss) for the period	(23,075)	(67,133)
Total comprehensive income for the period	(23,075)	(67,133)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

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

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

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no material events after the reporting period which would affect the financial report of the Shire for the year ended 30th June 2023 or which would require a separate disclosure.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

22. 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 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) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

23. RATING INFORMATION

(a) General Rates

RATE TYPE Rate Description	Basis of valuation	Rate in \$	Number of Properties	2022/23 Actual Rateable Value*	2022/23 Actual Rate Revenue	2022/23 Actual Interim Rates	2022/23 Actual Total Revenue	2022/23 Budget Rate Revenue	2022/23 Budget Interim Rate	2022/23 Budget Total Revenue	2021/22 Actual Total Revenue
Residential	Gross rental valuation	0.1045	131	1,269,347	132,647	230	132,877	132,647	0	132,647	133,153
Commercial	Gross rental valuation	0.1045	15	256,474	26,802	0	26,802	26,802	0	26,802	26,417
Town Rural	Gross rental valuation	0.1045	12	138,892	14,514	0	14,514	14,514	0	14,514	15,099
Other Town	Gross rental valuation	0.1045	8	33,384	3,489	0	3,489	3,489	0	3,489	3,439
Rural Farmland	Unimproved valuation	0.00676	223	169,617,000	1,146,611	(4,638)	1,141,973	1,146,611	0	1,146,611	1,100,393
Total general rates			389	171,315,097	1,324,063	(4,408)	1,319,655	1,324,063	0	1,324,063	1,278,501
Minimum payment		\$									
Residential	Gross rental valuation	824	48	292,295	39,552	0	39,552	39,552	0	39,552	34,892
Commercial	Gross rental valuation	824	17	65,470	14,008	0	14,008	14,008	0	14,008	13,481
Town Rural	Gross rental valuation	824	16	38,685	13,184	0	13,184	13,184	0	13,184	11,895
Other Town	Gross rental valuation	241	20	7,974	4,820	0	4,820	4,820	0	4,820	4,408
Rural Farmland	Unimproved valuation	824	64	4,190,300	52,736	0	52,736	52,736	0	52,736	52,177
Commercial	Unimproved valuation	824	4	400	3,296	0	3,296	3,296	0	3,296	3,172
Town Rural	Unimproved valuation	824	4	109,500	3,296	0	3,296	3,296	0	3,296	3,172
Mining	Unimproved valuation	241	15	99,452	3,615	490	4,105	3,615	0	3,615	2,918
Total minimum payments			188	4,804,076	134,507	490	134,997	134,507	0	134,507	126,115
Total general rates and minimum payments			577	176,119,173	1,458,570	(3,918)	1,454,652	1,458,570	0	1,458,570	1,404,616
Ex-gratia Rates											
CBH					55,694		55,694	55,644	0	55,644	47,623
Total amount raised from rates (excluding general rates)			0	0	55,694	0	55,694	55,644	0	55,644	47,623
Total Rates							1,510,346			1,514,214	1,452,239

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

*Rateable Value at time of raising of rate.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

24. DETERMINATION OF SURPLUS OR DEFICIT

Note	2022/23	2022/23	2021/22		
	(30 June 2023 Carried Forward) \$	Budget (30 June 2023 Carried Forward) \$	(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 32</i> .					
Adjustments to operating activities					
	Less: Profit on asset disposals	10(b)	(67,647)	(42,120)	(27,442)
	Add: Movement in liabilities associated with restricted cash		16,217	15,000	20,116
	Less: Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,764)	0	(2,998)
	Add: Depreciation	10(a)	2,555,534	2,135,767	2,098,682
	Non-cash movements in non-current assets and liabilities:				
	Pensioner deferred rates		(1,729)	0	(2,388)
	Employee benefit provisions		1,563	0	(2,313)
	Non-cash amounts excluded from operating activities		2,501,174	2,108,647	2,083,657
(b) Surplus or deficit after imposition of general rates					
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
Adjustments to net current assets					
	Less: Reserve accounts	26	(2,984,280)	(2,793,368)	(2,475,964)
	Add: Current liabilities not expected to be cleared at end of year				
	- Current portion of borrowings	13	106,128	0	113,970
	- Liability supported by reserve		114,100	114,100	97,883
	Total adjustments to net current assets		(2,764,052)	(2,679,268)	(2,264,111)
Net current assets used in the Statement of Financial Activity					
	Total current assets		5,528,024	3,335,659	4,455,838
	Less: Total current liabilities		(958,201)	(656,391)	(1,177,793)
	Less: Total adjustments to net current assets		(2,764,052)	(2,679,268)	(2,264,111)
	Surplus or deficit after imposition of general rates		1,805,771	0	1,013,934

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

25. BORROWINGS DETAIL

Borrowings

Purpose	Note	Actual							Budget			
		Principal		Principal at 30 June 2022	Principal		Principal at 30 June 2023	Principal at 1 July 2022	Principal		Principal at 30 June 2023	
		Principal at 1 July 2021	New Loans During 2021-22		Repayments During 2021-22	New Loans During 2022-23			Repayments During 2022-23	New Loans During 2022-23		Repayments During 2022-23
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Dowerin Community Club		75,915	0	(75,915)	0	0	0	0	0	0	0	
Multi Tyre Roller		159,703	0	(20,722)	138,981	0	(20,895)	118,086	129,895	0	(20,895)	109,000
Smooth Drum Tyre Roller		140,915	0	(18,289)	122,625	0	(18,438)	104,187	131,716	0	(18,437)	113,279
Swimming Pool		162,815	0	(19,099)	143,716	0	(19,444)	124,272	153,293	0	(19,444)	133,849
Short Term Accommodation Project 2017		648,579	0	(33,063)	615,516	0	(34,109)	581,407	615,517	0	(34,109)	581,408
GROH house		254,840	0	(10,704)	244,136	0	(11,090)	233,046	244,135	0	(11,090)	233,045
Swimming Pool		45,000	0	(10,000)	35,000	0	(35,000)	0	35,000	0	(10,000)	25,000
Total		1,487,767	0	(187,793)	1,299,974	0	(138,976)	1,160,998	1,309,556	0	(113,975)	1,195,581

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending	Budget for year ending	Actual for year ending
						30 June 2023	30 June 2023	30 June 2022
						\$	\$	\$
Dowerin Community Club		97	WATC*	4.09%	Finalised	0	0	(2,136)
Multi Tyre Roller		103	WATC*	1.09%	10/11/2028	(1,070)	(1,117)	(1,264)
Smooth Drum Tyre Roller		104	WATC*	1.09%	10/11/2028	(984)	(984)	(1,116)
Swimming Pool		101	WATC*	1.91%	25/06/2029	(2,494)	(2,500)	(2,839)
Short Term Accommodation Project 2017		99	WATC*	3.25%	4/10/2036	(18,804)	(19,062)	(19,858)
GROH house		100	WATC*	3.75%	2/10/2038	(8,520)	(8,618)	(8,909)
Swimming Pool		DEM**	DEM**	0.00%	Finalised	0	0	0
Total						(31,872)	(32,281)	(36,122)
Total Finance Cost Payments						(31,872)	(32,281)	(36,122)

* WA Treasury Corporation

** Dowerin Events Management

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

26. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Employee Entitlement Reserve	97,883	16,217	0	114,100	97,883	16,217	0	114,100	77,767	20,116	0	97,883
(b) Plant Replacement Reserve	487,477	227,117	(250,059)	464,535	487,477	138,617	(32,000)	594,094	195,176	292,301	0	487,477
(c) Sewerage Asset Preservation Reserve	912,088	45,336	(50,000)	907,424	912,075	45,336	0	957,411	1,069,075	86,618	(243,605)	912,088
(d) Information Technology Reserve	39,651	20,493	0	60,144	39,651	20,493	0	60,144	39,307	344	0	39,651
(e) Land & Building Reserve	349,816	13,574	0	363,390	287,543	13,574	0	301,117	346,803	3,013	0	349,816
(f) Emergency Reserve	0	0	0	0	0	0	0	0	10,000	0	(10,000)	0
(g) Swimming Pool Reserve	40,561	0	(40,561)	0	40,561	0	(40,561)	0	30,294	10,267	0	40,561
(h) Recreation Reserve	206,109	53,066	(30,000)	229,175	206,122	53,066	(30,000)	229,188	205,800	309	0	206,109
(i) Community Housing Reserve	60,005	746	0	60,751	60,005	746	0	60,751	59,915	90	0	60,005
(j) Economic Reserve	66,971	832	0	67,803	66,971	832	0	67,803	66,870	101	0	66,971
(k) Bowling Green Reserve	117,245	11,457	0	128,702	117,245	11,457	0	128,702	107,084	10,161	0	117,245
(l) Tennis Court Reserve	58,128	6,722	0	64,850	58,128	6,722	0	64,850	52,050	6,078	0	58,128
(m) Depot Reserve	20,015	50,249	0	70,264	20,015	50,249	0	70,264	10,000	10,015	0	20,015
(n) Waste Reserve	20,015	20,249	0	40,264	20,015	20,249	0	40,264	10,000	10,015	0	20,015
(o) Road and Infrastructure Reserve	0	412,878	0	412,878	0	104,680	0	104,680	0	0	0	0
	2,475,964	878,936	(370,620)	2,984,280	2,413,691	482,238	(102,561)	2,793,368	2,280,141	449,428	(253,605)	2,475,964

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

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

Name of reserve account

Purpose of the reserve account

Restricted by council

(a) Employee Entitlement Reserve	-To cash back the cost of Long Service, Annual and Sick Leave where the leave cannot be absorbed within the annual budget.
(b) Plant Replacement Reserve	-To ensure the cost of additional new plant and refurbishment or replacement can be met as per the Plant Replacement Program
(c) Sewerage Asset Preservation Reserve	-To provide for the replacement and development of sewerage and stormwater infrastructure throughout the Shire.
(d) Information Technology Reserve	-To be used for the renewal & upgrade of Shire of Dowerin Information Technology
(e) Land & Building Reserve	-To assist with funding the development and purchase of land and building assets.
(f) Emergency Reserve	-To be used to reduce immediate cash flow pressure during a declared emergency (Closed in 2022)
(g) Swimming Pool Reserve	-To be used for the renewal and/or upgrade and development of the swimming pool.
(h) Recreation Reserve	-To fund future maintenance, upgrades and developments of recreation facilities, including the swimming pool.
(i) Community Housing Reserve	-To enable participation in community housing projects such as independent living units for seniors
(j) Economic Reserve	-To maintain a reserve to fund economic development initiatives
(k) Bowling Green Reserve	-To be used for the replacement of the bowling greens.
(l) Tennis Court Reserve	-To be used for the replacement of the Tennis Courts
(m) Depot Reserve	-To be used for the purpose of construction of a new Shire of Dowerin Works Depot facility
(n) Waste Reserve	-To be used for the renewal & development of the Shire of Dowerin Waste Facility
(o) Road and Infrastructure Reserve	-To be used for the new construction, maintenance, renewal or upgrade of drainage, footpaths, streets and roads



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Shire of Dowerin

To the Council of the Shire of Dowerin

Opinion

I have audited the financial report of the Shire of Dowerin (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.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Basis for opinion

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

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

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

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

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

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

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

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act 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.

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

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

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