

Shire of Nungarin

Annual Report

2024/25



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Preamble

The Shire of Nungarin is located approximately 300km east of the state capital of Perth in the Wheatbelt Region and is one of the smallest in the nation with a population of 256. The Shire covers an area of 1,164 square kilometres.

The Shires newly adopted Integrated Strategic Plan established the Shire's Vision and Values for ten years to 2033. The plan not only establishes a vision for the Shire's future, but drives the development of other plans in the Integrated Planning Framework.

Our Vision: A great place to live with a well-connected, strong, healthy and friendly community.

Our Values: We will conduct our business with:

Respect

- Value people and places and the contribution they make to the Shire.
- Develop an environment of respect for different cultures.
- Be appreciative of the aspirations of the community and what it does for itself.

Inclusiveness

- Be receptive, proactive and responsive as an organisation.
- Exist to help a community that has the capacity for self- help.
- Demonstrate leadership by promoting Council and community teamwork.

Fairness and equity

- Maintain a 'whole of Shire' outlook, but recognise each community is unique and likely to have variations on their needs.
- Provide services for a variety of ages and needs.
- Respond to the community in a fair and equal way depending on need.

Communication

- Create opportunities for consultation with the broad community.
- Demonstrate leadership by promoting Council and community teamwork.

STATEMENT OF COMPLIANCE

For the year ended 30 June 2025

Residents and rate payers of the Shire of Nungarin,

In accordance with section 5.53 of the *Local Government Act 1995*, I hereby submit for your information, the Annual Report for the Shire of Nungarin for the financial year ended 30 June 2023.

The Annual Report has been prepared in accordance with the provisions of the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*.

David Nayda
Chief Executive Officer

Shire President's Message

It is my great pleasure to present the President's report to the residents of the Shire of Nungarin for the 2024/25 financial year. This alone could not be achieved without the hard work of our staff.

Council has a role of significant responsibility, often involving diverse and demanding challenges and decisions. Council continues to work with the staff and community to ensure that Nungarin's needs are being met and that our small town continues to grow.

Over the recent term, the Council has commenced addressing critical issues such as water availability and long-term water security. These concerns, once primarily managed by other government tiers, now demand our attention alongside the traditional responsibilities. Moreover, the scope of Council duties has expanded to include community development, event planning, tourism, and cultural initiatives, all integral to our service delivery and daily lives.

This past year, the Shire has had the privilege in supporting the Mangowine Concert, the Nungarin Harvest Festival Weekend, Nungarin Markets and Daffodil Day and many more.

We have also enjoyed our annual events such as ANZAC and Remembrance Day, Australia Day and our Community Christmas Evening.

Financial responsibility and governance compliance remain key aspects of the Council's authority. Meticulous reporting and compliance are essential parts of our operations, requiring a thorough understanding due to the significant responsibilities associated with managing public funds, where transparency is crucial. Our Administration staff have excelled during this period of evolution and change.

On behalf of Council, I would like to extend my sincere thanks to CEO, David Nayda who has adeptly steered our administration through a challenging period. This report reflects a substantial effort over the past year and showcases the commitment required to ensure a robust governance and functional local government.

Finally, thank you to the staff for their dedication and hard work, community members, ratepayers and to my fellow Councillors for their continued support and time.

Cr Pippa de Lacy
Shire President



Chief Executive Officer's Message

It is both an honour and a privilege to deliver this annual report, which encompasses the achievements and efforts of both my predecessor and our current team.

Our local government operates with a relatively small but exceptionally dedicated team. This team's unwavering commitment has been crucial in navigating through a year marked by significant financial constraints, including rising costs that have put considerable strain on our resources. Despite these hurdles, our team has consistently delivered exceptional results, demonstrating that they are indeed punching well above their weight.

This past year was significant in terms of infrastructure development and maintenance, with several key road projects reaching completion. We successfully completed 1st stage of North Nungarin Road reconstruction and completed the last stage of Danberrin Road in town with asphalt. These projects were made possible through funding from the Roads to Recovery Grant and the Regional Roads Grant. The completion of these projects, under tight deadlines and immense pressure, highlights the efficiency and dedication of our roads team. I extend my heartfelt congratulations and thanks to all members involved for their hard work and commitment.

We were also fortunate to receive a Federal grant via the Local Roads and Community Infrastructure Program. This enabled us to complete the following projects. Refurbishment of Alice Williams Memorial Hall, new footpath on Danberrin Road, Air conditioner installed in the War Memorial Hall and a new pump for the town dam.

Elected Member's

The collaboration between volunteer groups and our shire team continues to provide great outcomes for the community. I extend my sincere gratitude to every community volunteer and team member whose tireless efforts make a real difference in the town.

Apart from physical projects, there is a substantial amount of work that unfolds behind the scenes. Our administrative team plays a crucial role in the seamless operation of our local government. Though their efforts may not always be visible to the public, their work is indispensable to our daily operations and overall functionality. The diligent work of our administration team ensures that we continue to serve our community effectively and efficiently.

As we look ahead, our focus remains on fostering growth and prosperity within the shire. We are committed to continuing our work with transparency, diligence, and a collaborative spirit. The challenges we face will undoubtedly evolve, but with our dedicated team and supportive community, I am confident in our ability to meet them head-on.

I would like to commend the staff for their consistent efforts to deliver outstanding service to the community. I also extend my thanks to the Shire President, Deputy Shire President, and Councillors for their ongoing support.

David Nayda
Chief Executive Officer



The Council of the Shire of Nungarin is made up of seven community elected representatives, elected for a four-year term. The Shire President and Deputy Shire president is elected by the Council following each ordinary Local Government election held in October every second year.



Cr. Adam Eksanow

Cr. Pippa de Lacy

Cr. Kerry Dayman

Cr. Eileen O'Connell



**Shire President
Cr. Pippa de Lacy**



**Deputy Shire President
Cr. Gary Coumbe**

The *Local Government Act 1995*, states the roles of the President is to:

- Preside at meetings in accordance with the Act.
- Provide leadership and guidance to the community in the district.
- Speak on behalf of the local government.
- Perform such other functions as are given to the President by the Act or any other written law; and
- Liaise with the CEO on the local government's affairs and the performance of its functions.

In addition to attending monthly Ordinary Council Meetings, Councillors represent the Town and its community on a number of committees and groups.

- Cr Pippa de Lacy (President) : NEWROC
- : Great Eastern Country Zone
- : Tidy Towns (Proxy)
- : Nungarin Sporting Club Inc. (Proxy)

- : NEWTravel (Proxy)
 - : Pioneers Pathway (Proxy)
 - : Local Emergency Management Committee
 - : Finance & Audit Committee
 - : Rural Water Council (Proxy)
 - : Nungarin Community Development Group (Proxy)
 - : Nungarin Community Resource Centre
 - : Kununoppin Local Health Advisory Group
 - : Eastern Wheatbelt Biosecurity Group (Proxy)
 - : Development Assessment Panel
- Cr Gary Coumbe (Deputy President)
 - : Rural Water Council
 - : Wheatbelt AgCare
 - : Great Eastern Country Zone
 - : Nungarin Heritage Machinery & Army Museum (Proxy)
 - : NEWROC (Proxy)
 - : Sub-Regional Road Group (Proxy)
 - : Finance & Audit Committee
 - : Development Assessment Panel (Proxy)
- Cr Eileen O'Connell
 - : Rural Water Council
 - : Nungarin Community Development Group
 - : Sub Regional Road Group
 - : Wheatbelt AgCare (Proxy)
 - : Great Eastern Country Zone (Proxy)
 - : Finance & Audit Committee
 - : Nungarin Community Resource Centre (Proxy)
 - : Kununoppin Local Health Advisory Group
 - : Development Assessment Panel
- Cr Kerry Dayman
 - : Nungarin Sporting Club
 - : Tidy Towns
 - : NEWTravel
 - : Pioneers Pathway
 - : Finance & Audit Committee
 - : Development Assessment Panel
- Cr Adam Eksanow
 - : Finance & Audit Committee
- Cr William (Bill) Lee
 - : Nungarin Heritage Machinery & Army Museum
 - : Finance & Audit Committee
 - : Wheatbelt NRM (Proxy)
- Cr Mick Caughey
 - : Wheatbelt NRM
 - : Eastern Wheatbelt Biosecurity Group
 - : Finance & Audit Committee

Senior Staff



Chief Executive Officer

Governance
Economic Development
Special Projects
Elected Member Support
Marketing & Communications
Recreation Services

Selina Sergeant Manager Corporate Services

Accounts
Rates
Information &
Communication
Libraries

Aaron Wootton Manager Works & Services

Infrastructure Services
Parks & Gardens
Engineering
Building Maintenance

General Information

Administration Office

Office Hours:	Monday to Friday 8:00am to 4:00pm
Office Address: 66 Railway Avenue NUNGARIN WA 6490	Postal Address: PO Box 8 NUNGARIN WA 6490
Telephone:	(08) 9046 5006
Fax:	(08) 9046 5007
Email:	cs01@nungarin.wa.gov.au
Facebook:	www.facebook.com/nungarinshire

Snapshot of Nungarin

The Shire of Nungarin is a unique country Town and as its motto says “**a small town with a big heart**”. The town has a diverse community and a vast range of tourist attractions.



258
People living
in the Shire



49
Median Age



58.5
Working Age
Population



87.9
Australian
Citizens



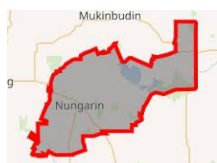
83.8%
Occupied Houses



\$1087
Weekly Median
Household
Income



5.5%
Unemployment
Rate



116 602.5ha²
Land Area



11 502 ha
Protected Land
Area

Local Attractions



Nungarin Heritage Machinery and Army Museum served from 1944 to 1960, as a depot for Australian Army personnel. Today, it invites you to discover the region's military history by stepping inside the State's only remaining World War Two Five Base Ordnance Depot.

Mangowine Homestead is located on 10 hectares of natural bushland and was the first stone and mud brick homestead in the area when it served as an inn for travellers heading to the Goldfields.



Eaglestone Rock is a spectacular natural granite rock and cave formation situated 20km north east of Nungarin the rock abuts Lake Brown. Enjoy great views over the salt lake to the south. Wedgetail Eagles are often seen perched on the Rock.

Talgomine Reserve, just east of Nungarin, has colourful displays of everlastings and is a spectacular sight. Enjoy a stroll through the endless fields of pink and yellow everlastings which bloom in abundance during spring. Nature lovers will appreciate the York Gum and Jam Tree woodlands within the reserve, home to a variety of orchids and other wildflower species that thrive in the area. Relax in this tranquil setting to enjoy a picnic and soak up the rural ambiance.



Shire Facilities

Library Services



The library facilities are located in Shire Administration building. The Shire's library is an integral part of the local community, offering not only book loaning facilities, but a place for people to connect, learn and play.

Nungarin Swimming Pool

The Nungarin Swimming Pool is located in the Nungarin Townsite and plays an important role in keeping the local community healthy and connected during the summer months. There is an outdoor swimming pool, a toddler pool, plenty of grassed area with shade provided by trees and erected shelters, BBQ facilities, change rooms and toilets, a first aid room and a kiosk.



Infrastructure Services



The Shire Depot crew ensures town roads as well as rural roads are maintained to a safe standard. They are often required to re-sheet rural roads and install drainage culverts. In town, the crew ensures the sporting venues and gardens are maintained.

Aspiration

A diverse business environment with equitable telecommunications and infrastructure. We are uniquely Nungarin in providing a memorable visitor experience.

Highlight: Mangowine Concert

The Mangowine Concert was once again a highlight on the annual music festival calendar attracting visitor from near and far.

The continued success of this event can be attributed to the volunteer run Mangowine Concert Committee.



Highlight: Nungarin Wheatbelt Market

The Shire continues to be a proud sponsor of the Nungarin Wheatbelt Markets which are held along the main street on the first Sunday of the month.

Statutory Reporting

Freedom of Information Statement



In accordance with Section 96 and 97 of the *Freedom of Information Act 1992*, the Shire is required to publish an Information Statement which details the process of applying for information under the Act as well as information that the Shire provides outside the Act. No requests for information under the act have been received this year. The *Freedom of Information Act 1992* and associated regulations can be found on the State Law Publisher website at www.slp.wa.gov.au

Complaints Register

The Shire maintains a register of complaints which records all complaints that result in an action under the *Local Government Act 1995* s5.121 (6)(b) or (c). The register of complaints is to include for each recorded complaint:

- Name of Council Member about whom the complaint is made;
- Name of the person who makes the complaint;
- A description of the minor breach that the Standards Panel finds has occurred; and
- Details of the action taken.

In the financial year ending 30 June 2021 no complaints were entered into the Register of Complaints under Section 5.121 of the *Local Government Act 1995*.



Record Keeping Statement



Under the *State Records Act 2000*, the Shire of Nungarin is required to have a Recordkeeping Plan (RKP) that is approved by the State Records Commission. Having completed phase 1 by creating a dedicated records room and installing records management software, the Shire commenced with preparation of an RKP, submitting the plan to the State Records Commission for review.

Delegations Review

In accordance with Section 5.46 of the *Local Government Act 1995* a review was undertaken of the Shire's Delegations Register during this period.



Compliance

Compliance Audit Return



The Department of Local Government, Sport and Cultural Industries requires the Shire to complete a Compliance Audit Return annually. For the period 1 January 2024 to 31 December 2024

There were no exceptions noted

National Competition Policy

The Federal and State governments have a Competition Principles Agreement in place, which is binding on local government. The Agreement requires the Shire to carry out a number of procedures and include a report on the matter in each year's Annual Report. The three areas that affect local government are:



1. Competitive neutrality - to remove benefits (and costs) which accrue to government business as a result of their public ownership.
2. Structural reform - local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.
3. Legislation review - to review legislation that restricts competition.

The full requirements of the package are contained in a statement issued by the Department of Local Government, Sport and Cultural Industries.

Competitive Neutrality

Local Governments are required to apply the principle of competitive neutrality to all business activities generating user-pays income. The principle of competitive neutrality is that Government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership. Annual Reports must show that a public benefit test has been conducted for all significant business activities (over \$200,000) to determine if competitive neutrality is in the public interest. Within these criteria the Shire had no disclosures for the reporting period with respect to competitive neutrality:

- The Shire does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise;
- During the reporting period the Shire did not receive any complaints or did not become aware of any allegations of non-compliance with the competitive neutrality principles made by a private entity against the Shire; and
- The Shire continues to monitor Council policies and local laws for anti-competitive practices.

Primary and Annual Returns



In accordance with Section 5.75 and 5.76 of the Local Government Act 1995 all relevant persons lodged an Annual Return by the due date of 31 August 2024 and a primary return within 3 months of their start date. In 2024-2025, we were compliant in this area

Disability Access and Inclusion Plan

The Disability Services Act 1993 was amended in December 2004, creating a requirement for local governments to:

1. Maintain a Disability Access and Inclusion Plan (DAIP).
2. Address seven specific outcome areas within the plan.
3. Report annually on progress against actions within the plan.
4. Disabled access in the CRC additions

A completely reviewed Disability Access and Inclusion Plan was adopted by Council during the year. This plan is a key strategic document, outlining the Shire's approach to working towards a more accessible and inclusive community.

Disability Access and Inclusion Plan.



Procurement of Services



Procurement is conducted in compliance with the requirements of the Local Government Act 1995, the Local Government (Functions and General) Regulations 1996 and in accordance with the Shire's Code of Conduct and Purchasing Policy.

Annual Salaries

The *Local Government Act 1995* requires the Shire to provide the number of employees who are entitled to an annual salary of \$100,000 or more and to break those employees into salary bands of \$10,000. For the period under review, the Shire had 2 employees whose salary exceeded \$100,000.



For the purpose of Regulation 19B of the Local Government (Administration) Regulations 1996 employee remuneration is required to be contained in Council's Annual Report.

Shown below in bands is the number of employees:

Entitled to an annual salary of 100,000 to 109,999 = 1

Entitled to an annual salary of 110,000 to 119,999 = 0

Entitled to an annual salary of 120,000 to 129,999 = 0

Entitled to an annual salary of 130,000 to 139,999 = 0

Entitled to an annual salary of 140,000 to 149,999 = 1

Financial Report

SHIRE OF NUNGARIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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

A great place to live with a well-connected, strong, healthy and friendly community.

Principal place of business:
21 Railway Avenue
Nungarin WA 6490

**SHIRE OF NUNGARIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

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

Statement by CEO

The accompanying financial report of the Shire of Nungarin 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 2025 and the financial position as at 30 June 2025.

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

Signed on the SECOND day of DECEMBER 2025



CEO

DAVID NAYDA
Name of CEO



SHIRE OF NUNGARIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),24	718,628	722,322	618,125
Grants, subsidies and contributions	2(a)	1,214,251	269,156	1,602,752
Fees and charges	2(a)	121,305	113,082	139,363
Interest revenue	2(a)	161,874	101,378	122,929
Other revenue	2(a)	61,325	89,660	141,795
		2,277,383	1,295,598	2,624,964
Expenses				
Employee costs	2(b)	(954,596)	(1,198,766)	(1,066,601)
Materials and contracts		(408,984)	(799,003)	(705,465)
Utility charges		(155,941)	(167,045)	(174,051)
Depreciation		(1,335,950)	(1,186,822)	(1,202,697)
Finance costs		(49,603)	(50,716)	(41,304)
Insurance		(152,283)	(142,311)	(146,630)
Other expenditure	2(b)	(74,404)	(145,930)	(53,888)
		(3,131,761)	(3,690,593)	(3,390,636)
		(854,378)	(2,394,995)	(765,672)
Capital grants, subsidies and contributions	2(a)	1,961,003	2,817,144	1,103,329
Profit on asset disposals		5,061	-	-
Loss on asset disposals		-	-	(41,038)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(1,775)	-	840
		1,964,289	2,817,144	1,063,131
Net result for the period		1,109,911	422,149	297,459
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	-	-	(5,768,235)
Total other comprehensive income for the period	15	-	-	(5,768,235)
Total comprehensive income for the period		1,109,911	422,149	(5,470,776)

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



**PITCHER
PARTNERS**

SHIRE OF NUNGARIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,622,609	3,603,132
Trade and other receivables	5	133,465	127,518
Inventories	6	8,345	5,996
Other assets	7	120,697	4,998
TOTAL CURRENT ASSETS		2,885,116	3,741,644
NON-CURRENT ASSETS			
Trade and other receivables	5	2,673	1,999
Other financial assets	4(b)	39,810	41,585
Property, plant and equipment	8	10,948,489	10,825,126
Infrastructure	9	40,803,555	39,226,864
TOTAL NON-CURRENT ASSETS		51,794,527	50,095,574
TOTAL ASSETS		54,679,643	53,837,218
CURRENT LIABILITIES			
Trade and other payables	11	149,842	183,441
Capital grant/contributions liabilities	12	119,416	152,062
Borrowings	13	209,937	205,421
Employee related provisions	14	92,795	89,641
TOTAL CURRENT LIABILITIES		571,990	630,565
NON-CURRENT LIABILITIES			
Borrowings	13	689,309	899,249
Employee related provisions	14	13,302	12,273
TOTAL NON-CURRENT LIABILITIES		702,611	911,522
TOTAL LIABILITIES		1,274,601	1,542,087
NET ASSETS		53,405,042	52,295,131
EQUITY			
Retained surplus		16,376,480	15,497,533
Reserve accounts	27	1,112,951	881,987
Revaluation surplus	15	35,915,611	35,915,611
TOTAL EQUITY		53,405,042	52,295,131

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



SHIRE OF NUNGARIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		\$	\$	\$	\$
Balance as at 1 July 2023		15,237,340	844,721	41,683,846	57,765,907
Comprehensive income for the period					
Net result for the period		297,459	-	-	297,459
Other comprehensive income for the period	15	-	-	(5,768,235)	(5,768,235)
Total comprehensive income for the period		297,459	-	(5,768,235)	(5,470,776)
Transfers to reserve accounts	27	(37,266)	37,266	-	-
Balance as at 30 June 2024		15,497,533	881,987	35,915,611	52,295,131
Comprehensive income for the period					
Net result for the period		1,109,911	-	-	1,109,911
Total comprehensive income for the period		1,109,911	-	-	1,109,911
Transfers to reserve accounts	27	(230,964)	230,964	-	-
Balance as at 30 June 2025		16,376,480	1,112,951	35,915,611	53,405,042

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

SHIRE OF NUNGARIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		706,804	609,956
Grants, subsidies and contributions		1,260,056	1,613,667
Fees and charges		121,305	141,374
Interest revenue		161,874	122,929
Goods and services tax received		303,382	237,717
Other revenue		61,325	141,795
		2,614,746	2,867,438
Payments			
Employee costs		(949,715)	(1,061,959)
Materials and contracts		(561,368)	(837,319)
Utility charges		(155,941)	(174,051)
Finance costs		(49,603)	(38,298)
Insurance paid		(152,283)	(146,630)
Goods and services tax paid		(343,972)	(193,178)
Other expenditure		(74,377)	(53,793)
		(2,287,259)	(2,505,228)
Net cash provided by operating activities		327,487	362,210
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(678,855)	(607,146)
Payments for construction of infrastructure	9(a)	(2,391,488)	(864,354)
Proceeds from capital grants, subsidies and contributions		1,928,357	1,168,385
Proceeds from financial assets at amortised cost - self-supporting loans		-	1,233
Proceeds from sale of property, plant & equipment		39,400	87,500
Net cash (used in) investing activities		(1,102,586)	(214,382)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	26(a)	(205,424)	(125,351)
Proceeds from new borrowings	26(a)	-	876,278
Net cash provided by (used in) financing activities		(205,424)	750,927
Net increase (decrease) in cash held		(980,523)	898,755
Cash at beginning of year		3,603,132	2,704,377
Cash and cash equivalents at the end of the year	3	2,622,609	3,603,132

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

SHIRE OF NUNGARIN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	718,628	722,322	618,125
Grants, subsidies and contributions		1,214,251	269,156	1,602,752
Fees and charges		121,305	113,082	139,363
Interest revenue		161,874	101,378	122,929
Other revenue		61,325	89,660	141,795
Profit on asset disposals		5,061	-	-
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(1,775)	-	840
		2,280,669	1,295,598	2,625,804
Expenditure from operating activities				
Employee costs		(954,596)	(1,198,766)	(1,066,601)
Materials and contracts		(408,984)	(799,003)	(705,465)
Utility charges		(155,941)	(167,045)	(174,051)
Depreciation		(1,335,950)	(1,186,822)	(1,202,697)
Finance costs		(49,603)	(50,716)	(41,304)
Insurance		(152,283)	(142,311)	(146,630)
Other expenditure		(74,404)	(145,930)	(53,888)
Loss on asset disposals		-	-	(41,038)
		(3,131,761)	(3,690,593)	(3,431,674)
Non-cash amounts excluded from operating activities	25(a)	1,338,289	1,186,822	1,214,570
Amount attributable to operating activities		487,197	(1,208,173)	408,700
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,961,003	2,817,144	1,103,329
Proceeds from disposal of assets		39,400	-	87,500
Proceeds from financial assets at amortised cost - self-supporting loans	26(a)	-	-	1,233
		2,000,403	2,817,144	1,192,062
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(678,855)	(854,981)	(607,146)
Acquisition of infrastructure	9(a)	(2,391,488)	(3,043,712)	(864,354)
		(3,070,343)	(3,898,693)	(1,471,500)
Amount attributable to investing activities		(1,069,940)	(1,081,549)	(279,438)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	-	-	876,278
Transfers from reserve accounts	27	-	70,000	-
		-	70,000	876,278
Outflows from financing activities				
Repayment of borrowings	26(a)	(205,424)	(205,424)	(125,351)
Transfers to reserve accounts	27	(230,964)	(180,400)	(37,266)
		(436,388)	(385,824)	(162,617)
Amount attributable to financing activities		(436,388)	(315,824)	713,661
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(b)	2,545,606	2,605,546	1,702,683
Amount attributable to operating activities		487,197	(1,208,173)	408,700
Amount attributable to investing activities		(1,069,940)	(1,081,549)	(279,438)
Amount attributable to financing activities		(436,388)	(315,824)	713,661
Surplus or deficit after imposition of general rates	25(b)	1,526,475	-	2,545,606

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

**SHIRE OF NUNGARIN
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

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

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 their 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
- Measurement of employee benefits - note 14

Fair value hierarchy information can be found in note 23

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 28 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 2020-1 *Amendments to Australian Accounting Standards*
 - *Classification of Liabilities as Current or Non-current*
- AASB 2022-5 *Amendments to Australian Accounting Standards*
 - *Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards*
 - *Non-current Liabilities with Covenants*
- AASB 2023-3 *Amendments to Australian Accounting Standards*
 - *Disclosure of Non-current Liabilities with Covenants: Tier 2*
- AASB 2024-1 *Amendments to Australian Accounting Standards*
 - *Supplier Finance Arrangements: Tier 2 Disclosures*
- AASB 2023-1 *Amendments to Australian Accounting Standards*
 - *Supplier Finance Arrangements*

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 certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

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 2024-4b *Amendments to Australian Accounting Standards*
 - *Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-9 *Amendments to Australian Accounting Standards*
 - *Insurance Contracts in the Public Sector*
- AASB 2023-5 *Amendments to Australian Accounting Standards*
 - *Lack of Exchangeability*
- AASB 18 (FP) *Presentation and Disclosure in Financial Statements*
 - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) *Presentation and Disclosure in Financial Statements*
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 *Amendments to Australian Accounting Standards*
 - *Classification and Measurement of Financial Instruments*
- AASB 2024-3 *Amendments to Australian Accounting Standards*
 - *Annual Improvements Volume 11*

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



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
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
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	When assets are controlled
Reimbursements	Insurance claims and reimbursable expenses	Single point in time	Payment in arrears for claimable event	None	When claim is agreed or when expense is incurred
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue recognition

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.

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 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	718,628	-	718,628
Grants, subsidies and contributions	371,022	-	-	843,229	1,214,251
Fees and charges	65,651	-	230	55,424	121,305
Interest revenue	-	-	7,240	154,634	161,874
Other revenue	4,176	-	-	57,149	61,325
Capital grants, subsidies and contributions	-	1,961,003	-	-	1,961,003
Total	440,849	1,961,003	726,098	1,110,436	4,238,386

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	618,125	-	618,125
Grants, subsidies and contributions	132,683	-	-	1,470,069	1,602,752
Fees and charges	82,971	-	624	55,768	139,363
Interest revenue	-	-	8,737	114,192	122,929
Other revenue	37,000	-	-	104,795	141,795
Capital grants, subsidies and contributions	-	1,103,329	-	-	1,103,329
Total	252,654	1,103,329	627,486	1,744,824	3,728,293

Note	2025 Actual	2024 Actual
	\$	\$
Interest revenue		
Financial assets at amortised cost - self-supporting loans	-	19
Interest on reserve account	41,840	37,266
Trade and other receivables overdue interest	6,441	8,737
Other interest revenue	113,593	76,907
	161,874	122,929
The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$4,700.		
Fees and charges relating to rates receivable		
Charges on instalment plan	425	310
The 2025 original budget estimate in relation to: Charges on instalment plan was \$290.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	40,680	33,990
- Other services – grant acquittals	3,000	-
	43,680	33,990
Employee Costs		
Employee benefit costs	950,287	1,051,657
Other employee costs	4,309	14,944
	954,596	1,066,601
Other expenditure		
Write down of inventories to net realisable value	6 27	95
Sundry expenses	74,377	53,793
	74,404	53,888



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Total cash and cash equivalents

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

Note	2025	2024
	\$	\$
	2,622,609	3,603,132
	2,622,609	3,603,132
	1,288,423	1,965,778
16	1,334,186	1,637,354
	2,622,609	3,603,132

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.

4. OTHER FINANCIAL ASSETS

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance
Financial assets at fair value through profit and loss Local Government House Trust
Units in Local Government House Trust - closing balance

Note	2025	2024
	\$	\$
	39,810	41,585
	39,810	41,585
	41,585	40,745
	(1,775)	840
	39,810	41,585

MATERIAL ACCOUNTING POLICIES

Financial assets at fair value through profit or loss

The Shire classifies 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 NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

5. TRADE AND OTHER RECEIVABLES

Note	2025 \$	2024 \$
Current		
Rates and statutory receivables	81,893	70,731
Trade receivables	9,128	54,933
GST receivable	78,980	38,390
Allowance for credit losses of rates and statutory receivables	(36,536)	(36,536)
	133,465	127,518
Non-current		
Rates and statutory receivables	2,673	1,999
	2,673	1,999

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:				
	Note	30 June 2025 Actual \$	30 June 2024 Actual \$	1 July 2023 Actual \$
Contract assets	7	63,708	-	93,036
Total trade and other receivables from contracts with customers		63,708	-	93,036

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.

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.

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

6. INVENTORIES

	Note	2025	2024
Current		\$	\$
Inventories		4,799	2,422
Other inventories - History Books		3,546	3,574
		<u>8,345</u>	<u>5,996</u>

The following movements in inventories occurred during the year:

Balance at beginning of year		5,996	3,885
Inventories expensed during the year		(59,907)	(76,139)
Write down of inventories to net realisable value	2(b)	(27)	(95)
Additions to inventory		62,283	78,345
Balance at end of year		<u>8,345</u>	<u>5,996</u>

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 NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

7. OTHER ASSETS

Other assets - current

Prepayments

Accrued income

Contract assets

2025	2024
\$	\$
51,697	-
5,292	4,998
63,708	-
120,697	4,998

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.

Contract assets

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

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

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

	Note	Land \$	Buildings \$	Total property \$	Furniture and equipment \$	Plant and equipment \$	Total property, plant and equipment \$
Balance at 1 July 2023		940,000	8,561,716	9,501,716	28,623	1,308,442	10,838,781
Additions		-	258,946	258,946	-	348,200	607,146
Disposals		(26,000)	(35,454)	(61,454)	-	(67,084)	(128,538)
Depreciation		-	(301,255)	(301,255)	(6,001)	(185,007)	(492,263)
Balance at 30 June 2024		914,000	8,483,953	9,397,953	22,622	1,404,551	10,825,126
Comprises:							
Gross balance amount at 30 June 2024		914,000	9,061,945	9,975,945	75,251	1,975,142	12,026,338
Accumulated depreciation at 30 June 2024		-	(577,992)	(577,992)	(52,629)	(570,591)	(1,201,212)
Balance at 30 June 2024	8(b)	914,000	8,483,953	9,397,953	22,622	1,404,551	10,825,126
Additions		-	166,768	166,768	-	512,087	678,855
Disposals		-	-	-	-	(34,339)	(34,339)
Depreciation		-	(304,999)	(304,999)	(5,351)	(210,803)	(521,153)
Balance at 30 June 2025		914,000	8,345,722	9,259,722	17,271	1,671,496	10,948,489
Comprises:							
Gross balance amount at 30 June 2025		914,000	9,228,712	10,142,712	75,251	2,447,227	12,665,190
Accumulated depreciation at 30 June 2025		-	(882,990)	(882,990)	(57,980)	(775,731)	(1,716,701)
Balance at 30 June 2025	8(b)	914,000	8,345,722	9,259,722	17,271	1,671,496	10,948,489

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	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 - market value		914,000	914,000	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per hectare
Total land	8(a)	914,000	914,000					
Buildings - non specialised		2,127,666	2,051,772	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per square metre
Buildings - specialised		6,218,056	6,432,181	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Total buildings	8(a)	8,345,722	8,483,953					

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

(ii) Furniture and equipment
Plant and equipment

Cost	Not applicable
Cost	Not applicable

**SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure - roads	Infrastructure footpaths	Infrastructure drainage	Infrastructure parks and ovals	Infrastructure dams	Infrastructure refuse	Infrastructure other	Total infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	30,509,947	187,423	123,375	908,582	346,906	8,368	1,220,108	33,304,709
Additions	846,504	-	-	-	-	-	17,850	864,354
Revaluation (loss) / reversals transferred to profit or loss	5,794,580	(26,345)	-	-	-	-	-	5,768,235
Depreciation	(602,183)	(4,983)	(1,125)	(47,423)	(8,094)	(332)	(46,294)	(710,434)
Balance at 30 June 2024	36,548,848	156,095	122,250	861,159	338,812	8,036	1,191,664	39,226,864
Comprises:								
Gross balance at 30 June 2024	60,360,206	660,823	124,500	954,851	355,000	8,700	1,285,358	63,749,438
Accumulated depreciation at 30 June 2024	(23,811,358)	(504,728)	(2,250)	(93,692)	(16,188)	(664)	(93,694)	(24,522,574)
Balance at 30 June 2024	36,548,848	156,095	122,250	861,159	338,812	8,036	1,191,664	39,226,864
Additions	2,305,534	30,500	-	-	-	55,454	-	2,391,488
Depreciation	(701,858)	(8,776)	(1,125)	(47,423)	(8,094)	(332)	(47,189)	(814,797)
Balance at 30 June 2025	38,152,524	177,819	121,125	813,736	330,718	63,158	1,144,475	40,803,555
Comprises:								
Gross balance at 30 June 2025	62,665,740	691,323	124,500	954,851	355,000	64,155	1,285,357	66,140,926
Accumulated depreciation at 30 June 2025	(24,513,216)	(513,504)	(3,375)	(141,115)	(24,282)	(997)	(140,882)	(25,337,371)
Balance at 30 June 2025	38,152,524	177,819	121,125	813,736	330,718	63,158	1,144,475	40,803,555



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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 depreciated replacement cost	Independent registered valuers	June 2024	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure footpaths	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2024	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure drainage	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure parks and ovals	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure dams	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure refuse	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure other	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Construction costs (Level 2), current condition, residual values and remaining useful life assessments (Level 3) inputs

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

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

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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	30 to 50 years
Buildings - specialised	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	35 to 85 years
seal	
- bituminous seals	35 to 85 years
- asphalt surfaces	35 to 85 years
Gravel roads	
formation	not depreciated
pavement	35 to 85 years
Infrastructure - footpaths	20 to 75 years
Infrastructure - drainage	5 to 75 years
Infrastructure - parks & ovals	5 to 75 years
Infrastructure - dams	5 to 75 years
Infrastructure - refuse	5 to 75 years
Infrastructure - other	5 to 75 years



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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; or
- (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 NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

11. TRADE AND OTHER PAYABLES

Current

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

2025	2024
\$	\$
32,035	69,123
2,033	2,021
23,505	18,526
16,347	20,628
18,602	19,207
5,608	6,721
52,948	46,921
(1,236)	294
149,842	183,441

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.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

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 NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

12. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Capital grant/contributions liabilities	119,416	152,062
	119,416	152,062
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	152,062	180,042
Additions	77,177	152,062
Revenue from capital grant/contributions held as a liability at the start of the period	(109,823)	(180,042)
	119,416	152,062
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	119,416	152,062

MATERIAL ACCOUNTING POLICIES

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.



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

13. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		209,937	689,309	899,246	205,421	899,249	1,104,670
Total secured borrowings	26(a)	209,937	689,309	899,246	205,421	899,249	1,104,670

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

Risk

Details of individual borrowings required by regulations are provided at Note 26(a).



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SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
Annual leave	69,811	52,581
Long service leave	12,513	29,699
	82,324	82,280
Employment on-costs	10,471	7,361
	10,471	7,361
Total current employee related provisions	92,795	89,641
Long service leave	11,567	10,766
	11,567	10,766
Employment on-costs	1,735	1,507
	1,735	1,507
Total non-current employee related provisions	13,302	12,273
Total employee related provisions	106,097	101,914

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.



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SHIRE OF NUNGARIN
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FOR THE YEAR ENDED 30 JUNE 2025

15. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	737,189	737,189	737,189	-	737,189
Revaluation surplus - Buildings - non-specialised	2,204,976	2,204,976	2,204,976	-	2,204,976
Revaluation surplus - Buildings - specialised	2,051,287	2,051,287	2,051,287	-	2,051,287
Revaluation surplus - Infrastructure - roads	28,694,243	28,694,243	34,488,823	(5,794,580)	28,694,243
Revaluation surplus - Infrastructure - footpaths	69,296	69,296	42,951	26,345	69,296
Revaluation surplus - Infrastructure - parks and ovals	715,328	715,328	715,328	-	715,328
Revaluation surplus - infrastructure dams	439,704	439,704	439,704	-	439,704
Revaluation surplus - infrastructure other	1,003,588	1,003,588	1,003,588	-	1,003,588
	35,915,611	35,915,611	41,683,846	(5,768,235)	35,915,611



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual \$	2024 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	1,334,186	1,637,354
		<u>1,334,186</u>	<u>1,637,354</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	1,112,951	881,987
Capital grant liabilities	12	119,416	152,062
Bonds and deposits	11	18,602	19,207
Unspent loans	26(b)	83,217	584,098
Total restricted financial assets		<u>1,334,186</u>	<u>1,637,354</u>

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

Credit standby arrangements

Credit card limit	7,500	7,500
Credit card balance at balance date	(1,472)	-
Total amount of credit unused	<u>6,028</u>	<u>7,500</u>

Loan facilities

Loan facilities - current	209,937	205,421
Loan facilities - non-current	689,309	899,249
Total facilities in use at balance date	<u>899,246</u>	<u>1,104,670</u>

Unused loan facilities at balance date

Nil Nil

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

18. CONTINGENT LIABILITIES

The Shire had no reportable contingent liabilities as at 30 June 2024, and is not aware of any reportable contingent liabilities as at 30 June 2025.

19. CAPITAL COMMITMENTS

Contracted for:

- plant & equipment purchases

2025	2024
\$	\$
138,050	627,844
138,050	627,844

In 2024, the Shire had committed expenditure for plant and equipment totalling \$627,844 for the supply of a Truck and tipping body, side tipping trailer, 4 wheel dolly and a heavy duty tag-a-long trailer.

In 2025, the Shire had committed expenditure for plant and equipment totalling \$138,050 for the supply of a heavy duty 4 axle tag-a-long trailer.



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
President's allowance	12,000	12,000	6,000
Meeting attendance fees	5,880	4,000	3,800
Annual allowance for ICT expenses	1,000	1,000	1,088
Travel and accommodation expenses	645	1,206	600
	19,525	18,206	11,488
Deputy President's allowance	3,000	3,000	1,500
Deputy President's meeting attendance fees	3,420	4,000	2,700
Deputy President's child care expenses	1,000	1,000	600
Deputy President's other expenses	426	480	433
	7,846	8,480	5,233
All other council member's meeting attendance fees	17,589	20,000	13,630
All other council member's child care expenses	5,000	5,000	3,000
All other council member's All other council member expenses	4,082	3,714	3,351
	26,671	28,714	19,981
20(b)	54,042	55,400	36,702

(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	165,754	132,934
Post-employment benefits	16,881	7,854
Employee - other long-term benefits	3,500	1,811
Employee - termination benefits	-	10,385
Council member costs	54,042	36,702
20(a)	240,177	189,686

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

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

There was an outstanding balance of \$456 in relation to related parties at year end.

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

	2025 Actual \$	2024 Actual \$
Sale of goods and services	768	817
Amounts outstanding from related parties:		
Trade and other receivables	456	-

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

Joint arrangements detailed in Note 21.



SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. JOINT ARRANGEMENTS

Share of joint operations

Medical services

The Shire of Nungarin is in a joint arrangement with the Shires of Mount Marshall, Mukinbudin and Trayning to provide medical services. The Shire of Nungarin has a 10% interest in this service which provides a doctor in Kununoppin.

In June 2022 the joint arrangement purchased a motor vehicle valued at \$59,710.

The vehicle is registered to the Shire of Trayning.

	2025 Actual	2024 Actual
	\$	\$
Statement of comprehensive income		
Other expense	(19,133)	(18,479)
Loss for the period	(19,133)	(18,479)
Total comprehensive income for the period	(19,133)	(18,479)
Statement of cash flows		
Other expense	(19,133)	(18,479)
Net cash provided by (used in) operating activities	(19,133)	(18,479)

MATERIAL ACCOUNTING POLICIES

Joint operations

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

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



**SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire did not have any events occurring after the reporting date that have a significant effect on the financial statements.

SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. 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.

24. RATING INFORMATION

*Rateable Value at time of raising of rate.



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SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
Note	2024/25 (30 June 2025 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	(5,061)	-	-
Less: Movement in liabilities associated with restricted cash	5,270	-	4,694
Less: Fair value adjustments to financial assets at fair value through profit or loss	4(b) 1,775	-	(840)
Add: Loss on disposal of assets	-	-	41,038
Add: Depreciation	1,335,950	1,186,822	1,202,697
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(674)	-	(1,037)
Employee benefit provisions	1,029	-	(31,982)
Non-cash amounts excluded from operating activities	1,338,289	1,186,822	1,214,570
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	27 (1,112,951)	(992,387)	(881,987)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	13 209,937	-	205,421
- Employee benefit provisions	116,363	111,094	111,093
Total adjustments to net current assets	(786,651)	(881,293)	(565,473)
Net current assets used in the Statement of financial activity			
Total current assets	2,885,116	1,249,193	3,741,644
Less: Total current liabilities	(571,990)	(367,900)	(630,565)
Less: Total adjustments to net current assets	(786,651)	(881,293)	(565,473)
Surplus or deficit after imposition of general rates	1,526,475	-	2,545,606



**SHIRE OF NUNGARIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$
Staff Housing Lot 191		16,353	-	(10,729)	5,624	-	(5,624)	-	-
Community Recreation		123,172	-	(21,196)	101,976	-	(22,791)	79,185	79,185
Shire Depot		212,986	-	(13,581)	199,405	-	(14,105)	185,300	185,300
Plant Purchases			876,278	(78,612)	797,666	-	(182,904)	634,761	634,761
Total		352,511	876,278	(124,118)	1,104,670	-	(205,424)	899,246	899,246
Self-supporting loans									
Nungarin Museum		1,232	-	(1,233)	-	-	-	-	-
Total self-supporting loans		1,232	-	(1,233)	-	-	-	-	-
Total borrowings	13	353,743	876,278	(125,351)	1,104,670	-	(205,424)	899,246	899,248

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				Actual for year ending 30 June 2024		Budget for year ending 30 June 2025	
Purpose	Loan number	Institution	Interest rate	Date final payment is due	\$	\$	\$
Staff Housing Lot 191	63	WATC*	6.39%	2/08/2024	(594)	(594)	(180)
Community Recreation	65	WATC*	7.32%	23/06/2028	(8,410)	(8,410)	(6,848)
Shire Depot	68	WATC*	3.82%	14/08/2035	(7,816)	(7,816)	(7,484)
Plant Purchases	70	WATC*	4.20%	28/11/2028	(24,465)	(24,465)	(36,204)
Total					(41,285)	(41,285)	(50,716)
Total finance cost payments					(41,285)	(41,285)	(50,716)

* WA Treasury Corporation

SHIRE OF NUNGARIN
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26. BORROWING AND LEASE LIABILITIES (Continued)

(b) Unspent borrowings

Particulars	Institution	Date Borrowed	Unspent balance 1 July 2024	Borrowed during 2024-25	Expended during 2024-25	Unspent balance 30 June 2025
Plant Purchases	WATC*	28/11/2023	\$ 584,098	\$ -	\$ (500,881)	\$ 83,217
			584,098	-	(500,881)	83,217

* WA Treasury Corporation

**SHIRE OF NUNGARIN
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27. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
Restricted by council												
(a) Leave reserve	111,093	5,270	-	116,363	111,093	4,600	-	115,693	106,399	4,694	-	111,093
(b) Plant reserve	316,845	124,970	-	441,815	316,845	107,519	-	424,364	303,458	13,387	-	316,845
(c) Office building reserve	45,845	2,175	-	48,020	5,332	200	-	5,532	43,908	1,937	-	45,845
(d) Swimming pool reserve	58,890	2,794	-	61,684	45,845	1,900	-	47,745	56,402	2,488	-	58,890
(e) Land development reserve	2,229	106	-	2,335	58,890	2,488	-	61,378	2,135	94	-	2,229
(f) Building reserve	295,705	14,027	-	309,732	295,705	16,703	(70,000)	242,408	283,211	12,494	-	295,705
(g) Community bus reserve	-	-	-	-	2,229	90	-	2,319	-	-	-	-
(h) Computer equipment/software reserve	46,048	81,369	-	127,417	46,048	46,900	-	92,948	44,102	1,946	-	46,048
(i) Refuse site rehabilitation reserve	5,332	253	-	5,585	-	-	-	-	5,106	226	-	5,332
	881,987	230,964	-	1,112,951	881,987	180,400	(70,000)	992,387	844,721	37,266	-	881,987

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.

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	to be used to fund annual and long service leave requirements.
(b) Plant reserve	to be used for the purchase of major plant.
(c) Office building reserve	to be used for the construction of a new administration centre.
(d) Swimming pool reserve	to be used for the refurbishment of the swimming pool.
(e) Land development reserve	to be used to fund the development of a light industrial area.
(f) Building reserve	to be used for the future building needs of the Shire.
(g) Community bus reserve	to be used to restrict the excess monies from the Community Bus hire for maintenance.
(h) Computer equipment/software reserve	to be used for major upgrades of Council's computer system.
(i) Refuse site rehabilitation reserve	to be used for rehabilitation costs associated with the refuse site in the Shire.

SHIRE OF NUNGARIN
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28. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2024	Amounts received	Amounts paid	30 June 2025
	\$	\$	\$	\$
Nomination & Other Deposits	235	9	-	244
	235	9	-	244