

Shire of Pingelly Annual Report 2023/2024



Table of Contents

The Vision for Pingelly.....	3
Acknowledgement of Country.....	4
History of the Shire.....	4
Statistics.....	5
Elected Members.....	6
Executive Staff.....	7
Shire Staff.....	8
Our Shared Values.....	9
Shire President's Report.....	10
Chief Executive Officer's Report.....	11
Tidy Towns Winner.....	12
Strategic Community Plan – Plan Development.....	14
Strategic Community Plan - Progress Report.....	15
People.....	16
Planet.....	22
Place.....	24
Prosperity.....	28
Performance.....	30
Statutory Disclosures.....	32
Disability, Access & Inclusion Plan.....	34
Recordkeeping Plan.....	35
Appendix A – 2022/2023 Annual Financial Report	
Appendix B - Audit Report for Year Ending 30 June 2023	
Back Cover	

The Vision for Pingelly

Pingelly, positive

Pingelly is filled with naturally 'can do' people.

by nature.

Nature surrounds and infuses Pingelly, bringing positivity to the people.

Lets grow together!

Pingelly's positivity means we can achieve anything together.

Acknowledgement of Country

The Shire of Pingelly acknowledges the Willman Noongar people of the Pingelly area and recognise their continuing connection to land, waters and community. We pay our respects to their elders, past and present, and acknowledge their continuing culture and contribution to the life of this community and region.

History of the Shire

The Moorumbine Spring land was first surveyed in 1856 and a permanent settlement was established around 1860. The first settler in the area was Mr Lewis John Bayley who was granted 4000 acres for grazing in 1846. The expanding district joined forces to build a church, school, store and gaol. The Moorumbine Townsite was gazetted on 24th April 1884.

The Great Southern Railway in 1889 resulted in an economic boom for the district along the rail line. It passed just 10km west of Moorumbine and a small settlement was established at the railway siding located there. A spring of water east of the railway crossing was named "Pingecculling," an Aboriginal name for 'Watering Place.' From this, the present name of Pingelly was derived.

The Pingelly-Moorumbine Road Board Offices were built in Pingelly in 1909. Just a few years later in 1913 'Moorumbine' was dropped from the title. In 1961, the Pingelly Road Board became the Pingelly Shire Council and new Shire Offices were built on the site on which they still stand today.





Shire Statistics

Location

Pingelly is strategically located in the heart of the state's Central South 158km south-east of Perth on the Great Southern Highway. The Shire of Pingelly covers an area of 1,294km², bounded by the Shires of Wandering, Brookton, Corrigin, Cuballing and Wickiepin. The community appreciates a mediterranean type climate. The average yearly rainfall is 453mm, which mainly falls in winter. The Shire of Pingelly's Council Chamber and Administration Centre is located at 17 Queen Street, Pingelly 6308. The website address is: www.pingelly.wa.gov.au.

Population

The Shire of Pingelly, with the townsites of Pingelly, Moorumbine and Dattening, has a total population of 1,037 (2021 Census). The Shire of Pingelly has 816 electors (2020 Roll), 605 dwellings and employs 25 people.

Roads and Area

The Shire of Pingelly has an area of 1,223km² and is responsible for 587km of roads, of which 211km are sealed.

Legislative Authority

The local government of the Shire of Pingelly is a body corporate with perpetual succession and a common seal. The Shire of Pingelly has the legal capacity of a natural person and has an elected Council as its governing body representing all electors within the Shire.

Federal & State Electoral Boundaries

The Shire of Pingelly is in the State electoral district of Central Wheatbelt, in the Agricultural Region and in the Federal electorate of O'Connor.

Elected Members

Jackie McBurney was elected to the role of Shire President, and Peter Wood to the role of Deputy President by a vote of Councillors following the Ordinary Election in October 2023.

New Councillor, Clinton Cheney was elected unopposed at the Ordinary Election in October 2023 while Angela Trethewey was elected unopposed in the Extraordinary Election in April 2024. Councillors Cheney and Trethewey bring fresh perspectives and ideas to the community.

Peter Narducci was re-elected at the Ordinary Election in October 2023. Cr Narducci brings experience and dedication to the role.

Councillors Singh and Hotham remain on Council and are valuable for their passion, community representation and individual perspectives.

Shire President William Mulroney and Cr Anthony Oliveri did not stand for re-election in 2023. The Shire of Pingelly thanks them for their service of 18 and 6 years on Council respectively.



**Deputy President
Peter Wood**



**President
Jackie McBurney**



Cr Bryan Hotham



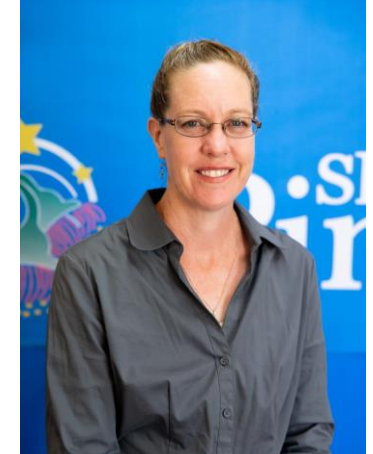
Cr Clinton Cheney



Cr Karmvir Singh



Cr Peter Narducci



Cr Angela Trethewey

Executive Staff 2023-24

Andrew Dover
Chief Executive Officer



Mike Hudson
Executive Manager Works
(From January 2024)



Zoe Macdonald
Executive Manager
Corporate Services





Shire Staff

Back Row (left to right): Gary Fisher – Garden Maintenance Officer, Trevor Tapping – Plant Operator/Labourer, Alan Arnold – Plant Operator/Labourer Brett Sutherland – Plant Operator/Labourer, Hope Wood – Garden Maintenance Supervisor, Brodie Corker – Grader Driver, Allan Bell – Mechanic, Mike Hudson – Executive Manager Works, Amy Rankin – Events Coordinator, Sue Heazlewood – Senior Finance Officer, Russell Edwards – Plant Operator/Labourer, Sheryl Squires - Administration Officer Technical, Storm Nyssen – Governance & Executive Officer, Geoff Thrift – Plant Operator/Labourer

Front Row (left to right): Morgan Rapana – Finance Officer, Janine Hitch – Customer Service Officer, Lee Challis – Building Maintenance Officer, Andrew Dover Chief Executive Officer, Kim Ivermee – Cleaner, Dennis Ivermee – Cleaner, Andrew Marshall – Plant Operator/Labourer, Marianna Carlucci – Cleaner,

Absent: Tim Jurmann – Environment Health & Building Officer, Zoe Macdonald – Executive Manager Corporate Services, Geof Forward – Works Supervisor, John Connors – Plant Operator/Labourer, Carmel Johnson – Plant Operator/Labourer, Jason Carroll – Community Emergency Services Manager



Our Shared Values

Accountable – being transparent and open, meeting commitments and expectations, being responsible for yourself, your actions and results.

Competence – consistent use of skills suitable for the role and task at hand, delivery on goals and commitments, making appropriate decisions and problem solving, maintaining high professional standards and skills.

Integrity – being honest, ethical, reliable, authentic in communication, actions and decision making.

Teamwork – complete our own tasks in a professional manner, willingly assist others, support the team and overall organisational team. Positive attitude and contributions to the workplace culture.

Respect – having care and due regard for all others, considering how your words and/or actions will impact them personally and professionally (including their reputation). Communication is open and civil, and conflict is addressed early and with empathy.

Adaptability – open, willing and able to adjust to change, learn new skills and approaches.

President's Report

It is with great pride that I present this 2023/2024 President's Report. Whilst I acknowledge there is always more work to be done, this year has been marked by significant achievements and milestones.

Our vision, "Pingelly, positive by nature. Let's Grow together," continues to guide our efforts and inspire our community. This year, we have been honoured with numerous awards, that recognised the Shire for continually punching above our weight as a small local government.

In house, there are many projects on the go. The work being conducted on the Pingelly-Wickepin Road will ensure the longevity of that thoroughfare for many years to come. We have made substantial progress in developing the Pingelly Child Care Centre, with the expansion of day care services and the improvement of playgroup facilities being warmly received by families. The East and West Pingelly bushfire brigade buildings are due for completion shortly and these new facilities will enhance our emergency response capabilities and ensure the safety and well-being of our community. We have made significant upgrades to our caravan park making it a more attractive destination for tourists, and our town hall upgrades with new accessibility aspects, have now been completed. This is a mere snapshot of the ongoing work that is being done by our Shire staff and I thank them all for their continued commitment to our community.

As we look ahead, I am confident that Pingelly will continue to thrive and grow. Together, we will build a brighter future for all. I thank you for your ongoing support and commitment to our wonderful community.

Warmest regards
Cr Jackie McBurney
Shire President



CEO's Report

The 2023-2024 financial year has been a remarkable period of achievement for the Shire of Pingelly. Our community's exceptional spirit was magnificently showcased by winning the Tidy Towns Sustainable Communities State title, a testament to our commitment to sustainability and community engagement.

Our first Flowers, Arts & Music Festival drew over 1,000 attendees, putting Pingelly on the tourist map and celebrating our community's creativity. The expansion of our daycare facility from two to four days per week has provided crucial support for local families, demonstrating our commitment to community wellbeing. The renovation of the Town Hall into a multifunctional space stands as a prime example of our forward-thinking approach, now housing our local museum and providing new community spaces.

Infrastructure and economic development remained a priority. We continued significant investment in road maintenance and supported local businesses, including attracting new enterprises like 'The Honourable Florist'. Our advocacy work, particularly the 'Keep the Sheep' campaign, highlighted our support for local agricultural industries.

I extend my heartfelt gratitude to our Shire President, Councillors, and dedicated staff who work tirelessly to improve our community. Pingelly continues to prove that we are truly "positive by nature" – a community capable of achieving remarkable things together.

Sincerely

Andrew Dover

Chief Executive Officer





Tidy Towns Winner

In a resounding victory at Keep Australia Beautiful's Tidy Towns Sustainable Communities Awards, Pingelly emerged triumphant as the overall State Title holder, solidifying its commitment to sustainability and community. The awards ceremony, held at Kings Park on Friday, saw over 30 communities in attendance.

Pingelly showcased its excellence as a finalist in four categories: Heritage & Culture, Young Legends, Community Wellbeing, and the coveted State Title. The town's exceptional efforts were duly recognised, with Pingelly securing the Heritage & Culture State Title for the outstanding redevelopment and revitalization of the Town Hall and Court House. Additionally, Pingelly impressed the judges with the inclusion of the heritage festival, revitalisation of the museum and the creation of a heritage trail around town.

Dylan Cheney, a shining example of youth leadership, was honoured with the State Title for Young Legends. His initiative in assisting senior residents within the community by ensuring they have cut firewood and well-manicured gardens played a significant role in Pingelly's success.

Pingelly Somerset Alliance, a finalist in the Community Wellbeing category, received due recognition for their unwavering dedication and improvements aimed at enhancing the lives of senior residents in Pingelly and surrounding communities.

The highlight of the afternoon came as Pingelly was announced as the overall winner of the Tidy Towns Competition, securing the State Winners title for Western Australia. This achievement underscores Pingelly's commitment to environmental sustainability, community engagement, and overall excellence.

Take a step, get involved and
Keep Australia Beautiful

STATE WINNER 2023

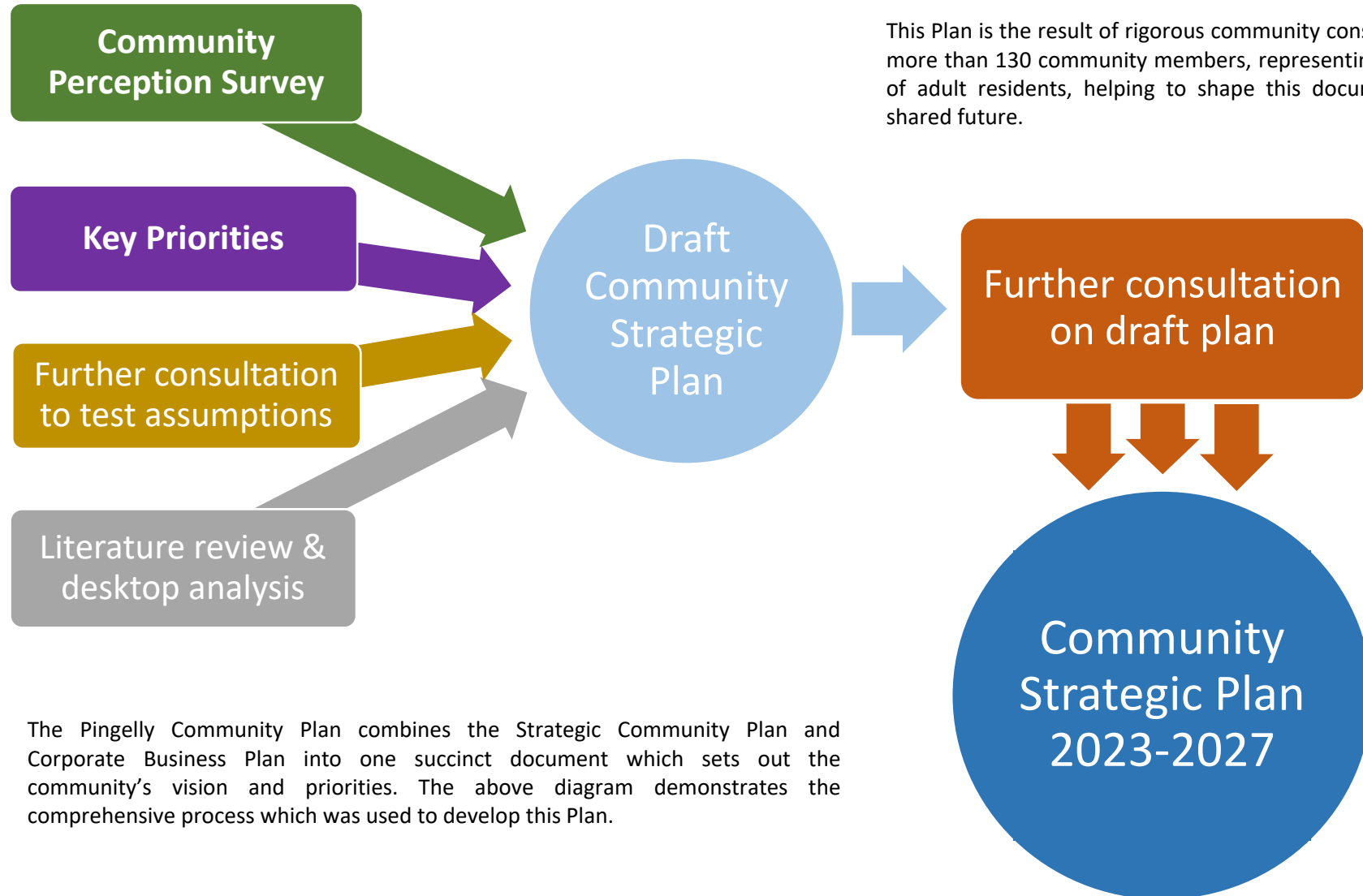


**STATE CATEGORY WINNER
2023
Young Legends**



**STATE CATEGORY WINNER
2023
Heritage and Culture**

Pingelly Community Plan – Plan Development



The Pingelly Community Plan combines the Strategic Community Plan and Corporate Business Plan into one succinct document which sets out the community's vision and priorities. The above diagram demonstrates the comprehensive process which was used to develop this Plan.

Pingelly Community Plan – Progress Report

The Pingelly Community Plan 2023 is used to:

- Guide Council decision-making and priority setting
- Engage local residents, ratepayers, businesses, community groups, and other local stakeholders that contribute our shared future
- Inform decision-making with respect to other partners and agencies, including the Federal and State Governments, regional bodies and other local governments in our region
- Provide a clear avenue to pursue funding and grant opportunities by demonstrating how projects align with the aspirations and strategic direction of our community and Council
- Inform future partners of our key priorities, and the ways in which we seek to grow and develop
- Provide a framework for monitoring progress against the community's vision and aspirations

				
People	Planet	Place	Prosperity	Performance
With our positive nature, we are creating a safe, caring and inclusive community for all to enjoy.	Pingelly's natural areas and systems are healthy and thriving, and natural resources are being used sustainably.	Our heritage buildings are being thoughtfully restored and preserved and we are investing in safe roads and quality infrastructure to enhance our quality of life.	Pingelly is attracting government and private investment, helping to grow and strengthen the economy, attract visitors, and deliver job security now and for the future.	The Shire of Pingelly is an innovative, responsive partner to its community, an effective advocate, and a trusted steward of community assets. The organisation achieves good practice in all that it undertakes.

This Plan sets the direction for the Shire's future and the Council's service levels and projects. This Plan was adopted early in the 2023-2024 financial year. The following section outlines the significant achievements arising from this Plan over the past year.



People

Moorumbine 150 Years Celebration

The picturesque Moorumbine Church celebrated its 150th anniversary on Sunday, September 24th, 2023, in a heartwarming event that united the community. Visitors from near and far gathered to mark this special occasion.

The event showcased the Moorumbine community's ongoing connection to its historical roots. Over 160 attendees enjoyed a successful lunch at the PRACC, which provided a delightful spread of food. This milestone event not only celebrated the church's history but also highlighted the community's unwavering spirit and dedication to heritage preservation.

Pingelly Museum and Historical Group

This group was revitalised and expanded to become effective curators of the Shire's museum collection which was relocated to the Town Hall. An MOU between the Pingelly Museum and Historical Group and the Shire of Pingelly was signed and the museum opened. Consistent opening times have been advertised with the museum enjoying steady visitation rates, bolstered by periods of high demand during events such as the Heritage Festival and Fam Festival.

Town Hall Opening

The Town Hall has been opened as a multifunctional space. The Shire's Museum is located on the Stage area, the main body of the hall is designated for rotational displays with the inaugural display being the Gill Sulkie and Buggy collection. This will remain in place until another permanent location can be funded and constructed. Other rotational displays are expected to include art displays and visiting museum exhibits. To the front of the building, the public toilets have been renovated, a permanent driver reviver location installed and the reading room has been completed. This room is available to be booked for meetings by community groups and can be used as a fundraiser by community groups to make and sell coffee if there is sufficient demand.





People

FAM Festival

The first Flowers, Arts & Music (FAM) Festival was held in October 2023, attended by over 1,000 people. Parade Street was closed for the day for the markets, art competition music and parade, reminiscent of the historic Tulip Festivals over 20 years ago. The streets were bustling with people enjoying the vibrant market stalls and lively music. The event coincided with the national caravan rally in Pingelly which brought hundreds of people to the town over the weekend, camping at the oval.

Local businesses and community members engaged with the event providing sponsorship and support where they could. The event was a resounding success, for our community, economically and put Pingelly on the tourist map for new and repeat visitors.

Signature Events

The Shire delivered a long list of other events throughout the year for our community including:

- Party on the Oval;
- Australia Day;
- Youth Week;
- Blessing of the Roads
- Anzac Day;
- Mothers Day Markets;
- Heritage Festival
- National Volunteer Week;
- National NAIDOC Week;
- Seniors Week;
- Tutanning Wildflower Day; and
- Pingelly Christmas Village

These events raised awareness of important issues, celebrated, and commemorated different occasions. They brought people together, fostering a sense of community and belonging. It instilled a sense of pride as their town come alive with activity, celebration and community spirit.





People

New Daycare Facility

A new facility was developed at a building previously used as a bowling club. This separated the daycare and playgroup facilities which allowed the daycare to open 4 days per week instead of the previous 2 days per week with 24 licenced places.

Following the opening of the new facility, enrolment has increased to 28 children in total. This expanded service provides parents the flexibility and support to work their desired hours, having improved social and economic outcomes for the parents, children and Pingelly in general.

It is hoped that this service will continue to expand to a 5 day per week service with before and after school care. The facility has been developed to allow such an expansion.

Australia Day Awards 2023

The following people were awarded at the Shire of Pingelly Australia Day awards:

- Amber Moulton – Community Service of the Year
- Pingelly Mo Bros – Volunteer of the Year
- Helen Morton – Senior of the Year
- Pingelly P.S. Choir – Youth of the Year

These awards are to recognise and celebrate individuals and organisations that have made significant contributions or have provided outstanding service to the local community over several years.

Honorary Freeman – William Mulroney ESM

Former Shire President, William (Bill) Mulroney was celebrated by becoming the inaugural Honorary Freeman for his years of service to the Pingelly Community almost 40 years. This service as a Shire employee, Councillor, Deputy President, Shire President, Scout Leader, Manager of the Pingelly SES as well as many informal roles required much sacrifice from both Bill, his wife Lorraine and his family. Bill was awarded the key to the town as a symbol of our appreciation of his tireless service.





Planet

Weather Stations

3 Weather Stations were installed across the Shire – in Moorumbine, East Pingelly and West Pingelly. These stations provide a comprehensive view of the weather in the various parts of our Shire area. The accurate and live information from these stations is constantly available for the Shire's Fire Weather Officers to view and determine if a Harvest and Movement Ban is warranted.

In addition, this information is available online for local farmers to view. This provides localised official weather information. Farmers can use this information from these stations to monitor the weather in their local area even when away from the farm.

These weather stations replace older stations which had become costly to repair and maintain.

Cat Local Law

Predation by domestic and feral cats kill 186 and 748 animals respectively each year. Many of these animals are native animals which are endangered. Australia-wide, cats have played a major role in the extinction of at least 27 mammal species and at present endanger 147 Australian mammals, birds, reptiles and frogs. Feral cats are recognised by the Environment and Invasives Committee as an extreme threat category for Australia (the highest threat). To deal with this threat, a Cat Local Law has been developed and implemented. *Note that this has since been struck down by the State Government.*

Support Establishment of the Community Garden

A community garden has been established with the assistance of the Shire, including leasing a suitable building and land, connecting utilities to the building, minor upgrades, drainage works and providing funding through the Shire of Pingelly Community Grants program. The Shire also successfully applied for a grant of \$10,000 on behalf of this group to provide for its establishment.





Place

Town Planning Scheme Updated

The Shire gazetted Amendments 6 and 7 which reviewed the Shire of Pingelly Town Planning Scheme No. 3. A comprehensive review of the Town Planning Scheme has not been completed since the Scheme's gazettal in 2008. The review was well overdue.

Since 2008 there have been substantial changes in Pingelly and regulations. Changes have been made to the Town Planning Scheme as a result of these major changes to legislation as well as to modernise and simplify both the text and maps.

Amendment 6 modified the Local Planning Scheme text to:

- Ensure consistency with the changed legislation and models;
- Update the Zoning Table;
- Introduce provisions relating to contemporary planning matters;
- Review opportunities to create an effective and efficient local planning system.

Amendment 7 modified the Local Planning Scheme maps to:

- Provide more serviced residential land within in the Pingelly townsite;
- Consolidate the town centre to focus commercial activity within the centre; and
- Remove the 'Development' zone and rezone these areas to removes the requirement for a structure plan to be created and approved prior to development occurring.

Heritage Survey and List Adopted

In addition, the Shire compiled and adopted a new Heritage Survey (previously Municipal Heritage Inventory) and Heritage List following community consultation. The previous Survey and List were compiled in 2015. This review updated the contents including places, photographs and descriptions and is available to view on the Shire's website.

The Shire won the Planning Institute of Australia's Award for Excellence 2024 for 'Local Government Team (Band 2-4)' for these projects





Place

Roads Maintenance/Upgrades

The Shire of Pingelly recognises that many local roads are currently in a poor condition and spends over 50% of the overall income on road construction and maintenance. A number of capital improvement roadworks were prioritised for the 23/24 Financial Year based on usage and condition, most notably Wickepin-Pingelly Road and Yenelling Road, Jingaring Road and the repair and maintenance of culverts throughout the Shire.

The Shire takes a pragmatic approach of improving maintenance standards to prolong the useful life of our roads. Thanks to our dedicated and knowledgeable staff our rural roads have substantially improved, although much more is to be done.

Youth Precinct Plan

Funding was sought and obtained for the Youth Precinct Plan following its development in 22/23. This plan comprises of the following elements:

- A pump track at the corner of Park and Queen Street
- A skate park at the corner of Pasture and Queen Sts (future stage)
- Closing part of Pemberton Street between the pump track and skate park while retaining access on Avon Street
- A 'hang out' zone next to Memorial Park
- A youth centre on Queen Street which can be used as a youth hub and service centre
- The installation of a ninja park or similar near the PRACC.

The Youth Precinct will fill an identified gap of facilities for ages 12–18, building on the facilities provided at Memorial Park and the PRACC for younger age groups.

Bicycle Infrastructure

Following the completion of the all ages path, the Shire has installed solar lighting, rest stops and bike racks and bike repair stations in various strategic locations around Pingelly.



Megan Parley



Prosperity

‘Keep the Sheep’ Advocacy

In response to the Commonwealth Government’s proposal to ban live sheep exports, the Shire of Pingelly took a leadership role in advocating for this vital local industry. Pingelly like many other towns across Western Australia rely on the sheep industry, which works as part of a larger interdependent agricultural ecosystem, complementary with cropping.

The Shire led a coalition of 38 other local governments to provide united advocacy to provide feedback to the Parliamentary Enquiry into the matter through the preparation of a Local Government Joint Position Statement ‘Support for farmers and live sheep exports from WA’.

The Honourable Florist

The Shire leased the old Courthouse building to ‘The Honourable Florist’, attracting a new business to town. This business has been well supported within the community and is an example of how a well run business can prosper even in smaller towns.

The quarterly Business BBQ was held at this business, introducing the businesses to the Florist including an overview of the operations.

The Florist complements the use of the Memorial Park, symbiotically attracting foot traffic and mutually providing a pleasant location.

Caravan Park Upgrade

The Shire has upgraded the Pingelly Caravan Park to make it more attractive for tourists. This includes the redevelopment of the camp kitchen, ensuring the paving is level and accessible, planting screening trees. These upgrades make the park more attractive to tourists, potentially boosting local tourism and benefiting the community economically.

The caravan park has recently had a very high occupancy rate, with many longer term residents (up to 3 months) as well as shorter term visitors.





Performance

Advocacy

The Shire advocated for several matters during this year including the 'Keep the Sheep' campaign referenced earlier. These include the:

- 2024 Regional Telecommunications Review
- 2024 Inquiry into Sustainability of Local Government
- Road Resilience Inquiry
- Electoral Boundaries Review
- Inquiry into Innovation in WA

Independent Secondary School Survey

Following a feasibility study, the Shire conducted a community survey on the concept of an Independent Secondary School in Pingelly. Of the 159 people that participated, 88% supported the establishment of such a school, with most stating that the motivating factor was 'for kids to be closer to home'. This hearty endorsement of the concept demonstrated that the Shire should continue to explore the establishment of an Independent Secondary School in Pingelly.

Ordinary and Extraordinary Election Processes

The Ordinary Election was conducted with 3 available vacancies. Cr Peter Narducci (returning) and Cr Clinton Cheney (new) filled 2 of these available seats in an uncontested process, necessitating an Extraordinary Election. This Extraordinary Election process was conducted with Cr Angela Trethewey filling the remaining 1 vacant seat. These Councillors will hold their seat until the October 2027 election.

Compliance

The bi-annual review of the Council Policies, the Reg 17 Review, and the Financial Management System Review were successfully conducted.



Statutory Disclosures

Council Meetings

Council continued with a monthly Ordinary Council Meeting schedule, except January. A total of 11 Ordinary Council Meetings (OCM), 3 Special Council Meetings (SCM) and 2 Audit and Risk Committee Meetings (ACM) were held. The following table shows the Councillor attendance at these meetings.

Crs Mulroney and Oliveri did not stand for re-election in 2023 while Crs Cheney and Trethewey were elected during the 2023/24 period.

	OCM	SCM	ACM
Cr W Mulroney	3	1	-
Cr J McBurney	10	3	2
Cr P Wood	10	3	2
Cr B Hotham	10	3	2
Cr A Oliveri	4	1	
Cr P Narducci	11	3	2
Cr K Singh	7	2	1
Cr C Cheney	5	1	2
Cr A Trethewey	5	-	-

Employee Remuneration

In accordance with section 5.53(2) (g) of the *Local Government Act 1995* and Section 19B of the *Local Government (Administration) Regulations 1996*, the following information is provided with respect to employees annual salary entitlement. Set out below, in bands of \$10,000 is the number of employees of the Shire of Pingelly remuneration with an annual salary of \$100,000 or more.

Salary Range \$	Number of Employees
130,000 - 139,999	1
140,000 - 149,999	-
150,000- 159,999	-
160,000-169,000	1

Statutory Disclosures

Freedom of Information

During the 2022-2023 financial year, Council received no requests for information under *Freedom of Information Act 1992*. Council prides itself on being both accountable and accessible to electors and unless containing certain matters, such as personal information etc. is generally able to satisfy all requests for information on any Council related matter outside of the requirements of this Act.

Public Interest Disclosures

As a public authority, the Shire has an obligation to provide information under the Public Interest Disclosure Act 2003. No public interest disclosure requests were received during 2022-2023.

Register of Complaints

Section 5.53 (2)(hb) of the *Local Government Act 1995* requires that a local government's Annual Report is to contain details of entries made under Section 5.121 of the Act during the financial year, in the register of complaints. There were no complaints of this nature received and recorded in the Register for the 2022-2023 reporting period.

National Competition Policy

In respect to Council's responsibilities in relation to National Competition Policy the Shire of Pingelly reports as follows:

- No business enterprise of the Shire has been classified by the Australian Bureau of statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.



Disability Access & Inclusion Plan

The Disability Access Inclusion Plan 2020-25 is a strategic document for the Shire of Pingelly required by the Government of Western Australia and registered with the Department of Communities. This document is reported on annually to improve quality of life outcomes for people who live with a disability. The Shire has achieved the following objectives:

- Incorporate the objectives of the DAIP into Council's Corporate Business Plan
- Ensure Shire staff, agents and contractors are aware of the DAIP and the requirements for providing access and inclusion to services and events
- Ensure that information from the Shire website is accessible
- Renovations and newly constructed facilities take disability access into consideration as part of the design.
- Improve Executive awareness of the importance of the DAIP as an instrument for improving access and inclusion within the Shire

The Shire of Pingelly has taken significant strides forward to make our community more accessible, however much more must be done to provide equal access and opportunity for all.



Recordkeeping Plan

Section 19 of the *State Records Act 2000* requires every government organisation to have a Recordkeeping Plan (RKP) that has been approved by the State Records Commission.

The RKP sets out the matters about which records are to be created by the organisation and how it is to be kept. This document provides as accurate reflection of the RKP program within the Shire of Pingelly. The inclusion of such documentation will constitute evidence of compliance.

Staff members responsible for records management have been trained in the basic retention and disposal methods for Local Government and have

attended RKP training at the Office of State Records.

In house training sessions for staff are conducted on an as needs basis, for example, when an aspect of the recordkeeping systems changes, or if responsibilities change.

In accordance with Section 28 of the *State Records Act 2000*, the RKP for the Shire of Pingelly was reviewed and approved by the State Records Commission in 2021 with the next review of the plan to be completed in 2025-26.



SHIRE OF PINGELLY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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	37

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

Pingelly, a sustainable community, where natural beauty and economic diversity provide opportunities for all.

Principal place of business:
17 Queen Street
PINGELLY WA 6308



**SHIRE OF PINGELLY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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

STATEMENT BY CEO

The accompanying financial report of the Shire of Pingelly 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 2024 and the financial position as at 30 June 2024.

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

Signed on the 25th day of November 2024



Chief Executive Officer

Andrew Dover

SHIRE OF PINGELLY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),23	2,436,948	2,446,730	2,330,171
Grants, subsidies and contributions	2(a)	2,164,346	619,746	2,326,054
Fees and charges	2(a)	434,563	427,668	349,208
Interest revenue	2(a)	96,603	48,997	51,290
Other revenue	2(a)	204,488	89,221	181,663
		5,336,948	3,632,362	5,238,386
Expenses				
Employee costs	2(b)	(2,006,060)	(2,149,081)	(1,767,648)
Materials and contracts		(1,756,579)	(2,012,475)	(1,471,244)
Utility charges		(209,652)	(183,147)	(164,292)
Depreciation		(3,223,748)	(2,933,590)	(2,681,915)
Finance costs		(89,621)	(89,641)	(103,057)
Insurance		(232,437)	(231,841)	(217,455)
Other expenditure	2(b)	(77,559)	(93,111)	(83,102)
		(7,595,656)	(7,692,886)	(6,488,713)
		(2,258,708)	(4,060,524)	(1,250,327)
Capital grants, subsidies and contributions	2(a)	1,563,875	2,606,381	2,346,441
Profit on asset disposals		2,806	2,000	17,526
Loss on asset disposals		(8,768)	(9,300)	(24,430)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		1,559,174	2,599,081	2,342,301
Net result for the period		(699,534)	(1,461,443)	1,091,974
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	22,949,417
Total other comprehensive income for the period	16	0	0	22,949,417
Total comprehensive income for the period		(699,534)	(1,461,443)	24,041,391

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

SHIRE OF PINGELLY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	3,165,158	2,155,849
Trade and other receivables	5	502,351	505,351
Other financial assets	4(a)	1,149,209	982,741
Inventories	6	10,066	2,105
Other assets	7	92,881	52,534
TOTAL CURRENT ASSETS		4,919,665	3,698,580
NON-CURRENT ASSETS			
Trade and other receivables	5	72,645	65,116
Other financial assets	4(b)	112,191	133,556
Property, plant and equipment	8	24,113,316	23,560,599
Infrastructure	9	86,438,615	88,204,630
Right-of-use assets	11(a)	352,433	400,362
TOTAL NON-CURRENT ASSETS		111,089,200	112,364,263
TOTAL ASSETS		116,008,865	116,062,843
CURRENT LIABILITIES			
Trade and other payables	12	569,745	383,929
Other liabilities	13	1,102,952	499,428
Lease liabilities	11(b)	101,250	98,891
Borrowings	14	210,018	135,336
Employee related provisions	15	369,027	352,435
TOTAL CURRENT LIABILITIES		2,352,992	1,470,019
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	97,170	198,420
Borrowings	14	1,556,504	1,698,091
Employee related provisions	15	41,205	35,785
TOTAL NON-CURRENT LIABILITIES		1,694,879	1,932,296
TOTAL LIABILITIES		4,047,871	3,402,315
NET ASSETS		111,960,994	112,660,528
EQUITY			
Retained surplus		32,669,468	33,534,074
Reserve accounts	26	1,121,583	956,511
Revaluation surplus	16	78,169,943	78,169,943
TOTAL EQUITY		111,960,994	112,660,528

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

SHIRE OF PINGELLY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		32,552,083	846,528	55,220,526	88,619,137
Comprehensive income for the period					
Net result for the period		1,091,974	0	0	1,091,974
Other comprehensive income for the period	16	0	0	22,949,417	22,949,417
Total comprehensive income for the period		1,091,974	0	22,949,417	24,041,391
Transfers from reserve accounts	26	196,150	(196,150)	0	0
Transfers to reserve accounts	26	(306,133)	306,133	0	0
Balance as at 30 June 2023		33,534,074	956,511	78,169,943	112,660,528
Comprehensive income for the period					
Net result for the period		(699,534)	0	0	(699,534)
Total comprehensive income for the period		(699,534)	0	0	(699,534)
Transfers from reserve accounts	26	339,691	(339,691)	0	0
Transfers to reserve accounts	26	(504,763)	504,763	0	0
Balance as at 30 June 2024		32,669,468	1,121,583	78,169,943	111,960,994

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

SHIRE OF PINGELLY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,504,945	2,329,834
Grants, subsidies and contributions		2,141,247	2,355,783
Fees and charges		434,563	349,208
Service charges		0	
Interest revenue		96,603	51,290
Goods and services tax received		293,887	309,956
Other revenue		204,488	181,663
		5,675,733	5,577,734
Payments			
Employee costs		(1,928,680)	(1,746,826)
Materials and contracts		(1,706,530)	(1,642,786)
Utility charges		(209,652)	(164,292)
Finance costs		(51,516)	(103,057)
Insurance paid		(232,437)	(217,455)
Goods and services tax paid		(337,002)	(361,599)
Other expenditure		(77,559)	(83,102)
		(4,543,376)	(4,319,117)
Net cash provided by operating activities		1,132,357	1,258,617
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(1,229,182)	(1,096,254)
Payments for construction of infrastructure	9(a)	(771,827)	(1,246,724)
Capital grants, subsidies and contributions		2,155,073	1,992,710
Proceeds for financial assets at amortised cost		(165,072)	(109,982)
Proceeds from financial assets at amortised cost - self supporting loans		21,230	19,920
Proceeds from sale of property, plant & equipment		32,526	80,817
Net cash provided by (used in) investing activities		42,748	(359,513)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(66,905)	(1,226,872)
Payments for principal portion of lease liabilities	25(c)	(98,891)	(110,715)
Net cash (used in) financing activities		(165,796)	(1,337,587)
Net increase (decrease) in cash held		1,009,309	(438,483)
Cash at beginning of year		2,155,849	2,594,332
Cash and cash equivalents at the end of the year		3,165,158	2,155,849

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

SHIRE OF PINGELLY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	2,436,948	2,446,730	2,330,171
Grants, subsidies and contributions		2,164,346	619,746	2,326,054
Fees and charges		434,563	427,668	349,208
Interest revenue		96,603	48,997	51,290
Other revenue		204,488	89,221	181,663
Profit on asset disposals		2,806	2,000	17,526
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		5,341,015	3,634,362	5,258,676
Expenditure from operating activities				
Employee costs		(2,006,060)	(2,149,081)	(1,767,648)
Materials and contracts		(1,756,579)	(2,012,475)	(1,471,244)
Utility charges		(209,652)	(183,147)	(164,292)
Depreciation		(3,223,748)	(2,933,590)	(2,681,915)
Finance costs		(89,621)	(89,641)	(103,057)
Insurance		(232,437)	(231,841)	(217,455)
Other expenditure		(77,559)	(93,111)	(83,102)
Loss on asset disposals		(8,768)	(9,300)	(24,430)
		(7,604,424)	(7,702,186)	(6,513,143)
Non cash amounts excluded from operating activities	24(a)	3,242,932	2,940,890	2,686,922
Amount attributable to operating activities		979,523	(1,126,934)	1,432,455
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,563,875	2,606,381	2,346,441
Proceeds from disposal of assets		32,526	42,000	80,817
Proceeds from financial assets at amortised cost - self supporting loans		21,230	21,230	19,920
		1,617,631	2,669,611	2,447,178
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(1,229,182)	(1,629,168)	(1,096,254)
Purchase and construction of infrastructure	9(a)	(771,827)	(1,321,162)	(1,246,724)
		(2,001,009)	(2,950,330)	(2,342,978)
Amount attributable to investing activities		(383,378)	(280,719)	104,200
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new leases - non cash	25(c)	0	0	16,032
Transfers from reserve accounts	26	339,691	269,691	196,150
		339,691	269,691	212,182
Outflows from financing activities				
Repayment of borrowings	25(a)	(66,905)	(135,336)	(1,226,872)
Payments for principal portion of lease liabilities	25(c)	(98,891)	(98,891)	(110,715)
Transfers to reserve accounts	26	(504,763)	(504,638)	(306,133)
		(670,559)	(738,865)	(1,643,720)
Non-cash amounts excluded from financing activities	24(b)	0	0	(16,032)
Amount attributable to financing activities		(330,868)	(469,174)	(1,447,570)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year		1,832,482	1,876,827	1,743,397
Amount attributable to operating activities		979,523	(1,126,934)	1,432,455
Amount attributable to investing activities		(383,378)	(280,719)	104,200
Amount attributable to financing activities		(330,868)	(469,174)	(1,447,570)
Surplus or deficit after imposition of general rates	24(c)	2,097,759	0	1,832,482

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

**SHIRE OF PINGELLY
FOR THE YEAR ENDED 30 JUNE 2024
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	13
Note 7	Other Assets	14
Note 8	Property, Plant and Equipment	15
Note 9	Infrastructure	17
Note 10	Fixed Assets	19
Note 11	Leases	21
Note 12	Trade and Other Payables	22
Note 13	Other Liabilities	23
Note 14	Borrowings	24
Note 15	Employee Related Provisions	25
Note 16	Revaluation Surplus	26
Note 17	Restrictions Over Financial Assets	27
Note 18	Undrawn Borrowing Facilities and Credit Standby Arrangements	27
Note 19	Contingent Liabilities	28
Note 20	Related Party Transactions	29
Note 21	Events occurring after the end of the reporting period	30
Note 22	Other Material Accounting Policies	31
 Information required by legislation		
Note 23	Rating Information	32
Note 24	Determination of Surplus or Deficit	33
Note 25	Borrowing and Lease Liabilities	34
Note 26	Reserve accounts	36

SHIRE OF PINGELLY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
 - infrastructure; or
 - vested improvements that the local government controls;
- and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from the fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Assets held for sale - note 7
- Impairment losses of non-financial assets - note

Fair value hierarchy information can be found in note 22

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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 26 of the financial report.

Initial application of accounting standards

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

- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

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 2021-7c *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*

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

- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates - general rates	General rates	Over time	Payment dates adopted by council during the year	None	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants,subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants,subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	No refunds
Fees and charges - pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	After inspection complete based on a 4 year cycle
Fees and charges - other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Revenue recognised after inspection event occurs
Fees and charges - waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Fees and charges - memberships	Pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Output method over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services,library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	When fine notice is issued
Other revenue - commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	When assets are controlled
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES (Continued)

(a) 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 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,436,948	0	2,436,948
Grants, subsidies and contributions	2,164,346	0	0	0	2,164,346
Fees and charges	434,563	0	0	0	434,563
Interest revenue	0	0	21,773	74,830	96,603
Other revenue	0	0	0	204,488	204,488
Capital grants, subsidies and contributions	0	1,563,875	0	0	1,563,875
Total	2,598,909	1,563,875	2,458,721	279,318	6,900,823

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,330,171	0	2,330,171
Grants, subsidies and contributions	2,326,054	0	0	0	2,326,054
Fees and charges	349,208	0	0	0	349,208
Interest revenue	0	0	21,537	29,753	51,290
Other revenue	0	0	0	181,663	181,663
Capital grants, subsidies and contributions	0	2,346,441	0	0	2,346,441
Total	2,675,262	2,346,441	2,351,708	211,416	7,584,827

Note	2024 Actual	2023 Actual
	\$	\$
Interest revenue		
Financial assets at amortised cost - self supporting loans	5,723	7,032
Interest on reserve account	35,928	6,969
Trade and other receivables overdue interest	21,773	21,537
Other interest revenue	33,179	15,752
	96,603	51,290
The 2024 original budget estimate in relation to: Trade and other receivables overdue interest was \$21,773.		
Fees and charges relating to rates receivable		
Charges on instalment plan	4,070	4,050
The 2024 original budget estimate in relation to: Charges on instalment plan was \$4,725.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	29,770	26,700
- Other services – grant acquittals	3,300	4,200
	33,070	30,900
Employee Costs		
Employee benefit costs	1,729,977	1,503,676
Other employee costs	276,083	263,972
	2,006,060	1,767,648
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	89,621	103,057
	89,621	103,057
Other expenditure		
Sundry expenses	77,559	83,102
	77,559	83,102

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024 \$	2023 \$
Cash at bank and on hand	3,165,158	2,155,849
Total cash and cash equivalents	3,165,158	2,155,849
Held as		
- Unrestricted cash and cash equivalents	2,048,767	1,641,634
- Restricted cash and cash equivalents	17 1,116,391	514,215
	3,165,158	2,155,849

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Financial assets at amortised cost	1,144,209	977,741
Financial assets at fair value through profit and loss	5,000	5,000
	1,149,209	982,741

Other financial assets at amortised cost

Self supporting loans receivable	24(c) 22,626	21,230
Term deposits	1,121,583	956,511
	1,144,209	977,741

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss - Shares	5,000	5,000
	5,000	5,000

Held as

- Unrestricted other financial assets at amortised cost	27,626	26,230
- Restricted other financial assets at amortised cost	17. 1,121,583	956,511
	1,149,209	982,741

(b) Non-current assets

Financial assets at amortised cost	49,813	72,439
Financial assets at fair value through profit or loss	62,378	61,117
	112,191	133,556

Financial assets at amortised cost

Self supporting loans receivable	49,813	72,439
	49,813	72,439

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance	61,117	58,353
Movement attributable to fair value increment	1,261	2,764
Units in Local Government House Trust - closing balance	62,378	61,117

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 25(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL 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 PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

5. TRADE AND OTHER RECEIVABLES

	Note	2024	2023
		\$	\$
Current			
Rates and statutory receivables		181,044	262,584
Trade receivables		188,453	155,238
GST receivable		94,758	51,643
Receivables for employee related provisions	15	38,096	35,886
		502,351	505,351
Non-current			
Rates and statutory receivables		72,645	65,116
		72,645	65,116

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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	2024	2023
		\$	\$
Current			
Fuel and materials		10,066	2,105
		10,066	2,105
The following movements in inventories occurred during the year:			
Balance at beginning of year		2,105	19,694
Inventories expensed during the year		(133,849)	(135,247)
Additions to inventory		141,810	117,659
Balance at end of year		10,066	2,105

MATERIAL ACCOUNTING POLICIES

General

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

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

7. OTHER ASSETS

	2024	2023
	\$	\$
Other assets - current		
Accrued income	92,881	52,534
	92,881	52,534

Contract Assets

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

MATERIAL ACCOUNTING POLICIES

Other current assets

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Assets not subject to operating lease				Plant and equipment		Total
	Land	Buildings - non- specialised	Buildings - specialised	Total Property	Furniture and equipment	Plant and equipment	property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	438,000	751,949	20,523,741	21,713,690	34,226	1,340,603	23,088,519
Additions	0	56,172	150,208	206,380	0	889,874	1,096,254
Disposals	0	0	0	0	0	(63,291)	(63,291)
Depreciation	0	(13,051)	(342,107)	(355,158)	(12,356)	(193,369)	(560,883)
Balance at 30 June 2023	438,000	795,070	20,331,842	21,564,912	21,870	1,973,817	23,560,599
Comprises:							
Gross balance amount at 30 June 2023	438,000	821,172	21,007,529	22,266,701	68,372	2,952,430	25,287,503
Accumulated depreciation at 30 June 2023	0	(26,102)	(675,687)	(701,789)	(46,502)	(978,613)	(1,726,904)
Balance at 30 June 2023	438,000	795,070	20,331,842	21,564,912	21,870	1,973,817	23,560,599
Additions	0	0	769,624	769,624	25,114	434,444	1,229,182
Disposals	0	0	0	0	0	(38,488)	(38,488)
Depreciation	0	(13,051)	(345,751)	(358,802)	(7,942)	(271,233)	(637,977)
Transfers	0	(56,172)	56,172	0	0	0	0
Balance at 30 June 2024	438,000	725,847	20,811,887	21,975,734	39,042	2,098,540	24,113,316
Comprises:							
Gross balance amount at 30 June 2024	438,000	765,000	21,833,324	23,036,324	93,486	3,289,896	26,419,706
Accumulated depreciation at 30 June 2024	0	(39,153)	(1,021,437)	(1,060,590)	(54,444)	(1,191,356)	(2,306,390)
Balance at 30 June 2024	438,000	725,847	20,811,887	21,975,734	39,042	2,098,540	24,113,316

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	July 2021	Price per hectare
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuers	July 2021	Price per square metre
Buildings - specialised	3	Cost approach using current replacement cost	Independent registered valuers	July 2021	Construction costs and current condition, residual values and remaining life
<p>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.</p> <p>During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.</p>					
(ii) Cost					
Furniture and equipment		Not applicable	Cost	Not applicable	Purchase cost
Plant and equipment		Not applicable	Cost	Not applicable	Purchase cost

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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 -						Total
	Infrastructure - roads	Infrastructure - footpaths	kerbs and drainage	Infrastructure - parks and ovals	Infrastructure - other	Other infrastructure - bridges	Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	51,786,276	1,005,255	4,574,675	0	4,902,364	3,807,253	66,075,823
Additions	725,009	0	0	0	403,417	118,298	1,246,724
Revaluation increments / (decrements) transferred to revaluation surplus	20,716,181	377,784	1,161,080	0	1,416,882	(722,510)	22,949,417
Depreciation	(1,250,389)	(42,512)	(216,941)		(322,363)	(235,129)	(2,067,334)
Balance at 30 June 2023	71,977,077	1,340,527	5,518,814	0	6,400,300	2,967,912	88,204,630
Comprises:							
Gross balance at 30 June 2023	98,037,758	2,210,332	9,834,214	0	13,835,150	16,310,285	140,227,739
Accumulated depreciation at 30 June 2023	(26,060,681)	(869,805)	(4,315,400)	0	(7,434,850)	(13,342,373)	(52,023,109)
Balance at 30 June 2023	71,977,077	1,340,527	5,518,814	0	6,400,300	2,967,912	88,204,630
Additions	726,172	0	0	11,422	34,233	0	771,827
Depreciation	(1,571,511)	(44,779)	(146,266)	0	(535,673)	(239,613)	(2,537,842)
Balance at 30 June 2024	71,131,738	1,295,748	5,372,548	11,422	5,898,860	2,728,299	86,438,615
Comprises:							
Gross balance at 30 June 2024	98,763,931	2,210,332	9,834,213	11,422	13,869,383	16,310,285	140,999,566
Accumulated depreciation at 30 June 2024	(27,632,193)	(914,584)	(4,461,665)	0	(7,970,523)	(13,581,986)	(54,560,951)
Balance at 30 June 2024	71,131,738	1,295,748	5,372,548	11,422	5,898,860	2,728,299	86,438,615

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - kerbs and drainage	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - bridges	3	Cost approach using current replacement cost	Management Valuation	June 2023	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 PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings - non specialised	5 to 60 years
Buildings - specialised	5 to 50 years
Furniture and equipment	1 to 10 years
Plant and equipment	2 to 50 years
Sealed roads and streets	
formation	not depreciated
pavement	50 to 80 years
seal	
- bituminous seals	2 to 24 years
- asphalt surfaces	2 to 24 years
Gravel roads	
formation	not depreciated
pavement	50 to 80 years
Footpaths - slab	20 to 80 years
Sewerage piping	75 years
Water supply piping and drainage systems	17 to 75 years
Infrastructure - other	up to 75 years
Bridges	10 to 65 Years
Right-of-use (plant and equipment)	Based on the remaining lease term

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are *land and buildings classified as property, plant and equipment*, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

11. LEASES

(a) Right-of-Use Assets

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

Note	Right-of-use assets - furniture and equipment	Right-of-use assets - land and buildings	Right-of-use assets - plant and equipment	Right-of-use assets Total
	\$	\$	\$	\$
Balance at 1 July 2022	79,270	8,702	374,486	462,458
Additions	16,032	0	0	16,032
Gains/(losses) from sale and leaseback transactions	(24,430)	0	0	(24,430)
Depreciation	(23,159)	(3,474)	(27,065)	(53,698)
Balance at 30 June 2023	47,713	5,228	347,421	400,362
Gross balance amount at 30 June 2023	81,278	13,900	398,231	493,409
Accumulated depreciation at 30 June 2023	(33,565)	(8,672)	(50,810)	(93,047)
Balance at 30 June 2023	47,713	5,228	347,421	400,362
Depreciation	(15,729)	(3,476)	(28,724)	(47,929)
Balance at 30 June 2024	31,984	1,752	318,697	352,433
Gross balance amount at 30 June 2024	81,278	13,900	398,231	493,409
Accumulated depreciation at 30 June 2024	(49,294)	(12,148)	(79,534)	(140,976)
Balance at 30 June 2024	31,984	1,752	318,697	352,433

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

	2024 Actual	2023 Actual
	\$	\$
Depreciation on right-of-use assets	(47,929)	(53,698)
Finance charge on lease liabilities	(11,864)	(15,865)
Total amount recognised in the statement of comprehensive income	(59,793)	(69,563)
Total cash outflow from leases	(110,755)	(126,580)
(b) Lease Liabilities		
Current	101,250	98,891
Non-current	97,170	198,420
	198,420	297,311

Secured liabilities and assets pledged as security

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

MATERIAL ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 25(c).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued interest long term borrowings
Accrued expenditure

2024	2023
\$	\$
210,316	214,454
40,311	46,325
86,567	80,868
64,433	14,764
13,439	14,787
38,337	232
116,342	12,499
569,745	383,929

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

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

Prepaid rates

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

13. OTHER LIABILITIES

Current

	2024	2023
	\$	\$
Contract liabilities	58,250	45,924
Capital grant/contributions liabilities	1,044,702	453,504
	1,102,952	499,428

Reconciliation of changes in contract liabilities

Opening balance	45,924	127,359
Additions	58,250	45,924
Revenue from contracts with customers included as a contract liability at the start of the period	(45,924)	(127,359)
	58,250	45,924

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	453,504	807,235
Additions	1,044,702	453,504
Revenue from capital grant/contributions held as a liability at the start of the period	(453,504)	(807,235)
	1,044,702	453,504

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year	1,044,702	453,504
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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.

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

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 PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		210,018	1,556,504	1,766,522	135,336	1,698,091	1,833,427
Total secured borrowings	25(a)	210,018	1,556,504	1,766,522	135,336	1,698,091	1,833,427

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Pingelly.

The Shire of Pingelly has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	156,176	137,995
Long service leave	166,494	171,099
	322,670	309,094
Employee related other provisions		
Employment on-costs	46,357	43,341
	46,357	43,341
Total current employee related provisions	369,027	352,435
Non-current provisions		
Employee benefit provisions		
Long service leave	38,752	34,791
	38,752	34,791
Employee related other provisions		
Employment on-costs	2,453	994
	2,453	994
Total non-current employee related provisions	41,205	35,785
Total employee related provisions	410,232	388,220

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

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

16. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land and Buildings	8,394,383	0	8,394,383	8,394,383	0	8,394,383
Revaluation surplus - Infrastructure - roads	52,175,341	0	52,175,341	31,459,160	20,716,181	52,175,341
Revaluation surplus - Infrastructure - footpaths	377,784	0	377,784	0	377,784	377,784
Revaluation surplus - Infrastructure - kerbs and drainage	4,933,258	0	4,933,258	3,772,178	1,161,080	4,933,258
Revaluation surplus - Infrastructure - other	8,466,807	0	8,466,807	7,049,925	1,416,882	8,466,807
Revaluation surplus - Other infrastructure - bridges	3,822,370	0	3,822,370	4,544,880	(722,510)	3,822,370
	78,169,943	0	78,169,943	55,220,526	22,949,417	78,169,943

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

17. RESTRICTIONS OVER FINANCIAL ASSETS

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:

	Note	2024 Actual \$	2023 Actual \$
- Cash and cash equivalents	3	1,116,391	514,215
- Financial assets at amortised cost	4	1,121,583	956,511
		<u>2,237,974</u>	<u>1,470,726</u>

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

Restricted reserve accounts	26	1,121,583	956,511
Contract liabilities	13	58,250	45,924
Capital grant liabilities	13	1,044,702	453,504
Bonds and deposits held	12	13,439	14,787
Total restricted financial assets		<u>2,237,974</u>	<u>1,470,726</u>

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

Bank overdraft limit	500,000	500,000
Credit card limit	20,000	20,000
Credit card balance at balance date	(4,815)	(4,784)
Total amount of credit unused	<u>515,185</u>	<u>515,216</u>

Loan facilities

Loan facilities - current	210,018	135,336
Loan facilities - non-current	1,556,504	1,698,091
Total facilities in use at balance date	<u>1,766,522</u>	<u>1,833,427</u>

**SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

19. CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure at the end of the reporting period.

There are no capital commitments that require disclosure at the end of the financial year.

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

	Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance		1,500	1,500	1,200
President's meeting attendance fees		10,000	10,000	10,000
President's annual allowance for ICT expenses		600	600	0
		12,100	12,100	11,200
Deputy President's annual allowance		500	500	300
Deputy President's meeting attendance fees		4,400	4,400	4,400
Deputy President's annual allowance for ICT expenses		0	500	0
		4,900	5,400	4,700
All other council member's meeting attendance fees		18,667	20,000	20,000
All other council member's annual allowance for ICT expenses		0	2,500	0
		18,667	22,500	20,000
	20(b)	35,667	40,000	35,900

(b) Key Management Personnel (KMP) Compensation

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

Short-term employee benefits		446,082	392,950
Post-employment benefits		55,740	47,128
Employee - other long-term benefits		44,697	38,821
Employee - termination benefits		22,812	616
Council member costs	20(a)	35,667	35,900
		604,998	515,415

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.

Transactions with related parties

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

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

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

	2024 Actual \$	2023 Actual \$
Purchase of goods and services	71,758	12,597

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

20. RELATED PARTY TRANSACTIONS (continued)

	2024 Actual	2023 Actual
Amounts payable to related parties:		
Trade and other payables	0	438

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 20(a) and 20(b).

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

ii. Other Related Parties

During the current financial year, a company controlled by a related party of a council member, was awarded a contract due to the withdrawal of the original contractor. The sum of \$54,348 was paid in the current financial year. The terms and conditions were equivalent to arms length transactions under the Shire's procurement process.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events after the end of the reporting period that required disclosure in the Fianancial Report.

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

22. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

23. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
Rate Description	Basis of valuation	\$		\$	\$	\$	\$	\$	\$	\$	\$
GRV - Residential	Gross rental valuation	0.140900	321	3,661,944	515,968	(4,131)	511,837	515,968	0	515,968	489,445
GRV - Rural Residential	Gross rental valuation	0.140900	65	807,924	113,836	(3,894)	109,942	113,836	0	113,836	108,399
GRV - Commercial/Industrial	Gross rental valuation	0.140900	28	396,080	55,808	(1,172)	54,636	55,808	0	55,808	53,142
GRV - Townsites	Gross rental valuation	0.140900	13	155,480	21,907	67	21,974	21,907	0	21,907	19,396
UV - Broadacre Rural	Unimproved valuation	0.007294	238	214,707,000	1,566,073	(652)	1,565,421	1,566,073	0	1,566,073	1,484,028
Total general rates			665	219,728,428	2,273,592	(9,782)	2,263,810	2,273,592	0	2,273,592	2,154,410
Minimum payment											
Minimum payment											
GRV - Residential	Gross rental valuation	1,043	61	82,646	63,623	0	63,623	63,623	0	63,623	61,566
GRV - Rural Residential	Gross rental valuation	1,043	23	55,170	23,989	0	23,989	23,989	0	23,989	23,832
GRV - Commercial/Industrial	Gross rental valuation	1,043	13	55,980	13,559	0	13,559	13,559	0	13,559	13,902
GRV - Townsites	Gross rental valuation	1,043	7	15,685	7,301	0	7,301	7,301	0	7,301	7,944
UV - Broadacre Rural	Unimproved valuation	1,043	62	5,573,662	64,666	0	64,666	64,666	0	64,666	68,517
Total minimum payments			166	5,783,143	173,138	0	173,138	173,138	0	173,138	175,761
Total general rates and minimum payments			831	225,511,571	2,446,730	(9,782)	2,436,948	2,446,730	0	2,446,730	2,330,171
Total amount raised from rates (excluding general rates)			0	0	0	0	0	0	0	0	0
Total Rates							2,436,948			2,446,730	2,330,171
Rate instalment interest							8,365			8,250	8,151
Rate overdue interest							10,536			12,500	13,386

The Shire did not raise any specified area rates for the year ended 30 June 2024.

The Shire did not receive any ex gratia rates for the year ended 30 June 2024.

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 PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. DETERMINATION OF SURPLUS OR DEFICIT

Note	2023/24 (30 June 2024 Carried Forward) \$	2023/24 Budget (30 June 2024 Carried Forward) \$	2023/24 (1 July 2023 Brought Forward) \$	2022/23 (30 June 2023 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	(2,806)	(2,000)	(17,526)	(17,526)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(1,261)		(2,764)	(2,764)
Add: Loss on disposal of assets	8,768	9,300	24,430	24,430
Add: Depreciation	3,223,748	2,933,590	2,681,915	2,681,915
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates	(7,529)		9,326	9,326
Employee benefit provisions	22,012		(8,459)	(8,459)
Non-cash amounts excluded from operating activities	3,242,932	2,940,890	2,686,922	2,686,922
(b) Non-cash amounts excluded from financing activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to financing activities				
Non cash proceeds from new leases	0	0	0	(16,032)
Non-cash amounts excluded from financing activities	0	0	0	(16,032)
(c) 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	(1,121,583)	(1,191,458)	(956,511)	(956,511)
Less: Financial assets at amortised cost - self supporting loans	(22,626)	0	(21,230)	(21,230)
Less: Financial assets at amortised cost - investments	(5,000)	(5,000)	(5,000)	(5,000)
- Current portion of borrowings	210,018	0	135,336	135,336
- Current portion of lease liabilities	101,250	98,891	98,891	98,891
- Employee benefit provisions	369,027	373,022	352,435	352,435
Total adjustments to net current assets	(468,914)	(724,545)	(396,079)	(396,079)
Net current assets used in the Statement of Financial Activity				
Total current assets	4,919,665	2,026,028	3,698,580	3,698,580
Less: Total current liabilities	(2,352,992)	(1,301,483)	(1,470,019)	(1,470,019)
Less: Total adjustments to net current assets	(468,914)	(724,545)	(396,079)	(396,079)
Surplus or deficit after imposition of general rates	2,097,759	0	1,832,482	1,832,482

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual					Budget			
Purpose	Note	Principal at	New Loans	Principal	Principal at 30	Principal	Principal at	Principal at 1	Principal	Principal at
		1 July 2022	During 2022-23	Repayments During 2022-23	June 2023	Repayments During 2023-24	30 June 2024	July 2023	Repayments During 2023-24	30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and Cultural Centre		1,849,208	0	(109,450)	1,739,758	(56,459)	1,683,299	1,739,757	(114,106)	1,625,651
Recreation and Cultural Centre		1,097,502	0	(1,097,502)	0	0	0	0	0	0
Total		2,946,710	0	(1,206,952)	1,739,758	(56,459)	1,683,299	1,739,757	(114,106)	1,625,651
Self Supporting Loans										
SSL Pingelly Cottage Homes		113,589	0	(19,920)	93,669	(10,446)	83,223	93,669	(21,230)	72,439
Total Self Supporting Loans		113,589	0	(19,920)	93,669	(10,446)	83,223	93,669	(21,230)	72,439
Total Borrowings	14	3,060,299	0	(1,226,872)	1,833,427	(66,905)	1,766,522	1,833,426	(135,336)	1,698,090

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

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
Recreation and Cultural Centre	123	WATC	4.20%	30/06/2035	(72,042)	(72,055)	(76,699)
Recreation and Cultural Centre	124	WATC	0.70%	29/12/2022	0	0	(3,468)
Total					(72,042)	(72,055)	(80,167)
Self Supporting Loans Finance Cost Payments							
SSL Pingelly Cottage Homes	120	WATC	6.47%	29/06/2027	(5,715)	(5,722)	(7,025)
Total Self Supporting Loans Finance Cost Payments					(5,715)	(5,722)	(7,025)
Total Finance Cost Payments					(77,757)	(77,777)	(87,192)

* WA Treasury Corporation

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

25. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

There were no new borrowings with WA Treasury Corporation during the year ended 30 June 2024

(c) Lease Liabilities

Purpose	Note	Actual						Budget		
		Principal at	New Leases	Principal	Principal at 30	Principal	Principal at 30	Principal at 1	Principal	Principal at
		1 July 2022	During 2022-23	Repayments During 2022-23	June 2023	Repayments During 2023-24	June 2024	July 2023	Repayments During 2023-24	30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Photocopier Lease		16,152	16,032	(19,179)	13,005	(3,421)	9,584	21,456	(3,421)	18,035
Computer Server		32,799	0	(8,788)	24,011	(9,242)	14,769	5,492	(3,612)	1,880
Solar System - Admin		8,914	0	(3,423)	5,491	(3,612)	1,879	24,010	(9,242)	14,768
CCTV Server		16,202	0	(3,972)	12,230	(4,216)	8,014	12,230	(4,216)	8,014
Motor Grader		231,357	0	(60,524)	170,833	(62,421)	108,412	170,833	(62,421)	108,412
Skid Steer Loader		86,570	0	(14,829)	71,741	(15,979)	55,762	71,356	(15,979)	55,377
Total Lease Liabilities	11(b)	391,994	16,032	(110,715)	297,311	(98,891)	198,420	305,377	(98,891)	206,486

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
Photocopier Lease	1	Classic Funding Group	3.00%	4/01/2027	(587)	(587)	(157)
Computer Server	2	Vestone Capital	5.40%	6/10/2025	(225)	(224)	(1,518)
Solar System - Admin	3	Vestone Capital	5.40%	1/10/2024	(1,045)	(1,045)	(413)
CCTV Server	4	Vestone Capital	6.00%	2/10/2026	(643)	(643)	(888)
Motor Grader	5	Komatsu Finance	3.10%	10/02/2026	(4,400)	(4,400)	(6,297)
Skid Steer Loader	6	Vestone Capital	7.07%	4/04/2027	(4,964)	(4,964)	(6,592)
Total Finance Cost Payments					(11,864)	(11,863)	(15,865)

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

26. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	198,012	300	0	198,312	198,012	275	0	198,287	196,395	1,617	0	198,012
(b) Building reserve	378,019	56,126	(70,000)	364,145	378,019	56,077	0	434,096	374,931	3,088	0	378,019
(c) Electronic Equipment	53,094	24,669	0	77,763	53,094	24,663	0	77,757	54,793	35,451	(37,150)	53,094
(d) Refuse Site Rehabilitation reserve	16,369	1,124	0	17,493	16,369	1,122	0	17,491	16,235	134	0	16,369
(e) Plant replacement reserve	165,988	329,076	(269,691)	225,373	165,988	329,054	(269,691)	225,351	85,124	239,864	(159,000)	165,988
(f) Community Bus reserve	64,342	50,338	0	114,680	64,342	50,328	0	114,670	43,980	20,362	0	64,342
(g) Swimming Pool reserve	38,345	40,252	0	78,597	38,345	40,247	0	78,592	33,073	5,272	0	38,345
(h) Tutanning Nature Reserve	2,013	1,682	0	3,695	2,013	1,682	0	3,695	1,997	16	0	2,013
(i) Wheatbelt Secondary Freight Network Reser	40,329	1,196	0	41,525	40,329	1,190	0	41,519	40,000	329	0	40,329
	956,511	504,763	(339,691)	1,121,583	956,511	504,638	(269,691)	1,191,458	846,528	306,133	(196,150)	956,511

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

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

Restricted by council		
(a) Leave reserve	Ongoing	to fund annual and long service leave requirements.
(b) Building reserve	Ongoing	to fund the renovation/purchase of Shire of Pingelly buildings and Recreation Infrastructure.
(c) Electronic Equipment	Ongoing	to fund the purchase of information technology hardware and software equipment.
(d) Refuse Site Rehabilitation reserve	Ongoing	to facilitate the rehabilitation/closure of the town refuse site.
(e) Plant replacement reserve	Ongoing	for the purchas to fund the change-over of the community bus.
(f) Community Bus reserve	Ongoing	to fund the change-over of the community bus.
(g) Swimming Pool reserve	Ongoing	to fund the upgrading of the swimming pool complex
(h) Tutanning Nature Reserve	Ongoing	for the operations, improvements and promotion of the Tutanning Nature Reserve
Wheatbelt Secondary Freight Network		
(i) Reserve	Ongoing	to be used for the future construction of the Wheatbelt Freight Network road.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Pingelly

To the Council of the Shire of Pingelly

Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Pingelly for the year ended 30 June 2024 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.

Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
27 November 2024

Shire of Pingelly Annual Report 2023-24

