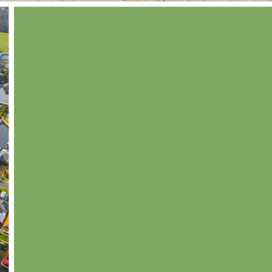
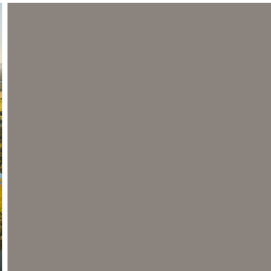


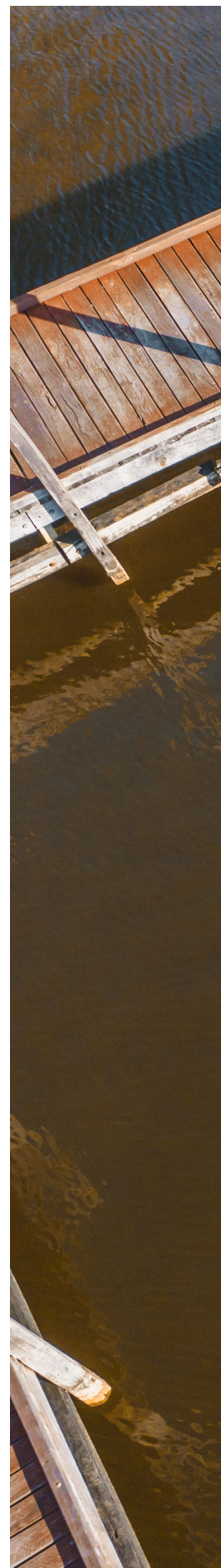
Annual Report

2020-2021



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Population

18,336

As at 30 June 2021
forecast.id

1.19% increase

From 2020

Gross Regional Product

\$2.52B

NIEIR 2020

Business and Employment

1,072 Local businesses

ABS 2020

7,463 Local jobs

As at 30 June 2019
NIEIR 2020

36.9%

Employment self-containment

ABS 2016

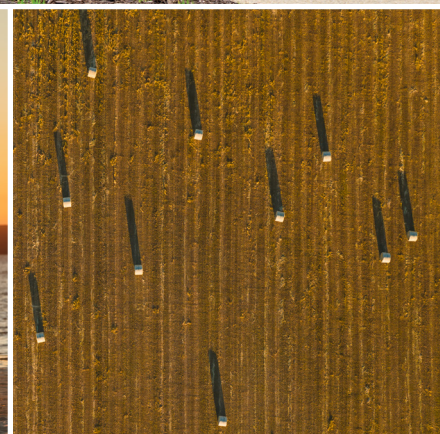
7.8%

Unemployment rate

economy.id, 2021 June quarter

Vision to 2030

By 2030, the Shire of Murray will be a place where business thrives, we protect our environment, and all people enjoy an outstanding quality of life.





Snapshot

At the centre of the Peel region and within an hour south of Perth, the Shire of Murray boasts thousands of square kilometres of natural beauty.

Bounded by the idyllic shores of Herron Point in the west, the adventure and trails town of Dwellingup in the east and the equestrian playgrounds of North Dandalup and Coolup to the north and south respectively, the district offers an abundance of leisure opportunities as well as a diverse range of land use options.

Murray is home to enticing residential estates ranging from urban hubs and canal living to rural residential, offering a relaxed country lifestyle with convenient transport links to the freeway and several large urban centres.

Murray is a rapidly evolving district that services the diverse social and economic needs of a growing community.

As at 30 June 2021, over 18,330 residents called Murray home and by 2041, more than 44,630 people will reside in the district.

Smart planning and a focus on economic diversification are opening up significant opportunities for tourism, commercial investment, employment and education.

The long-term vision for Murray is to create a district distinctive by its creativity, liveliness, activity and vibrancy, attracting new investment, seizing opportunities to develop and expand the business sector and encouraging innovation and collaboration, while providing an enticing array of lifestyle attractions.





Shire President Report

It's been another busy year for Murray with significant achievements and notable progress made with the implementation of our Strategic Community Plan, all while operating with a 0% increase to overall rates and fees.

A surge in intrastate visitors to regional towns caused by interstate and international border controls, saw elevated demand for visitor services as Western Australians 'wandered out yonder' embracing nature-based tourism experiences and escaping metropolitan areas. The increased visitation and demand proved timely for the September 2020 opening of the new Dwellingup Trails and Visitor Centre. The Centre realised a 245% visitor increase over the 2020-2021 period.

A highlight was undeniably Pinjarra and Dwellingup being selected as finalists for the State's Top Tourism Town Awards, with Dwellingup winner in the small-town category.

The opening of the Western Australian Bushfire Centre of Excellence in the Peel Business Park was another high point. The facility is an education hub

for bushfire management volunteers and personnel and continues to bring new jobs and additional economic activity into the Shire.

Adjacent to the Centre, construction commenced on the Shire owned Western Australian Food Innovation Precinct. Set to open mid-2022, the Precinct is set to play a transformative role for state's food manufacturing and will help further diversify our local economy and create new skills and job opportunities for the region.

The Precinct is exemplary of investments being made by the Shire in support of the Australian Government's Modern Manufacturing Strategy which is helping Australian manufacturing scale-up, become more competitive and resilient and create jobs now and into the future.

The Murray River Square and Foreshore project significantly progressed and a funding application for the redevelopment of the Exchange Hotel, submitted during the year, was successful. The site will become an iconic tourist destination and food and community precinct.

The Murray-Waroona resource sharing alliance, facilitated increased collaboration between the two local governments, while helping reduce costs through the sharing of staff from the Planning, Ranger and Emergency Services, Health, Occupational Health and Safety and Information Technology departments and a shared Chief Executive Officer.

Several major public events were delivered including the highly successful Pinjarra Festival, the famous Dwellingup 100 mountain bike race and the annual Christmas and Australia Day celebrations.

Plans were developed to activate the Historic Edenvale Heritage Precinct and Railway Heritage Precinct and the successful uptake of the Town Centre Façade Refurbishment Program continued, with projects in both Pinjarra and Dwellingup further enhancing the towns' main streets, buildings and outdoor public areas.

Murray Aquatic and Leisure Centre facilities were upgraded, the master plan for Sir Ross Mclarty Sports Precinct was reviewed, planning progressed to construction on the South Yunderup Sports Pavilion and Sandy Cove Park

projects and planning commenced for upgrades to public boating facilities.

The development, subdivision and progressive sale of residential lots from Shire owned land, provided funds for the delivery of additional community projects including the implementation of the North Dandalup Oval Master Plan.

The launch and roll-out of a new Shire website, as well as two new destination marketing websites and destination magazine, facilitated better online communications and enhanced service delivery, streamlining and improving public engagement by offering clearer and more timely information for residents and visitors.

Protection of the natural environment remained a high priority as the Coastal Hazard Risk Management and Adaptation Plan development progressed. The Plan will effectively guide management of fragile and more vulnerable coastal and riverbank areas.

Murray's population continues to grow and with it the need to build a sustainable and resilient economy, with sufficient and well-paid jobs for future generations.

Council continued to identify opportunities to diversify the Shire's economic base, while safeguarding the natural environment and heritage assets. This will ensure Murray remains a place that is attractive to people and that provides jobs and quality of life for all residents.

I remain grateful to the many volunteers and members of our community groups, emergency services personnel and all those that contribute their time freely to help make Murray such a great place to work and live. To our Chief Executive Officer and staff at the Shire along with my fellow Councillors, thank you for another successful and progressive year.

Cr. David Bolt
Shire President



Chief Executive Officer Report

As the closest government to communities, local government continues to play an important role in people's lives.

Achieving favourable outcomes for our district requires strong and positive partnerships with so many – state and federal government representatives and departments, other local governments, industry and local businesses and importantly our community.

As a local government we are faced with endless challenges, but we are resilient and are staying the course to develop strong and healthy towns.

Delivering so much more than the traditional functions of 'roads, rates and rubbish', applies growing financial pressure on our bottom line, but we are securing our future with a clear long-term strategic plan and financial strategies.

Annual Financial Assistance Grants provided by the Commonwealth Government to local government have declined from 1% of Commonwealth Tax Revenue in 1996 to now, about half that amount. Furthermore, at a macro level, local government collects just 3.6% of the overall taxation income, yet are responsible for 33% of public infrastructure.

With ongoing financial challenges, it is imperative that we generate our own income and local economic activity by for example hiring out council owned facilities, sharing local government resources to benefit from economies of scale, developing our tourist assets in places like Dwellingup

and becoming recognised as Western Australia's Top Small Tourist Town, progressing the reactivation of the Exchange Hotel in Pinjarra and constructing Western Australia's first Food Innovation Precinct. Through these initiatives the Shire is broadening Murray's economy and establishing non-government income streams.

The numerous achievements of the past year, detailed within the Shire President's report, are attributed to a bold and focused Council and committed staff.

I thank our Councillors for their continuous support, in particular Shire President Cr. David Bolt. I also acknowledge our hard-working staff who are so brilliantly led by Directors Rod Peake, Alan Smith, Tracie Unsworth and Leanne McGuirk.

I also acknowledge the support and commitment of all our volunteers and extend gratitude to our Chief Bush Fire Control Officer Robert (Bluey) Wilson who, through his great leadership keeps our community safe, often while we sleep.

On behalf of all staff, I am proud to present to our residents and stakeholders, the Shire of Murray 2020-2021 Annual Report.

Dean Unsworth
Chief Executive Officer



Councillors



Cr. David Bolt
Shire President
Male | English
Australian-born



Cr. Douglas McLarty
Deputy President
Male | English
Australian-born



Cr. Casey Rose
Female | English
Australian-born



Cr. Steve Lee
Male | English
England-born



Cr. Brad Cardilini
Male | English
Australian-born



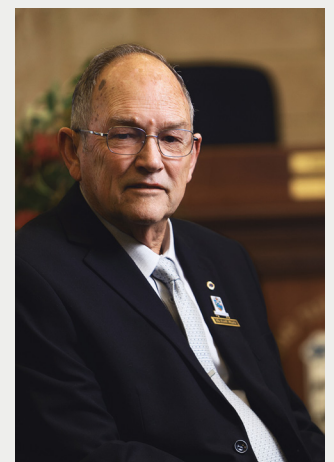
Cr. Ange Rogers
Female | English
Australian-born



Cr. Stuart Kirkham
Male | English
Australian-born



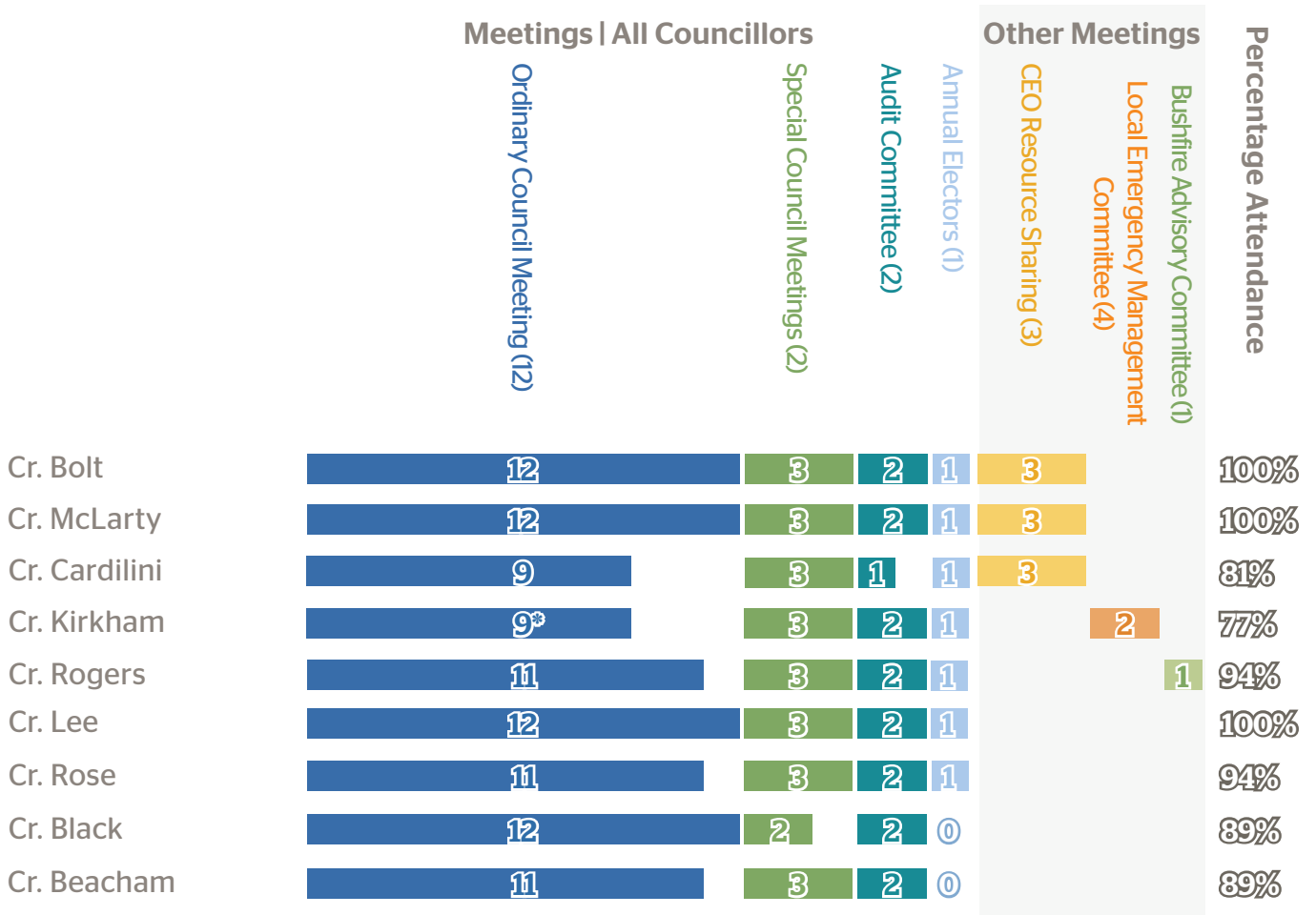
Cr. Brenda Beacham
Female | English
Australian-born



Cr. Geoff Black
Male | English
Australian-born

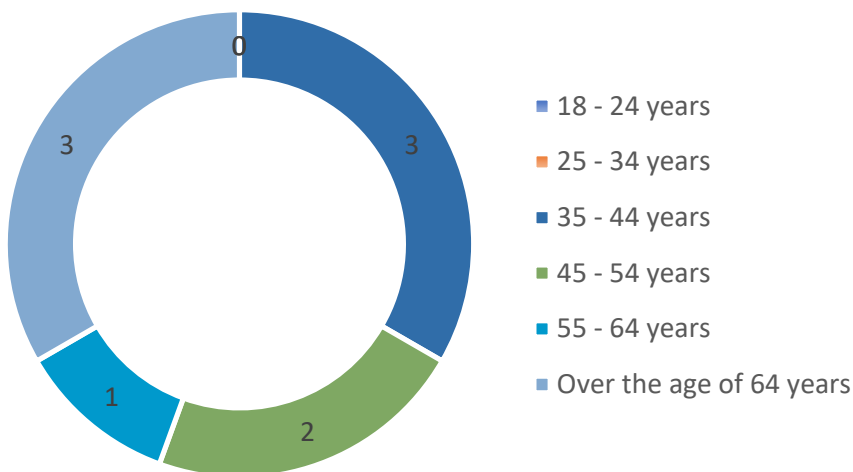
Councillor Information

Council and Committee Meeting Attendance



* Two meetings occurred during approved Leave of Absence, Friday 27 November to 31 March

Age of Councillors



Councillor Quick Facts

67% | 33%

Male Female Split

100% are from English speaking backgrounds

89% Australian-born

0% Identify as Aboriginal or Torres Strait Islander

Organisational Structure



Dean Unsworth
Chief Executive Officer

- Governance
- Ranger and Emergency Services
- Communications and Marketing
- Customer Service
- Investment Attraction
- Strategic Partnerships



Tracie Unsworth
Director Corporate Services

- Asset Management
- Information Technology
- Finance and Rates
- Records Management
- HR and OS&H
- Murray Aquatic and Leisure Centre



Alan Smith
Director Infrastructure Services

- Design and Survey
- Operations Centre
- Parks and Gardens
- Civil Works
- Waste and Fleet



Leanne McGuirk
Director Place and Community

- Place and Community
- Event Management
- Library Services
- Sport and Recreation
- Youth Development
- Tourism
- Destination Marketing and Development



Rod Peake
Director Planning and Sustainability

- Planning Services
- Strategic Development
- Building Services
- Environmental Health
- Environmental Services

About this Report

The Shire of Murray's 2020-2021 Annual Report outlines the progress the Shire has made towards its strategic goals over the financial year.

This report demonstrates Council's dedication to accountability and transparency for our community and stakeholders.

The report documents Council's achievements and challenges against the objectives and strategies of the strategic focus areas and aspirations outlined in the Murray 2030 Strategic Community Plan and our accomplishment of the projects and actions defined in the 2020-2024 Corporate Business Plan.

The Report provides a summary of the Shire's performance in key areas including leadership, place development, community wellbeing, strategic land use planning, infrastructure and asset management, environmental management and economic development.



Under the *Local Government Act 1995*, the Shire of Murray is required to produce an Annual Report at the end of each financial year.

The 2020-2021 Annual Report is available in both digital and hardcopy format. The report is digitally accessible on the Shire's website murray.wa.gov.au and hardcopies are available for inspection at the Shire of Murray Administration Office and Murray Library.



Murray's Major Achievements

Realised through collaborative relationships with government agencies, organisations, local businesses, groups, associations, volunteers and residents.



Funding was received and planning progressed for several amenity improvements:

- South Yunderup's Sandy Cove Park and surrounding foreshore upgrade - \$150,000
- Wharf Cove Jetty redevelopment - \$409,000
- Sports pavilion construction at South Yunderup Oval - \$1.26M



Western Australian Food Innovation Precinct

Construction commenced in May 2021

Secured an additional \$1M to offer a \$3.8M incentive grant program to activate the Precinct

Received \$99,500 toward the delivery of the X-Protein Lab Program and recruited alternative protein focused businesses to participate in the program to scale-up their projects



Murray River Foreshore Redevelopment significantly progressed including the construction of the open-air stage



Peel Business Park

The Western Australian Bushfire Centre of Excellence facility opened in January

In December, Australia's first renewable energy industrial microgrid began powering the site



Detailed planning, feasibility study and designs completed for the redevelopment of the Exchange Hotel

Progressed district planning, through the development of sustainability plans:

- Dwellingup Futures Road Map
- Coastal Hazard Risk Management and Adaptation Plan

Finalised the Edenvale Heritage Precinct Place and Activation Plan 2021 - 2031 to ensure the Precinct becomes a thriving arts and cultural hub



Tourism

Dwellingup Trails and Visitor Centre officially opened in September

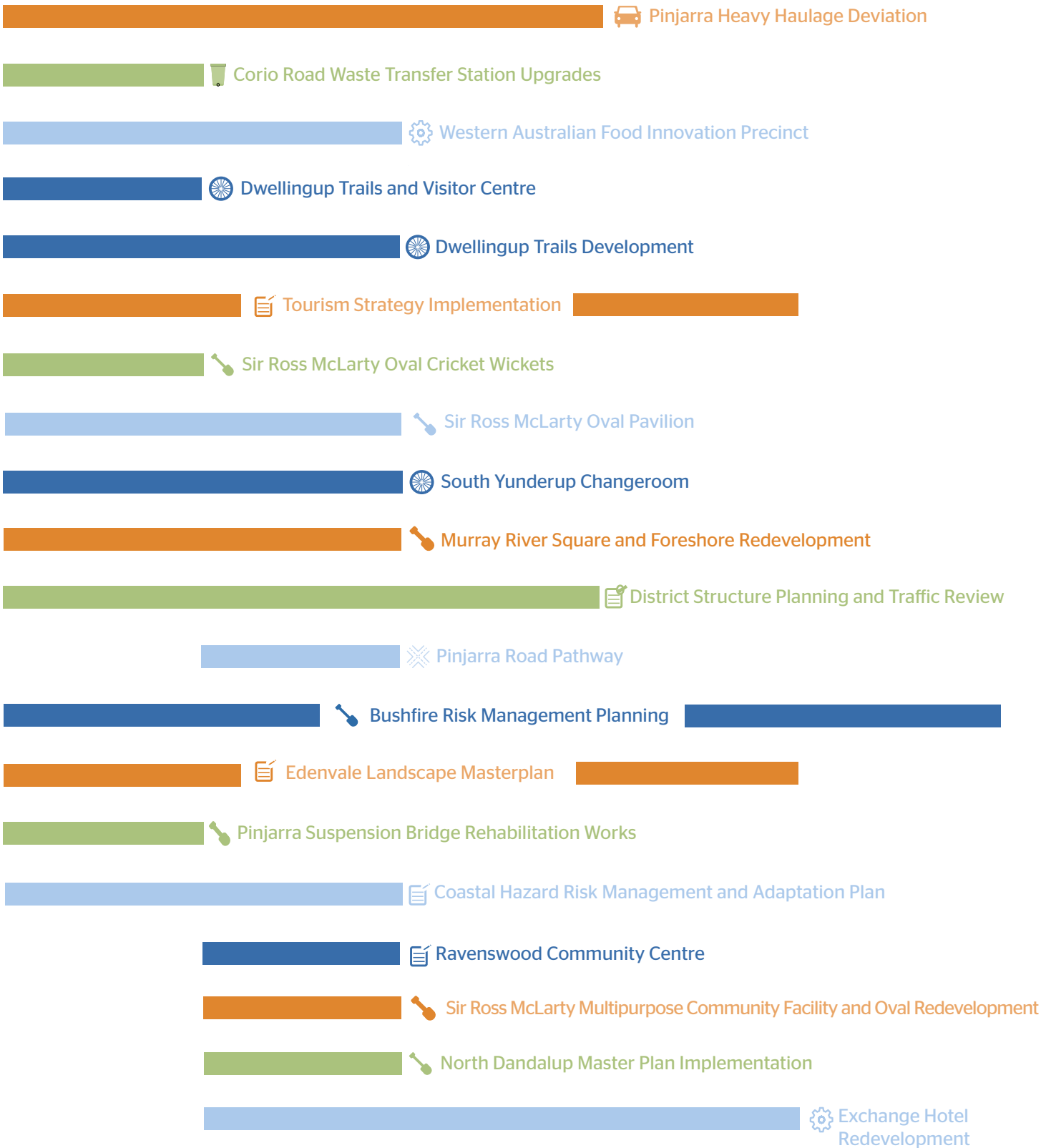
Tourism campaign launched including a destination magazine and dedicated tourism websites

Dwellingup won the Western Australian Top Small Tourism Town Award (Population under 5,000 people)

Pinjarra was a finalist in the Top Tourism Town Awards (Population over 5,000 people)

35kms of new mountain bike trails opened in Lane Poole Reserve and new canoe launching facilities within the reserve have enhanced existing paddling opportunities on the Murray River

Major Projects



2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
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Places for People

In 2030 Murray will have created great places for people through strong partnerships with the community; innovative urban design; and improved the well-being and quality of life for residents.

1.1 Socially connected, safe and cohesive community

1.1.1 In partnership with communities, identify and prioritise community-led projects and initiatives

Place-Making

An idyllic mural, reflective of the Murray River and native flora and fauna, became a feature of the Murray River Foreshore and has enhanced the walking trail.

Painted underneath the Pinjarra Traffic Bridge, the mural was the outcome of an expression of interest process undertaken by the Shire, Pinjarra Connect and Water Corporation, with local artist Clare Martella Pratt of 'Works with Quirks' commissioned to undertake the work.

Murals were also painted within the Dwellingup town centre including at the Dwellingup Community Hall, as a result of collaboration between a range of stakeholders including Dwellingup Community Compact, Dwellingup Creative, local business owners and the Shire of Murray.

Pinjarra Connect's maker in residence program at The Court House and the Pinjarra Arts Hub

at Edenvale Heritage Precinct continued to be supported. The initiatives encourage the sharing of the community's creative skills and incubation of creative industries.

Carols in the Forest a joint event between Dwellingup Creative, the Shire and Waypoints Café, took place in December, and community gardens were established at Dwellingup Community Hall and the Dwellingup Police Station thanks to Dwellingup Creative, Dwellingup Teenz, Dwellingup Bushfire Cadets, WA Police and the Shire of Murray.

Seating was also installed within the Dwellingup Green Space in the Trails and Visitor Centre Precinct.

Community Funding

A total of \$76,903.30 was administered in support of the following community-led initiatives:

Community Assistance Partnership Fund

- Austin Lakes Radio Sailing - Rescue dingy
- West Coast Multirotor Club - Purchase of equipment for online race streaming
- Lions Club of Pinjarra - Refrigerated trailer
- Pinjarra Community Garden - Security and CCTV cameras
- Pinjarra Cricket Club - Practice nets
- Furnissdale Tennis Club - Resurfacing of tennis court
- North Dandlaup Community Group - Public art painting on water tank
- Murray District Rangers Soccer Club - New fridge
- Carcoola Primary School P&C Association - Outdoor area flooring
- Friends of Lake McLarty - Vegetation survey and mapping
- Murray Districts Pistol Club - Barbecue and grill area
- North Yunderup Community Association - Annual community events
- Safe Woman Safe Family WA - Family Healing from Trauma with Art support group
- Pride in Peel - LGBTQAI+ family friendly event
- Lions Cancer Institute - Special Children's Big Day Out
- Murray House Resource Centre - Carcoola Fiftieth Anniversary Committee
- Murray Riding Club - Purchase of jumps and equipment

Alcoa Dwellingup Community Assistance Scheme

- Dwellingup Football Club - Jerseys and equipment
- Dwellingup Community Compact - Teenz activities for the year

- Dwellingup P&C - Activities to fundraise during the HVR anniversary festival
- WAPCYC - Dwellingup Blue Light Family Day
- Dwellingup Primary School - Guided readers
- Dwellingup Community Christmas Tree
- Dwellingup RSL Sub Branch - Annual Seniors Lunch
- Variety WA - Variety Ruby Road Trip (through Dwellingup)
- Central Axemen's Association - 2021 Dwellingup Log Chop
- Nanga Music Festival

Community Support Services

While the Community Support Hub did not continue in the 2020-2021 financial year, Murray Alliance Against Depression operated two pop-up community barbecues with several support agencies, at Cantwell Park, Pinjarra and Moondyne Park, Ravenswood.

In partnership with Pinjarra Family Church, the Alliance continued to host a monthly pop-up community kitchen at the Lesser Hall, Pinjarra.

In March, youth mental health service provider HeadSpace Mandurah established an outreach program in Pinjarra. An outreach officer continues to work in the area.

Murray Community Food Drive

October's Anti-Poverty Week saw Murray residents, local schools and businesses rally to aid community members in need.

An impressive three months worth of assistance was presented to the Pinjarra Community Kitchen, comprising several fresh food hampers donated by Spudshed Furnissdale, and non-perishable food items.

Donations assist the Kitchen with meal provision for Murray community members who are homeless or under severe financial constraint.

1.1.3 Grow and develop an age friendly community

Age Friendly Communities Plan Achievements

Due to synergies, the Age Friendly Communities Working Group and the Access and Inclusion Group merged, creating Murray Aged, Access and Inclusion Group (MAAIG).

Group efforts realised the delivery of the following information sessions for Murray's over 55s:

- Council on the Ageing (COTA) facilitated session about Australia's Aged Care System and access

to support services for individuals living at home

- St John's free Basic First Aid workshop
- Unicare Health regarding safe living practises to assist in independent home living
- TechXellerate

Access and Inclusion Plan Major Achievements

A number of inclusive initiatives, including sensory area/quiet space and improved signage and ACROD parking locations, were implemented at the 2021 LiveLighter Pinjarra Festival and accessible toilets were available at both the Festival and 2020 Murray Community Christmas Celebration.

An external accessibility consultant was engaged to inform the redevelopment of the Murray River Square and Foreshore, to ensure compliance throughout the project area.

The redeveloped Shire of Murray website, which went live in April, meets Vision Australia's highest WCAG 2.1 AA accessibility standards and is optimised for e-readers.

Diversity, equity and inclusion training was also identified for mandatory staff completion in 2021.

Seniors Programs

Seniors Week 2020 offered Murray's over 50s, an event program featuring over 30 events. The week-long celebration ran from Monday 9 to Sunday 15 November and offered opportunities for attendees to connect with service providers, have fun with their friends, meet new residents and awaken new interests.

Events included scenic walks, dancing, walking football, radio sailing, lawn bowls, a golf clinic, life story writing workshop, painting and craft, technology and virtual reality sessions, Edenvale Heritage Precinct tour, Pinjarra Men's Shed open day and Pinjarra Community Garden morning tea and garden tour. Murray Aquatic and Leisure Centre offered free, Fit for Life membership trials and Zumba Gold classes.

The 'All Things Seniors' Services Hub at the Civic Centre shared information about ageing well, navigating the aged care system, safe living practices and device and tech assistance.

The annual seniors' dinner and dance Jazzin' It Up event was a program highlight. Over 150 people attended the event which was held at the Pinjarra Civic Centre, and enjoyed live music by That's Jazz, dance demonstrations and a two-course meal served by Cert III Hospitality Students from Fairbridge.

Murray's 2020 Seniors Week was supported by Pinjarra Community Bank Branch, Murray Alliance Against Depression and the Shire of Murray and was made possible through collaboration with participating service providers and local businesses and organisations.

A Socially Active Seniors Program ran from May to August 2021, to encourage senior residents back into the community as Western Australia emerged from lockdowns. Funded by the Department of Communities, and in partnership with local community groups, the four-month calendar of free events included guided mediation, sound healing, resin art workshop, line dancing, chair yoga, virtual reality travel, advance palliative care information workshop, botanical inks workshop, adult food sensations workshops and a catch-a-match networking event.

1.1.4 Become a youth focused and supportive community

Youth Plan 2021 - 2024

Consultation to inform the development of the Shire of Murray's new youth plan to 2024, began in late 2020.

Workshops were held at schools, Shire officers attended local youth events and established youth groups Murray Youth for Youth, Austin Cove Youth and Dwellingup Teenz were engaged. The Shire's YourSay platform provided opportunity for the wider community to provide input.

Youth agencies including HeadSpace, Fairbridge Western Australia, Homestead4Youth and Peel Youth Services were also consulted.

Feedback revealed the need for activities that cater for a broad range of interests across sport, art, gaming and coding, improved access to support agencies and groups, a desire to be involved in decision-making and concern regarding employment and training options within the Shire.

Three key focus areas being Engaged and Informed, Empowered and Encouraged and Educated and Employed, therefore underpin the Plan and actions that identified to achieve its outcomes.

The Plan ensures an understanding of the needs and aspirations of Murray's under 25s informs decision-making and delivery of events and services.

The Youth Plan 2021-2024 was adopted by Council at the July 2021 Council Meeting and the Shire is

working alongside youth-focused organisations to deliver its outcomes.

Youth Programs

Over the course of the year Shire officers supported Murray Youth for Youth to deliver local and excursion-based events, activities and workshops across a range of interests including basketball clinics, roller discos, video game design workshops, gaming sessions, skateboard clinics, youth trivia quizzes, school holiday programs, movie nights and art workshops covering techniques such as pyrography, pottery and mosaic.

The need for increased activities to engage 11 to 25 year olds at Shire run community events saw officers join forces with local schools, youth support agencies and the Murray Youth for Youth group to coordinate the 'youth zone' at the 2021 LiveLighter Pinjarra Festival. The pop-up arcade with games housed in an inflatable building, was well-received by attendees.

A skateboard deck art display at the Murray Community Christmas Celebration featuring over 100 pieces, demonstrated the creativity and artistic skills of Pinjarra Senior High School and Austin Cove Baptist College students. The initiative was supported by the Shire of Murray, Country Arts WA and Murray Youth for Youth.

The Shire is committed to valuing, celebrating and respecting young people and the contribution they make to our communities.

1.1.5 Develop and facilitate events of a local and regional scale

Plein Air Down Under

The Plein Air Down Under Festival took place from 25 to 27 September and thanks to Shire support, the State's largest outdoor painting festival expanded into Pinjarra.

The Court House housed a month-long exhibition promoting the festival and the three-day festival program featured a day's activities in Pinjarra.

The artistic buzz and excitement of the local and guest artists was welcomed by the community and surrounding businesses.

Dwellingup 100 and Mighty Jarrah Trail Run

On a wet and blustery 24 September, a record number of Mountain bike riders and runners hit the 2020 Dwellingup 100 and Mighty Jarrah Trail Run trails. Event organisers reported 1076 riders and 432 runners.

The Shire of Murray supported event efforts coordinating the food trucks and bar and waiving venue hire and event application fees.

Dwellingup Mountain Bike Month

Dwellingup Mountain Bike Month took place over September, in the lead up to the Dwellingup 100. Coordinated by the local community, the program comprised over 20 mountain bike activities from rides to bush mechanics.

The Shire provided \$2,000 to support the community-led initiative.

Enduro Epic Dwellingup

In March, Dwellingup hosted the inaugural Enduro Epic, a Western Australian mountain bike festival, to showcase the new Murray Valley Trails.

The weekend long event featured a pump track shootout and gravity airbag and saw 11 shuttle buses transporting the 650 participants between Dwellingup Town Centre and the trail head.

The event was jointly funded by Peel Development Commission, Visit Mandurah and the Shire of Murray.

Fish in the Burbs

In September over the Queen's Birthday long weekend, Austin Lakes Estate hosted the Fish in the Burbs event.

Hundreds of rainbow trout were introduced into the lake for the free school holiday fishing activity.

Several sessions were held over the long weekend and the event proved popular attracting participants across a range of ages.

The event was supported by Recfishwest, IndoPacific, the Recreational Fishing Initiatives Fund with in-kind support provided by the Shire of Murray,

Murray Community Christmas Celebration

On Wednesday 2 December, hundreds of families gathered at Edenvale Heritage Precinct for the Murray Community Christmas Celebration. The much-loved event kicked off the festive season with carols performed by local entertainers and a visit from Santa and his helpers.

The event was proudly supported by Lotterywest, Pinjarra Community Bank Branch, Alcoa and the Shire of Murray.

Pinjarra Festival

The 2021 LiveLighter Pinjarra Festival, Murray's largest free community event, realised record attendance. Held on the Saturday and Sunday

of the WA Day long weekend, the event featured live entertainment by The Lulus and three piece harmony band The Godlemans, as well as market stalls and food trucks. Children enjoyed a range of free activities including circus workshops, laser tag, craft activities and face painting. The LiveLighter Activity Zone, a new addition to the Festival lineup, was a highlight of the weekend. It boasted strong man skill tester machines for both adults and children, nine-hole mini golf and the Murray Youth for Youth's area which featured an exciting variety of retro gaming machines. This annual event is a celebration of Pinjarra and the community and is an opportunity for groups within the Edenvale Heritage Precinct to showcase their talent and interests and fundraise.

The 2021 event was supported by Tourism WA, Healthway, promoting the LiveLighter message, Lotterywest, Pinjarra Community Bank Branch, Alcoa, Doral, Cleanaway and the Shire of Murray.

Australia Day Celebrations

The 2021 Australia Day Celebration was held at Edenvale Heritage Precinct.

During official proceedings nine new citizens were officially welcomed and the Citizenship of the Year Award recipients were announced.

The event featured live music by Nate Lansdell and Lionel Morris, free face painting, water slides and the famous Pinjarra Lions Club buffet breakfast. The Pinjarra Markets were also a welcomed feature of the 2021 event.

Bindjareb Boodja Back to Pinjarra Day

The Bindjareb Boodja Back to Pinjarra Commemoration took place at the Pinjarra Massacre site on Saturday 24 October.

This annual event is community-led and recognises one of the most notorious incidents in Aboriginal history, the 1834 Pinjarra Massacre.

It is also a modern day corroboree and an authentic experience, which honours the old people and celebrates an age-old culture through traditional dance, music, food and cultural activities.

The event creates cultural awareness among community members and assists the spiritual healing of the Bindjareb nation and first Australians.

The Shire of Murray supported event organisers and volunteers with:

- Attraction of funding, which in 2020 included Healthway, Doral and Alcoa.

- Risk management.
- Booking event infrastructure.
- Insurance.
- Site preparation.
- Provision of equipment required for the event.

1.1.6 Ensure the safety of our community

24/7 Response to Community

Ranger Services continued to provide a 24-hour, seven day a week service to residents in both the Shire of Murray and Waroona for Ranger related regulatory enforcement matters. Outside normal business hours a dedicated call centre was available for residents. Calls received after normal business hours are documented and prioritised for action.

Bushfire Risk Mitigation

The annual bushfire inspection program commenced in early December. Ranger Services conducted property inspections to ensure statutory compliance and educate the community. The program concluded in February 2021. Rangers conducted approximately 3,500 property inspections in Murray and Waroona, under resource sharing arrangements. Shire of Murray Volunteer Bush Fire Brigades responded to numerous fire incidents over the fire season through 000. The volunteers' dedication to the community continues to be of a high standard.

Bushfire Risk Management Planning

The Bushfire Risk Planning Coordinator progressed the development of the Shire of Murray's Bushfire Risk Management Plan.

The purpose of the plan is to identify areas at higher bushfire risk and where planned mitigation works via treatment schedules is required, including areas where work with landowners and other land managers is necessary to reduce bushfire risk.

The Shire of Murray's Bushfire Risk Management Plan 2021-2026 was endorsed by Council at the November 2021 Council Meeting.

Treatment schedules will be developed and implemented in the 2021-2022 financial year and funding will be sought through the Department of Fire and Emergency Services Mitigation Activity Fund to assist hazard reduction activities.

The Bushfire Risk Planning Coordinator was a shared resource between the Shires of Murray, Harvey and Waroona, employed to develop

individual Bushfire Risk Management Plans for each local government. The position was funded by the Department of Fire and Emergency Services and is managed by the department's Office of Bushfire Risk Management.

Community Safety and Crime Prevention Plan

Crime statistics demonstrated a general decrease in activity in the Shire over the year.

In liaison with local police, the Shire's two solar powered CCTV trailers were deployed to locations in both Murray and Waroona to deter local crime and support effective policing and with the Community Safety and Crime Prevention Plan due to expire at the end of 2021, development of the new plan commenced.

Initiatives such as Know your Neighbour and Neighbourhood Watch, are anticipated to be part of the new Community Safety and Crime Prevention Plan.

1.2 Maximise and connect the natural assets to the community

1.2.1 Connect the natural assets and waterways, parks and reserves to the community

Pinjarra Suspension Bridge Refurbishment

In July, the Shire received funding through phase one of the Department of Infrastructure, Transport, Regional Development and Communications' Local Roads and Community Infrastructure fund, to refurbish the Pinjarra Suspension Bridge.

The project arose following bridge assessments that highlighted the need to address issues with the towers, as well as the differing surface levels between the town square and the bridge deck, which created a decline non-compliant with accessibility standards.

Bridge designers were engaged to undertake survey and geotechnical investigations and deliver the bridge designs.

Community consultation took place between October and November and the tender process was conducted from February to April.

Council considered tender submissions at the May Council Meeting, and rejected all tenders due to the prohibitive discrepancy between initial cost estimates and tender submissions.

The scope of the project was revised with a focus on addressing structural and accessibility issues ensuring compliance with Australian design standards, aesthetic elements such as lighting and artwork were de-prioritised.

The tender was conducted over July and August 2021, with the tender awarded to Jonor Construction Pty Ltd at the August 2021 Council Meeting.

Refurbishment works commenced in October 2021.

1.2.2 Upgrade the amenity of the Murray River Square, foreshore reserve and Glebe Land

Murray River Square and Foreshore Redevelopment

With major works completed in the 2019-2020 financial year, project refinements were undertaken this year, and comprised the following installations:

- Foreshore stage installation.
- Landscaping and reticulation to the rear of the Exchange Hotel site to integrate with the parkland.
- Additional pathways and balustrading.
- An access ramp to integrate the town square paving to the adjoining post office building.
- Commencement of the bush tucker garden.

Planning was also progressed for feature lighting, river platforms and interpretation artwork for installation in 2021-2022 to further enhance the high quality and vibrant public space.

The project has been proudly supported by the State Government's Regional Grant Scheme and Local Projects Local Jobs Grant Scheme, Lotterywest, Peel Development Commission and Alcoa.

1.3 Ensure quality, diverse and innovative planning outcomes that meet community aspirations

1.3.1 Ensure our Town Planning Scheme and Local Planning Strategy facilitates quality and diverse planning outcomes

Local Planning Strategy and New Local Planning Scheme

A background report, key issue papers and strategic objectives were developed to guide the preparation of the Local Planning Strategy.

The working draft Local Planning Scheme prepared in the 2019-2020 financial year, is being progressively updated in line with Strategy development.

The Local Planning Strategy is a Shire wide strategy for managing how the Shire will grow over the next 15 years. The Local Planning Scheme is a statutory document that will implement the Strategy.

Southern Palusplain Strategy

In November, the Western Australian Planning Commission resolved to approve the Southern Palusplain Strategy subject to a number of minor modifications to the report text and mapping. These modifications were satisfactorily completed in March.

The Strategy allows the establishment of an equine living precinct on the southern edge of the Coolup townsite that would enable the creation of rural smallholding lots of four to 10 hectares. To enable subdivision, the land will need to be rezoned and planning and management controls established, including ongoing nutrient monitoring for the keeping of horses.

The Strategy further enables rural residential development opportunities along Greenlands Road at the northern boundary of the study area. Existing small rural lots on the periphery of the Coolup townsite are identified for rural residential zoning to improve land management controls.

The Murray Regional Equestrian Centre is highlighted as a key infrastructure development that will attract further equine pursuits to the area.

The Strategy also identifies areas where visual landscape protection measures should apply, supports promotion of small-scale agricultural tourism and emphasises the protection of environmental features and biodiversity values.

Objectives and development guidelines have been set for each of the land use and zoning category areas and new Local Planning Scheme provisions and a range of other initiatives can be implemented to generate employment prospects and foster diversified economic development opportunities.

The Strategy is currently considered an interim policy statement and is guiding development within the study area while the Local Planning Strategy and Scheme are reviewed. Its land use and management outcomes will be reflected in the new Strategy and Scheme.

1.3.3 Implement the Pinjarra Revitalisation Strategy

Exchange Hotel Redevelopment

In August, Council supported the development of a detailed plan, feasibility study and designs for the Shire of Murray to undertake the redevelopment of the Exchange Hotel.

The decision recognised that investor led redevelopment was unlikely in the risk averse environment created as a result of the COVID-19 pandemic.

Economic and design professionals were engaged and through consultation with key stakeholders and the local food sector, a redevelopment concept was created that would transform the site into a contemporary and relaxed hospitality and beverage venue seating 500 people, with event and retail spaces and integration with the main street and Murray River Foreshore. It will have strong ties to the Western Australian Food Innovation Precinct and will provide a main street presence for small-medium enterprises.

It is estimated that the delivery of this catalytic project will achieve a new total economic output of \$11.54m per annum (being \$57.7m over five years), create 48 FTE jobs and attract 37,850 new visitors to Pinjarra.

In March, the Shire submitted a Building Better Regions Fund application seeking a 45% contribution towards the \$5.2m redevelopment.

In October 2021, the Shire learned that its application was successful. Planning is now underway for the redevelopment of this important historic and much-loved site.

Works will commence mid-2022 with completion anticipated in the second half of 2023.

1.4 Encourage an active and healthy community

1.4.1 Plan community facilities for future generations

Edenvale Heritage Precinct Place and Activation Plan

At the May Council Meeting, Councillors endorsed the Edenvale Heritage Precinct Place and Activation Plan 2021-2031.

The development of the Plan was informed through engagement with Precinct stakeholders

including its user groups and working group as well as the wider community and industry insights and benchmarking.

It communicates a collective vision for the Precinct which is securing its future as a thriving arts and cultural hub.

A series of quick wins and medium-term and long-term actions, will increase visitation to the Precinct, improve the local economy and assist Pinjarra revitalization efforts by strengthening the town's identity as a heritage and arts destination.

Key actions include:

- Creation of a calendar of regular, one-off and pop-up events, creative and cultural workshops, heritage, art and cultural exhibitions and an artist in residency program.
- Creation of a night-time economy.
- Amenity improvements to the gardens, fencing, fixed and moveable furniture, toilets, pathways, shaded areas, signage and the Precinct's connection with other town centre attractions.
- Development of a strong brand and digital presence to promote the Precinct and its activities.
- Well-presented, documented and recorded history of the Precinct.

Implementation is underway and funding opportunities are being investigated to support the coordination of a 12 to 24 month suite of activities to ensure year-long activation and enhancement of this important tourism asset.

A collaborative approach to its implementation, involving Precinct user groups, the Shire of Murray, local businesses, volunteers and community members, is achieving the outcomes of the Plan.

Sir Ross McLarty Oval Three Cricket Wicket and Practice Nets

In early 2021 works concluded on the installation of the cricket wicket on oval three within the Sir Ross McLarty Sports Precinct in Pinjarra and in the July, the three practice nets were also installed.

Pinjarra Cricket Club now play all home games at the Precinct and Pinjarra Primary School are also enjoying use of the facilities.

The project was supported by funding from the West Australian Cricket Association, Alcoa, Doral Mineral Sands and the Department of Local Government, Sport and Cultural Industries.

Sir Ross McLarty Sports Precinct Master Plan

In August, Council endorsed a full review of the Sir Ross McLarty Sports Precinct Master Plan.

With the last full review conducted in 2008, the project would ensure that an evidence-based strategy continued to guide the sustainable development of facilities within the Precinct.

A consultant was engaged to undertake the review and stakeholder consultation including Precinct user groups and state government agencies, was undertaken in early 2021. Industry benchmarking, Shire population forecasts, sport participation trends and state, regional and local planning also informed the development of the master plan.

Wider community consultation was undertaken mid-2021, with Council endorsing the master plan in August 2021.

The final master plan report rationalises existing buildings and, using the principles of co-location, shared use and multi-purpose accessible design, provides a future blueprint to modernise the Precinct. The documented facility and infrastructure upgrades will result in a contemporary sporting and recreation precinct that will meet the needs of the community to 2035.

A staged approach will be implemented over the next 15 years. Stage one will be completed by 2023 and includes the construction of the McLarty South Pavilion, a shared clubroom between the Pinjarra Cricket Club and Pinjarra Hockey Club.

Ravenswood Community Facility

At the December 2020 Council Meeting, following community consultation, Council supported the construction of a modular neighbourhood community centre and preferred site, the future public open space land immediately north of the proposed primary school on the eastern side of Wilgie Way. Council further noted the required project budget estimate of \$878,270.

The Community Centre will be a single storey facility featuring a function space, heat and serve kitchen, meeting room, storage spaces, ablutions, outdoor alfresco and play area. It will accommodate the range of community uses identified during the consultation period, including youth services, meditation, yoga, Pilates, fitness and dance classes and community functions and events.

In the leadup to the 2021 State election the WA Labor Party committed funding of \$750,000 toward the construction of the community

centre. A further \$150,000 was allocated in the Shire's 2021-2022 budget and through the Alcoa Community Partnership Fund.

Further site investigations, undertaken during the year, resulted in an alternate site in Jones Lane, being proposed. Council endorsed the Jones Lane site at its November 2021 Council Meeting.

Detailed design and tender advertising will lead to the start of construction in early 2022 and project completion in December 2022.

Community Facility Fund

Three groups were successful in obtaining funding in the 2020-2021 financial year.

Pinjarra Golf Club received \$18,960 toward the installation of solar panels on the clubhouse roof.

West Coast Reining Association received \$20,000 toward the construction of a new reining arena at the Murray Regional Equestrian Centre and Pinjarra Community Garden used its \$6,500 grant to replace scheme water reticulation system with bore water.

South Yunderup Oval Pavilion

In December, the Shire was successful in receiving \$400,000 from the Department of Local Government, Sport and Cultural Industries Community Sporting and Recreation Facilities Fund toward the construction of a sports pavilion at the South Yunderup Sports Precinct.

The tender for the facility's design and construction was awarded in March and construction commenced in September 2021.

The \$1.6M facility will include all-gender changerooms, an umpire changeroom, first aid room, kitchen, storage and large undercover area.

The pavilion is due to be completed in March 2022 in time for Murray District Rangers Soccer Club occupation, prior to their winter season.

Murray Aquatic and Leisure Centre Facility Upgrades

Over a 12 week period from September to November, Murray Aquatic and Leisure Centre's court one toilets and changerooms were renovated. Works saw new fixtures, flooring and painting incorporated into the space including new and additional shower/change cubicles, vanity and basins and lockers.

Centre emergency exit signage, doors and fittings were upgraded to meet current standards and additional emergency lights were installed throughout the Centre.

The aquatic heating system broke down in August 2021. Temporary remedial action addressed the issue, with the boiler unit and co-generation heating system ultimately replaced with new gas boilers. Works were brought forward as part of the Centre's asset replacement program.

The new heating system has a ten year lifespan and is more energy efficient as the boiler capacity can be cycled down in line with demand. The system also provides more consistent water and air temperatures.

Sandy Cove Reserve Upgrades

In January, \$100,000 was secured from Lotterywest towards the Sandy Cove Park upgrade.

A consultant was engaged to develop a site and park master plan, which were publicly advertised in March and endorsed by Council at the April Council Meeting. Detailed design and construction plans were prepared, costs acquired and construction commenced in October 2021. The project will be completed in January 2022.

The project maximised the park's wharf location, with improved pathways and connectivity to nearby restaurants, shops, sports club and residences, and delivered a much-needed upgrade increasing the appeal of Sandy Cove Park for residents and visitors.

New play equipment including swings, slides, sand play and a boat as part of climbing and imaginative play apparatus, was integrated with seating, picnic tables and a double, accessible barbeque.

A small-event space for weddings, birthdays and other gatherings, was incorporated and site landscaping included new and established trees and lighting and irrigation upgrades.

The project is also supported by Alcoa.

Upgrades for the boardwalk are proposed as part of the Shire's 2021-2022 capital works program and investigations into wharf boat use and a cordoned-off swimming area, will be undertaken with the view to incorporating the additions into future wharf upgrade works.

1.4.2 Actively take opportunities to enhance public health

Library Services

Murray Library joined the Southern WA Library Consortium in July 2020. The arrangement gives patrons access to the collections of 14

participating South West Libraries, with the convenience of a one card system.

A range of exciting programs and events was delivered for community members of all ages, to provide opportunities for community connection and lifelong learning.

The Digital and Technology Skills Program was successfully implemented for the second year of its three year roll-out. Funded by the Department of Jobs, Tourism, Science and Innovation, the program is designed to equip children with skills in science, technology, engineering and maths (STEM). After-school robotics, coding and a 3D printing program were held during school term. Robotics sessions tailored specifically for girls, were also held to engage an under-represented STEM demographic. School holiday programs offered further opportunity to engage children and included one-off STEM extension activities, craft and Scitech visits.

In October the Library joined in Children's Book Week celebrations, an annual national initiative which provides opportunity for local children to meet well known Australian authors and illustrators. Authors/Illustrators Raewyn Caisley, Deb Fitzpatrick and James Foley gave inspiring and engaging presentations which encouraged children to read, improve literacy skills and awaken their love of books. Schools throughout the Shire participated with over 353 students, teachers and parents attending 2020 events.

An eight-week English language program supported individuals whose second language is English and helped reduce the risk of social isolation.

Craft brought people together at the monthly Makers at Murray workshops, with local artists hosting a basket weaving, natural inks and resin workshop.

The Library hosted a number of guest speakers and presenters including author Craig Silvey who entertained a question and answer session for his book 'Honeybee', which was released during the year.

The space themed National Simultaneous Storytime event saw children from local schools gather in the Lesser Hall to hear an animated reading of this year's book, 'Give Me Some Space'.

NAIDOC Week was celebrated with local Noongar Language Teacher, Eleanor Hawke, who presented a NAIDOC Storytime event to share Noongar language through stories and craft.

The reading of children's book was also streamed online.

'Be Connected' volunteers continued to support the development of digital skills through one-on-one tutoring sessions.

The popularity of online resources grew as patrons realised the ease and benefits of accessing reading material from the comfort of home.

Canva workshops assisted small business owners and community group representative to navigate the platform and improve the quality of their marketing publications.

Grant funded 'Get Online Week' events helped seniors stay safe online and navigate and access online services through MyGov.

Murray Aquatic and Leisure Centre

The Murray Aquatic and Leisure Centre maximised the use of its facilities by offering a range of services for community members of all ages, including weekly swimming lessons, an array of group fitness classes, seniors' programs, sporting competitions and a number of recreational activities.

The Centre was also the host venue for a number of local groups and associations including Pinjarra Piranhas Swimming Club, Pinjarra Netball and Basketball Associations and Pinjarra Tigers Netball Club, and Pinjarra Senior High School's physical education and performing arts classes.

Due to COVID-19 restrictions, the Centre was closed for a total of 14 days during the year and operated under restrictions for a further 18 days. A proactive approach ensured the Centre opened to the community when possible and in adherence with the imposed capacity and operating restrictions. School swimming carnivals, swimming lessons and the Pinjarra Netball Season were impacted and casual and member visits lost.

Approximately 145,000 centre attendances were recorded over the year and while affected by the closures and restrictions, the number is relative to previous years.

The Centre recorded an average Net Promoter Score of 55 for 2020-2021, with 72% of respondents providing a score of nine or 10 out of 10 when asked how likely they were to recommend the facility to a friend or family member. This is a positive reflection on the Centre's performance over the year.

2020/2021 Highlights

- Fitness Upgrades

In July 2021, the Centre's 24/7 gym was relaunched, to allow fitness members to

access the gym 24 hours a day, seven days a week. The increased accessibility to the gym facilities was well received by members and the community, with Centre membership growing by approximately 20%.

The Centre's gym equipment was also renewed to offer a state of the art fitness experience.

- Tenth Anniversary Celebration

In April, the Centre celebrated the tenth anniversary of the aquatic area. The occasion was marked with a free community swim.

Kidsport

The Shire administered a total of \$46,311 in vouchers to 266 children to assist with their local sporting club registration fees. A total of 59 sporting clubs benefited from the registrations. The most popular sports joined in the Shire were AFL, netball, basketball and swimming.

Club Development

Sport and recreation clubs were supported through workshops and targeted assistance, including:

- Murray Equestrian Association structural review and new constitution
- Pinjarra Cricket Club constitution review and adoption
- Pinjarra Football and Netball Club strategic plan review and update
- Pinjarra Bowling and Recreation Club new bowling green funding application
- Breaking the Ice - Creating a Mentally Healthy Club Workshop
- Governance Essentials Online Course
- Monthly updates on funding and education opportunities

A Volunteer Appreciation Movie Night was held in November 2020 with 42 sport and recreation volunteers and family members settling down with a complimentary drink and popcorn to watch 'Scoob'.

The Murray Volunteer Appreciation Event held in June, acknowledged 16 long-serving sport and recreation volunteers from five different clubs. Collectively, their service totals 220 years.

The Shire actively participates in the 'Every Club Network' and the 'Peel Sport and Recreation Regional Network', and assists with the planning and coordination of the annual Peel Sports Forum that attracts over 100 delegates from the region. Officers met with six state sporting associations to promote club activities and advocate for resources and support to grow club operations.

Community Sponsorship Fund

Three individuals received a donation of \$100 each to represent their sporting club at state or national level.

Swimming Pool Barrier Program Implementation

Approximately 700 swimming pool safety barrier inspections out of the 1,200 required, were completed during the year. While 450 pools needed to be re-inspected, an initial 85% compliance rate was recorded and majority of the issues observed had been addressed upon reinspection.

The program was scheduled for completion within the year however was impacted by COVID-19 restrictions. The remaining inspections were undertaken in the 2021-2022 financial year.

The swimming pool barrier inspection program is undertaken in accordance with the *Building Act 2011*, which requires inspections to take place every four years.

Mosquito Management

Environmental conditions stimulated the most prolific mosquito breeding season experienced in the Peel in the last 10 years.

Challenges included La Nina with higher rainfall and tides, generally warmer temperatures, increased local travel due to COVID-19 and Ross River Virus was present during winter.

While mosquito numbers usually spike in spring and autumn, reducing in other seasons, the number of mosquitos and the risk of Ross River Virus remained high throughout the year.

In response, the Peel Mosquito Management Group more than doubled its treatment program, treating a cumulative total of 6,808 hectares by helicopter application of larvicide administered over 34 days. Treatments were timed approximately 10 days apart for maximum effectiveness in keeping mosquito numbers as low as possible. The group spent three times the anticipated budget on larvicide, the largest historical spend to date with financial support provided from member local governments including the Shire of Murray, and the Department of Health.

Although treatments reduced mosquito numbers by approximately 85%, numbers remained at nuisance levels throughout the year, which was reflected in the amount of complaints received, not experienced since 2010-2011. Cases of Ross River Virus however, were below average.

As a member of the Peel Mosquito Management Group, the Shire continues to closely monitor and treat mosquito breeding areas to regulate numbers.

Public Health Plan Review

The Shire of Murray's Public Health Plan 2021-2025 was adopted by Council at the October Council Meeting.

The plan was developed in conjunction with the South Metropolitan Health Service and aims to enhance the health, wellbeing and quality of life for community members.

Through the provision of activated places and recreational spaces, engagement opportunities and educational resources and in partnership with the community, businesses, government, groups and associations and other key stakeholders, the community will be empowered and supported to live healthier lives.

The Shire will continue to implement its health protection program which includes inspections of food businesses, public buildings, swimming pools and accommodation.

Over the next five years, implementation of the Plan will influence and resource opportunities that provide holistic benefits to the local community to improve overall health.

1.4.3 Foster and value our volunteers

Celebration of Community Volunteers

A Volunteer Appreciation Movie Night was held at the Pinjarra Civic Centre in November. Shire volunteers and their family members enjoyed complimentary refreshments including a sausage sizzle, popcorn and a drink, and a screening of 'Scoob'.

The event was supported by the Department of Local Government, Sport and Cultural Industries and the Shire of Murray.

Volunteer efforts were celebrated and recognised in May with the Murray Volunteer Appreciation Sundowner.

Held during National Volunteer Week, at the Pinjarra Civic Centre, volunteers were thanked for their commitment and contribution to the community, with certificates of appreciation presented to volunteers with over 10 and 20 years of service within the Shire of Murray.



Australia Day Community Citizen of the Year Awards

Seven nominations were received for the 2021 Community Citizen of the Year Awards across the four award categories of Community Citizen of the Year, Community Group or Event of the Year, Youth Citizen of the Year and Senior Citizen of the Year. The winners were announced as follows:

- Community Citizen of the Year - Donna Cocking

In recognition of over 10 years of voluntary service with the Peel Chamber of Commerce and Industry and Donna's positive impact in the region and small business community.

- Community Group of the Year - Coolup Progress Association

In recognition of the Association's commitment to connecting and building its community, its achievements to date and the support the Association provides for its local volunteer groups.

- Youth Citizen of the Year - Hanna Spencer

In recognition of Hanna's contribution to the Murray Youth for Youth group, especially ensuring the continued delivery of youth services and activities during COVID-19 lockdowns and restrictions, through the adoption of a digital approach.

- Senior Citizen of the Year - Dianne Atherton

In recognition of Dianne's involvement with Pinjarra Community Resource Centre, Pinjarra Bowling and Recreation Club, compassion for helping vulnerable residents and connecting them with the services required to help them participate in community life and willingness to volunteer her time.

Thriving Economy

In 2030 Murray will have a diverse and prosperous economy that supports innovation, training opportunities and provides a variety of business, tourism and employment opportunities.

2.1 An economy that is focused on key success factors for growth; knowledge and innovation; export income and investment; infrastructure and local capacity

2.1.5 Position Pinjarra as a key regional centre through the Pinjarra Revitalisation Strategy

Business Capability Support Program

In 2020-2021, the Shire delivered a number of business capacity building programs, including:

1. **Spring Bootcamp:** A one-day bootcamp held at The Court House. Attendees learnt how to refine their business model, launch a new product, grow an existing revenue stream and find new customers. The bootcamp was a collaboration with Spacecubed Perth, Plus Eight and the Shire of Murray.
2. **Sprint Business Development Program:** A six-week accelerator program which covered product development, building customer loyalty, marketing strategies and pitching to investors. The Program was a collaboration with Spacecubed Perth, Plus Eight and the Shire of Murray.

3. **Your Business, Digital:** A six week digital capacity building program held in collaboration with Meshpoints.

2.1.2 Build and maintain the Transform Peel Initiative

Western Australian Food Innovation Precinct

In May, construction began on the Western Australian Food Innovation Precinct.

Located within the Peel Business Park in Nambeelup, the Precinct will enable small-to-medium enterprises, research and development institutions and industry players including international agri-innovation firms and government entities, to test, research, develop and scale their products and businesses for market expansion both nationally and internationally. It will further grow and commercialise Western Australia's agri-food sector.

Economic modelling indicates that the Precinct could increase Western Australia's food and beverage sector output between one and three per cent in the first five years of operation.

This equates to between 17 and 51 new food businesses delivering benefits to the state's economy, including growth in its food and beverage sector output by between \$110M and \$330M, injection of between \$245M and \$737M in other economic sectors, direct job creation of between 169 and 506 jobs and indirect job creation of between 323 and 977 jobs.

The Precinct will comprise a research and development facility, production building and innovation centre which by mid-2022, will house agri-food research and development experts, innovative start-ups, business services related to trade and markets and a one-stop common-use food technology facility.

Lease negotiations progressed throughout the year with Murdoch University, Spinifex Brewery, Department of Primary Industries and Regional Development and Growhub.

In the 2021-2022 financial year the Shire will seek expressions of interest to assess appetite for potential development of 6000m2 of the Precinct site, that can be developed by or for industry which will form stage two of the project.

The Precinct's brand design, which commenced in September 2021, will be completed and a marketing and communications plan developed and year one implementation commenced.

The Western Australian Food Innovation Precinct is supported by \$21.75M from the Australian Government's Regional Growth Fund.

Enterprise Support Program

Launched in May, the Enterprise Support Program invited applications throughout the year.

The competitive grant program, a partnership between the Shire of Murray, DevelopmentWA and the Department of Primary Industries and Regional Development, offers up to \$200K in dollar for dollar co-funding for agri-businesses seeking to pursue business development, commercial research and development and innovation opportunities.

In September 2021, the a \$200,000 grant, the first of the Program, was awarded to Eden Towers Pty. Ltd. to enable research and development and commercialisation of its four-tower industrial scale, solar powered indoor farm, which will be established at the Precinct.

The company will investigate how specialty crops can be incorporated into the Eden Towers' vertical farming system and how to extract the maximum nutritional benefit from the crops. Investigations into nursery crops will provide opportunities for advancing yields and performance, and integration of traditional agriculture with the platform.

A first of its kind in Australia and globally on an efficiency per square metre scale, the Eden Towers system sees a 40m² growth tower producing an equivalent yield to 6000m² plus in a traditional field.

When the farm is fully operational mid-2022, it will generate 120 tonnes of produce per annum, including lettuce, spinach, kale, microgreens, edible flowers and herbs and will target carbon neutrality by running on near 100% renewable energy and recycling all inputs.

Eden Towers will work with farmers and industry to support a growing agtech sector in WA and Australia.

X-Protein Lab Program

Western Australia is taking a deep dive into the production of alternative proteins through the Precinct's X-Protein Lab program which was established during the year.

Applications were sought mid-2021, with six pioneering businesses onboarded August.

The businesses are being mentored by industry

experts from Singapore and Australia, through their research and development efforts, technology readiness, intellectual property considerations, product-market fit, business models, consumer and market acceptance, investment potential and global relevance.

The businesses will also receive three-months access to the Precinct's Innovation Centre when it opens mid-2022.

Ainsley Agroforestry and Aquaponics Pty. Ltd., a tree farm based in Greenough, is exploring the production of alternative plant-protein from dried powdered leaves of Moringa oleifera trees, which will initially be grown in the state's mid-west.

Whole Green Foods Pty. Ltd. is introducing Western Australia and the world to its novel proprietary processing and extraction technology. Through the program, the company is validating their technology and business model to rapidly scale up, both in Australia and abroad.

Jarra Infusion Wholesale Pty. Ltd. is focusing on business development and commercialisation to enable the supply of a range of plant-based products across WA, interstate and overseas. The business is also exploring the opportunities offered through mycelium-based protein and the medicinal benefits of mushrooms, for incorporation in its range.

The Lupin Co. are investigating Australian Sweet Lupin as a concentrated protein source for the global food market for tailored foods, specific to consumer needs including for sport, management of diabetes, obesity and other health issues as well as infant health and aged care.

Furthering the state's share in the lupin market, Wide Open Agriculture are working through the X-Protein Lab program's networks to introduce, both to Australia and Asia, its patented process of transforming Australian Sweet Lupin into a format applicable for multiple food and drink categories. The company also hopes to grow Western Australia's regenerative farming practices.

The state's first edible insect farm, Grubs Up Australia, are expanding its target market internationally, for its product range which currently includes protein roasted crickets, roasted mealworms and high-protein powder. The company also hopes to explore the production of ready-to-eat products such as pre-workout high protein bars, muesli bars, health food snacks, protein balls, breakfast granola and pancake mixes.

Two of the companies were selected to pitch for a research and development collaboration with a large food and beverage conglomerate in North Asia. Another company linked with a large Middle Eastern bakery to explore product collaborations and another with a like-minded organisation in Singapore to identify market segments and opportunities to work together.

The projects and products will grow the state's capacity to supply sustainable sources of protein, with considerable health and environmental benefits, to the Western Australian, Australian and ASEAN markets as a gateway to the rest of the world.

The global plant-based ingredients market is projected to grow exponentially over the next four or so years and these businesses are in viable positions to capitalise on this opportunity.

X-Protein Lab program and Western Australian Food Innovation Precinct Experts in Residence include:

- Dr. Natasha Teakle, the founder of AgriStart. Dr. Teakle empowers businesses, to support regional development and is delivering investment ready programs across regional Western Australia.
- Dr. Regine Stockman is a Principal Research Scientist at CSIRO Agriculture and Food, the Team Leader for the Food Technology Team as well as the Focus Area Leader for Future Proteins - Ingredients and Foods. Dr. Stockman has worked in food product and process development for almost 20 years with a focus on separation processing to derive functional fractions and ingredients for use in foods.
- Mr. Gerard Chia is a Partner at Singapore-headquartered VisVires New Protein. Mr. Chia is focused on investments and business development and backs ambitious teams who are delivering transformative solutions for a healthier, safer and more sustainable agri-food system.
- Professor Paul Teng is the Managing Director at NIE International Pty. Ltd. and Senior Advisor (Agrifood) to A*Star, Singapore's premier technology research and development organisation with substantial investments in agtech and the food industry. Professor Teng has expertise in food security, agri- and bio- technology innovations and entrepreneurship and sustainable development.

The X-Protein Lab program is supported by the Australian Government's Department of Industry, Science, Energy and Resources, Peel Development Commission and the Shire of Murray. The program is supported by Austrade Singapore and GrowHub.

Precinct's GrowHub Signs Distribution Agreement to Take OatUp Oat Milk to Singapore

In early October 2021, Wide Open Agriculture Ltd. officially announced an exclusive distribution agreement with GrowHub International, to distribute its Dirty Clean Food brand's OatUP oak milk throughout Singapore.

The agreement is for a two-year term and is the first step for the company in growing its presence and market share in South-East Asia.

The agreement was secured following an extensive sampling program, which indicated demand for the product and preference for OatUP's carbon neutral certification.

The agreement includes minimum purchase commitments for approximately \$500,000 within the first 12 months.

The product will be sold through big box retailers, food service companies, online retailers and specialty stores.

GrowHub will train sales staff and market OatUP across Singapore.

Preparing Businesses for Precinct Operation | Workshop Series

In April, over 90 participants joined a free webinar, the first event in a series readying business for Precinct operation, to learn how Western Australian food producers can engage with Singapore.

Participants also learned how Singapore can be a food and beverage hub for Australian producers into the ASEAN region and how the Western Australian Food Innovation Precinct is going to aid these opportunities.

At the end of August 2021, the Agri-Food Research and Development Commercialisation Workshop, the second event in the series, took place at the Bushfire Centre of Excellence.

It addressed the need for business and research to work in unison to tackle challenges of on-farm productivity, new agri-food product development and improving traceability as one of the solutions to Australia reaching its \$100B agricultural industry by 2030, flailing productivity levels in the sector and achieving a greater market share in the evolving food choices of the global consumer.

This event brought together researchers and industry professionals to showcase some of the agri-food research and development commercialisation efforts underway in the state and provided a forum for participants to explore research and development commercialisation opportunities that can be activated at the Precinct.

The series is supported by the Chamber of Commerce and Industry of WA, Peel Development Commission and the Shire of Murray.

2.2 Maximise Murray's natural assets and heritage as a driver for tourism development

2.2.1 Develop key sectors of the tourism economy where Murray has competitive advantage

2.2.2 Develop Dwellingup into a nationally recognised Trails Town

Dwellingup Trails and Visitor Centre

The Dwellingup Trails and Visitor Centre officially opened in September.

The centrally located facility boasts modern and contemporary furnishings and a spacious layout which houses the much loved 1938 bright orange Mack Truck Fire Tender, large screen digital displays, trail maps and local area and historical information through interactive touch technology, virtual reality experiences and the Alcoa interactive space which offers the chance to win an Avanti state-of-the-art aluminium alloy mountain bike. The Centre is in close proximity to modern toilet, shower, laundromat and locker facilities, Dwellingup Skate Park and Pump Track and the Hotham Valley Tourist Railway.

The visitor servicing style adopted a concierge style of service, providing improved opportunity for visitors to engage with visitor servicing officers and the interactive technology, as tools to learn more about the area and to discover new adventures and activities. This customer servicing technique provides the opportunity to encourage longer stays and repeat visitation. The new approach has created demand for additional locally employed staff and seen to the upskilling of current staff to achieve the required friendly but local service style which spruik Dwellingup sourced and/or branded retail product, accommodation and experiences in Dwellingup and the wider Murray area.

The trails component of visitor servicing was further enhanced by the opening of Waypoints Tours, Retail and Café by Dwellingup Adventures in December 2020. Waypoints offers guided and unguided adventure experiences in the area and adventure hire facilities (bike, kayak and canoe).

The Dwellingup Trails and Visitor Centre project was funded by the Australian Government's Building Better Regions Fund, Dwellingup Community Association Inc. and the Shire of Murray with fit-out supported by Alcoa and the State Government's Regional Economic Development Grants Program which is delivered by the Peel Development Commission.

The Dwellingup Trails and Visitor Centre was operational for most of the 2020-2021, limiting its servicing to phone, email and social media communications during the week-long February and April COVID lockdowns.

Visitation

Dwellingup's transformation towards becoming Western Australia's premier trails destination has produced unprecedented visitor growth to the region.

Over the year, the Dwellingup Trails and Visitor Centre welcomed several thousand more visitors per month and realised a 245% increase in visitation and 280% increase in retail sales (based previous 5 years of data).

The effects of the COVID-19 pandemic should be considered when discussing Dwellingup's success thus far.

The response to curb the spread of COVID-19, created uncertain and difficult economic operating environments which necessitated the need for businesses to be flexible and adaptive to the new age of operating, servicing and meeting visitor expectations.

There was also a considerable uptake of mountain biking, hiking and outdoor adventure experiences.

There is evidence of a spike in visitation to many regional areas in Western Australia, however, the Dwellingup Trails and Visitor Centre is seeing a sustained increase, consistent with previous trends.

The strong, consistent increase in visitation has provided additional employment opportunities and new business investment, as well as increased activation of the surrounding trails precinct.

Tourism Marketing Campaign

A crucial component in the success of Dwellingup's transformation into a must visit destination, has been the concurrent marketing launch of the Wild@Heart brand, which saw the creation of compelling digital content including images, destination films, virtual reality vision, a destination booklet, 'Visit Dwellingup' and 'Visit Pinjarra' destination websites and social media platforms.

The Wild@Heart brand reflects the people, the Indigenous and European heritage, the experiences, the natural environment and the Murray River as the beating heart of the Murray region. Its imagery and inspiring content encourage visitors to immerse themselves in the experiences on offer in Murray and align with the Tourism Marketing Brand Strategy and promotion of Western Australia by Regional Tourism Organisation Destination Perth and State Tourism Organisation Tourism WA.

State and National Recognition

In May, Dwellingup was named Western Australia's Top Small Tourism Town at the highly coveted 2021 GWN7 Top Small Tourism Town Awards. These awards recognise regional towns in Western Australia that demonstrate a strong commitment to encouraging tourism and increasing visitation to their destination. The achievement is a culmination of years of successful collaboration across the community and local business sector, the mountain bike, wider trails and tourism sectors as well as local, state and Australian governments.

On October 2021, Dwellingup represented the state at the 2021 Australian Top Tourism Town Awards, in the Small Tourism Town category but did not receive an award.

In November 2021, Dwellingup Trails and Visitor Centre claimed gold in the Visitor Information Services category at the 2021 Perth Airport WA Tourism Awards Gala Dinner.

Pinjarra was a finalist in the 2021 GWN7 Top Tourism Town Awards, alongside 16 other towns however Busselton was announced category winner. Continued development of Pinjarra and its visitor experiences will, over the next few years, establish the town and its surrounding areas as a must see and do tourism destination which will ensure the achievement of future awards.

Dwellingup Adventure Trails Project

A significant portion of the Dwellingup Adventure Trails Project was delivered over the last 12 months, including 35km of mountain bike trails in the Murray Valley Trails network and new canoe launching facilities in Lane Poole Reserve.

The new mountain bike trails were officially opened in October 2020 and have proved popular for mountain bikers across the state. Counters on trails recorded over 100,000 rides within the first five months of opening.

Detailed design of the Murray River suspension bridge progressed, to connect Dwaarlindjirraap with the new Murray Valley Trails network. Designs also progressed for approximately 20km of quality mountain bike trails in and around the Dwellingup townsite, as well as upgrades to the Munda Biddi Trail and the Marrinup Circuit.

The construction of the Murray River suspension bridge, town trails and other remaining elements of the Adventure Trails Project including road sealing and upgrades to the Captain Fawcett 4WD Track, are expected to be completed by July 2022.

Upon completion of the project which is being delivered by the Department of Biodiversity, Conservation and Attractions in partnership with the Shire of Murray, there will be around 60km of dedicated single-track mountain bike trail in and around Dwellingup, connected by the realignment of the Munda Biddi Trail.

Works are helping to establish Dwellingup as Western Australia's premier trails town.

The \$8.4M Dwellingup Adventure Trails project is proudly funded by the Australian Government's Building Better Regions Fund, the State Government and the Shire of Murray.



TRAILS & VISITOR CENTRE

Environment, Character and Heritage

In 2030 Murray will be effective stewards of our environment, history, heritage, natural landscape and rural character.

3.1 Protect and enhance our existing natural assets - waterways, bushland and biodiversity

3.1.1 Protect and enhance natural areas and biodiversity on public and private land

Locals Dig in to Green and Protect Murray

A number of events took place across Murray in March, as part of 2021 Clean Up Australia Day efforts, including the Shire coordinated clean up at Cantwell Park and Friends of River, Peel's eighteenth consecutive clean up in South Yunderup.

During the Shire's National Schools Tree Day in June, students from North Dandalup, Dwellingup and Carcoola Primary Schools and St Joseph's Catholic Primary School planted 2,500 seedlings along a reserve in Carcoola. The event was supported by Greening Australia, Accor Group and Doral.

A further 130 volunteers planted 2,000 seedlings along the eastern side of Murray River Square, Pinjarra during our Planting in the Park event in late-June. The event was supported by the Peel-Harvey Catchment Council and Birdlife WA with financial assistance provided by the Alcoa Foundation and Shire of Murray.

Waterwising Murray

In May, a free waterwise garden workshop transformed Murray Library's front garden.

The event was run in collaboration with Greening Australia and was supported by the Water Corporation's Waterwise Greening Scheme.

Four applications for the Shire's Waterwise Verge Rebate, were received during the year.

Landcare SJ Partnership

Landcare SJ supported the Shire's World Environment Day and Clean Up Australia Day events. Representatives also assisted with the maintenance of the Coolup Transfer Station Reserve with mapping and weed management of threatened Banksia Woodlands and supported landowners with their land care issues including control of weeds, pests and disease, pasture management and strategic revegetation.

Cities Power Partnership

The second stage of photo voltaic panels were installed on the Shire's Administration Office building. The additions have increased the percentage of power sourced through renewable energy thereby reducing reliance on the electricity grid, realised financial savings and reduced the Shire's greenhouse gas emissions.

Preparation and Implementation of Shire of Murray Reserve Management Plans

Intensive revegetation and weed management works were undertaken on Jeegarnyeejip Island, with weed control and strategic revegetation works carried out at Herron Point.

Biosecurity Programs

Calicivirus was released in six areas within the Shire for rabbit control and the Shire liaised with several landowners to control cotton bush observed on their properties.

Riverbank Enhancement and Protection

A grant application has been submitted, which if successful will, over a three-year period, allow the development of showpiece sites for supported riverbank protection measures, including soft and hard engineered options. This will build capacity in the community to assist with the progressive protection and enhance riverbanks.

3.1.3 Lead the Dwellingup Futures group to ensure a balanced approach to development in and around Dwellingup

Dwellingup Futures Road Map

The development of the Dwellingup Futures Road Map progressed during the year with Farlane and Hatch Roberts Day consultant team leading a comprehensive community engagement program.

A community visioning working group assisted in shaping the vision, goals and objectives of the Road Map.

The draft Road Map reports were released in December 2020 and circulated to key Government agencies and community stakeholders for comment.

Further meetings of the project's Technical Advisory Committee and Stakeholder Working Group, established in 2019 to oversee and coordinate the formulation of the Road Map, were held throughout the first six months of 2021 in order to refine and finalise the draft reports.

In August 2021, the draft reports were presented to the community and released for public comment.

The Dwellingup Futures Road Map was endorsed by Council at the October 2021 Council Meeting.

The Member for Murray-Wellington and Chairman of the Western Australian Planning Commission were briefed on the finalised Road Map and a copy was forwarded to the Peel Development Commission for presentation to the Minister for Regional Development.

The Road Map presents a shared vision as well as goals, strategic priorities and key success indicators which aim to achieve the desired growth of Dwellingup by 2036.

New and existing opportunities for industry and jobs and methods of co-existence between different sectors, industries and land uses, have been identified for the betterment of the town, region and state.

Dwellingup Structure Plan

In November 2020, the Shire appointed Hatch Roberts Day to undertake a review of the 2012 Dwellingup Structure Plan and prepare a precinct plan for the Dwellingup townsite with broader structure plan for the balance of the surrounding rural land.

As a key action of the Dwellingup Futures Road Map reports, the work will cater for an increase

in the population of the townsite, broadening diversity and number of dwellings and expansion of community services, to make Dwellingup a more sustainable settlement.

Preparation of a Precinct Plan for the townsite enables implementation of built form and character-based design control elements that reflect the unique character of Dwellingup, a strong theme identified from feedback received through Dwellingup Futures community engagement and consultation efforts.

Specialist consultants were also appointed by the Shire to undertake studies into infrastructure servicing, principally water supply and sewerage capacity, options to facilitate new development and costings.

A detailed bushfire assessment plan is being developed and is considering growth scenario options, evacuation plan measures and bush fire attack level assessment.

The draft Structure and Precinct Plan will be publicly released in early 2022, following completion of the technical studies and preliminary consultation with key government agencies.

3.1.4 Continually review and enhance public boating facilities and environmental sustainability within our waterways

Wharf Cove Jetty Redevelopment Funding

The Shire was successful in securing funding through round 25 of the Department of Transport's Recreational Boating and Facilities Fund, for the construction of stage one of the Wharf Cove, South Yunderup finger jetty.

Four floating finger jetties will be constructed to improve accessibility for boat users. Works will commence in the 2021-2022 financial year.

Boat Quays Upgrade

Funding from round 24 of the Department of Transport's Recreational Boating and Facilities Fund, enabled detailed design of the Batavia Quays boat ramp finger jetty, and costings were acquired.

The design documentation informed a funding submission in September 2021, for round 26 of the fund to assist with the construction of a floating jetty and boat ramp upgrade.

3.2 Proactively manage resources and reduce our carbon footprint by responsible management of water, energy, fire management and waste

3.2.4 Improve waste management practices through diversion, re-use and recycling

Waste Plan

Council adopted the Shire of Murray's Waste Plan at the March Council Meeting.

The Plan is a State government requirement to improve waste management planning across local governments and align activities with the objectives and targets of the State's waste strategy.

The Plan details Murray's waste profile and includes an implementation plan with actions relating to the adoption of the three bin FOGO kerbside collection system and the Shire's Kwinana Waste to Energy commitments.

Murray's Waste Movement

The Murray Waste Movement community engagement campaign was coordinated over the year to understand the community's behaviour and attitudes toward waste management and identify solutions to improve local waste practices.

The project comprised a street waste challenge in which four households from Coolup and four households from South Yunderup, were pitted against each other to see which suburb could realise the most improvement reducing the amount of general waste generated and refining their recycling practices. A pre-audit of the participating households' waste determined methods for improvement and a post-audit measured each suburb's progress. While Coolup was the ultimate winner, both areas demonstrated the positive impact that employing a few simple techniques and being more conscious of one's consumption, can have on the amount of waste a household generates.

A discussion group was also held and learnings from the street waste challenge and discussion group informed a community wide survey which received 147 responses.

Painted Dog Research was engaged to assist with the campaign. The final campaign report was delivered in July 2021 and the insights are informing the development of the Shire's Waste Strategy and Education Plan.

Corio Road Waste Transfer Station Upgrade

Upgrade works at Corio Road Waste Transfer Station were completed in June. New railings and a shelter over the tipping platform were installed to comply with safety standards.



3.3 Develop adaptation strategies to mitigate risks associated with climate change

3.3.1 Undertake a risk assessment of the impact of climate change

Coastal Hazard Risk Management and Adaptation Plan

A consultant team lead the development of the Coastal Hazard Risk Management and Adaptation Plan.

The project was overseen by the steering group made up of community, Shire and state agency representatives as well as a community reference group which was formed during the second quarter of the year.

Community engagement was undertaken from October to January. Citizen data was collected via the Shire's YourSay portal to identify how the community use the areas within the study zone as well as places of value, and to record environmental observations. Community drop in sessions were also held to inform stakeholders and the community about the process.

Chapters one to four of the Coastal Hazard Risk Management and Adaptation Plan were delivered during the year, each chapter covering a separate topic including context, risk identification, vulnerability assessment and risk evaluation.

In November 2021, a workshop was held with the project reference group to evaluate adaptation options and inform the development of chapter five - risk treatment.

The draft Coastal Hazard Risk Management and Adaptation Plan will be publicly advertised in early 2022 with the final plan delivered shortly thereafter.

3.4 Value, protect and celebrate the Shire's rich aboriginal and colonial history

3.4.1 Complete a review of the Shire's Local Government Heritage Inventory

Edenvale Heritage Precinct Landscaping and Conservation Works

Landscaping and building conservation works were undertaken within the Edendale Heritage Precinct.

The works are outcomes of the Edenvale Landscape Master Plan and Edenvale Conservation Plan, which aim to improve the

visual appeal and functionality of the Precinct.

The following was achieved:

- Installation of a new garden along the Precinct's southern boundary.
- Planting of trees that align with the Precinct's heritage feel.
- Replacement jarrah fencing along Murray and Henry Street boundaries.
- Interpretive restoration of the well located adjacent to Liveringa Gallery.
- Re-sheeting of the Liveringa Gallery roof together with new roof plumbing, restoration of the chimneys and internal repainting.
- Landscape design and civil drawings for the Forrest Street car park and front homestead garden.
- Drainage investigations for the central quadrangle.

Works were supported by Alcoa and Murray Arts and Crafts.

Funding was also allocated for:

The continued conservation works at the Edenvale Heritage Precinct including:

- Conservation and restoration works to the Edenvale Homestead chimneys.
- Drainage improvements to the Old School House, including the installation of agri-drains and soak wells, and the replacement of guttering and downpipes.
- Conservation and general carpentry of the roof gables and north western handrails at the Old School House.
- Engineering investigations into the structural integrity of Edenvale Homestead's western cellar and the north eastern windmill and well.

Pinjarra Courthouse

Funding was allocated for the preparation of a Building Condition Report for the Pinjarra Courthouse, to determine the maintenance issues, and prioritisation.

Pinjarra Railway Precinct Strategic Review

In conjunction with key stakeholders and the community, a draft masterplan was developed for the Pinjarra Railway Precinct that:

- Celebrates the important history, heritage and railway story of Pinjarra.
- Guides future development and use of the Precinct.
- Supports a diverse range of uses and activities that encourage visitation and activation of the site.

The master plan will be advertised and adopted in 2022.

Connected and Accessible

In 2030 Murray will have enhanced our transport linkages and opportunities to share information using a variety of travel and technology options.

4.1 Promote an efficient and accessible local and regional transport network

4.1.3 Improve the amenity and functionality of the street network and town entrances

Roadworks

The Shire completed several road upgrade projects on the following roads:

- Marinup Street, Dwellingup
- Lakes Road, North Dandalup
- Del Park Road, Dwellingup
- Burnside Road, Meelon
- Paterson Road, Ravenswood

Bridge Program

The Shire continued with routine maintenance of timber bridges across the Shire and, with funding from the Australian Government's Bridges Renewal Program, works commenced on the replacement of the North Yunderup traffic bridge.

Shared Paths

A new shared path was constructed in Hampton Road, Pinjarra and renewals were completed along Pinjarra Road and South Western Highway.





Capable and Accountable

In 2030 Murray will have further developed strong leadership through good governance, effective communication and ensuring value for money.

- the following nine-year period
- Two new loans of \$562,700 each proposed over the 10 years, with a continuation of low debt levels allowing further capacity to borrow in the medium to long term if necessary.

The Plan also included major capital works schedules, capacity of financial reserves and local government performance measures. The Plan demonstrated the propensity to maintain a sound financial position in the long term with prudent financial planning, monitoring of rating capacity and careful assessment of priorities,

The Plan is reviewed on an annual basis to accommodate changes in economic forecasts, strategies, community aspirations and organisational requirements. It is a live document, that assists in predicting the future capacity of the organisation to accommodate the delivery of infrastructure and service levels.

2020-2021 Budget

Council adopted the 2020-2021 budget at the August Special Council Meeting.

Affordability and continuation of service delivery especially in the time of COVID-19, were key considerations.

The budget included an overall rating increase of 0% and a differential rate in the dollar for residential and commercial properties, with no increase to waste charges and Shire managed fees and charges.

The budget aimed to alleviate pressure on ratepayers impacted by COVID-19, whilst continuing to lay the foundations that would ensure quality of life for residents, a thriving business sector and a protected and enhanced natural environment.

5.1.2 Establish a strong corporate governance framework to ensure high standards of integrity, ethics and accountability

Murray 2031 Strategic Community Plan

The Murray 2031 Strategic Community Plan was adopted at the May Council Meeting, following a desktop review of the Murray 2030 Plan.

Council is required to adopt a new Strategic Community Plan every four years, with a review of the plan required after two years.

Several objectives and strategies were modified with the overall vision, mission, values, focus areas and aspirations unchanged.

5.1 Murray has a sustainable future

5.1.1 Maintain long-term financial sustainability

2020 Long Term Financial Plan

Council adopted the 2020 Long Term Financial Plan at the July Council Meeting.

The ten-year plan was based on historical and projected growth, as well as the strategies identified in the Strategic Community Plan and Corporate Business Plan and informed the development of the annual budget.

The following assumptions and key items were included within the Plan:

- CPI forecasts at an average of 2.5% in the medium term, applied across relevant expenditure and income categories.
- 0% increase in employee expenses for the 2021-2022 financial year, after staff voted to forego the expected increase due to the COVID-19 pandemic.
- 0% rate increase in 2020-2021 provided relief to the community during the COVID-19 pandemic. Rates were indexed to gradually increase over

A major review of the Strategic Community Plan will be completed by 30 June 2023.

2020-2024 and 2021-2025 Corporate Business Plans

The 2020-2024 Corporate Business Plan was adopted at the July Council Meeting, following a minor review of the 2019-2023 Plan, which was undertaken toward the end of the 2019-2020 financial year.

The review involved an assessment of the achievements and progress made in relation to the Murray 2030 Strategic Community Plan and a review, reprioritisation and planning for the plan's four-year period.

The next review took place over the first half of 2021, in conjunction with the minor Strategic Community Plan review. This was also a minor review but with changes made to align the Plan with the modified objectives and strategies of the Murray 2031 Strategic Community Plan. Projects and actions were reprioritised and planned for the plan's four-year period.

The 2021-2025 Corporate Business Plan was adopted by Council at the June Council Meeting.

Murray-Waroona Resource Sharing Alliance Strategy 2020-2025

Resource sharing arrangements were extended during the year to include Planning Services and Organisational Health and Safety, in addition to the shared services of Information Technology, Environmental Health, Ranger and Emergency Services and a joint Chief Executive Officer.

A pipeline of projects and economic growth opportunities, was identified for both Shire's and common processes and procedures adopted to support further savings and the exploration of new areas for the alliance into the future.

A joint Resource Sharing Committee, comprising Councillors from each Shire and the joint Chief Executive Officer, met regularly throughout the year to review and monitor sharing arrangements.

In July 2021, given the number of projects, both Councils agreed that the most effective way to successfully lobby for and/or implement these projects was for each Council to employ its own Chief Executive Officer.

The joint position ceased in November 2021 with the appointment of a new Shire of Waroona Chief Executive Officer. Mr. Dean Unsworth continued as the Shire of Murray's Chief Executive Officer.

Murray-Waroona resource sharing continues to provide positive outcomes for both organisations and has demonstrated that by working together, local governments can reduce costs while improving their sustainability, ultimately delivering better value and services for their communities.

Awards and Accreditations

2021 Top Small Tourism Town

Dwellingup

Gold Waterwise Council Endorsement

Murray Aquatic and Leisure Centre

Complaints

During the report period, no complaints were lodged regarding minor breaches, as defined in the local Government Rules of Conduct Regulations.

Employees Paid Over \$130,000

Salary Band	No. of Employees
130K - 139K	-
140K - 149K	2
150K - 159K	2
160K - 169K	-
170K - 179K	1
180K - 189K	1
Total	6

The Chief Executive Officer's remuneration package was \$197,648 which is 60% of the total package, with the Shire of Waroona contributing the remaining 40%.

Statutory Reports - Records Management

The Records department ensured accurate and efficient capturing of 'records' into the Shire's electronic document management systems, and compliance with the *State Records Act 2000* and the Shire's Record Keeping Plan.

The Shire of Murray's record keeping management systems comprise record system HP Content Manager (previously known as TRIM) and the corporate business system (Open Office).

Disposal or Deletion of Records

Under the *State Records Act 2000*, all records created, received and maintained by the Shire of Murray must be disposed of in accordance with the General Disposal Authority for Local Government Records.

The Disposal Authority defines the minimum periods of time that different classes of records must be kept (retention periods) and provides guidelines for destruction of records after they have met the retention requirements of the schedule.

Disposal of records occurs annually in accordance with the *State Records Act 2000*.

Training

Attendance at a Record Keeping induction session is compulsory for all staff that will create, collect and use records during their employment at the Shire of Murray.

Audits

Regular audits were carried out to monitor the location of files and the length of time the files were removed from the Records office.

All documents entered into the Shire of Murray's records system are audited by qualified Record Management Officers to ensure the accuracy.

Reports

Reports were generated out on a daily, weekly and monthly basis to ensure correspondence was handled efficiently and promptly.

Freedom of Information

In accordance with the *Freedom of Information Act 1992* a total of seven Freedom of Information applications were processed during the year.

The Freedom of Information Statement 2021-2022 is available on the Shire's website www.murray.wa.gov.au.

5.3 Actively increase the level of engagement with the community

5.3.1 Establish and maintain a user-focussed communication approach through which the community is informed, engaged and empowered

Website Redevelopment

The Shire of Murray's website was redeveloped into the digital front door to Shire services.

Employing the local government centric OpenCities platform, a service-based approach was adopted to ensure that when users visit the website, the content provided assists them to satisfactorily complete their enquiry.

A feedback form is assisting with the ongoing monitoring of the effectiveness of the content.

The platform allowed the Shire to develop a user-focused website in line with best practice digital experience, that will continually evolve and improve, without the need for an in-house website development team or costly requests to external website developers.

The new website launched in April.



FILA

MMXX

ENTZ

Small informational sign on a post to the right of the woman.

Small tag above the white skull skateboard.

Small tag above the blue bird skateboard.

Small tag above the yellow and green skateboard.

Major Grant Funding



Australian Government
Department of Infrastructure, Transport,
Regional Development and Communications

Regional Road Group

Del Park Road	\$250,000
Hopeland Road	\$32,000
Burnside Road	\$200,000
Lakes Road	\$386,716
Paterson Road	\$100,000

State Blackspot

Paterson Road	\$240,000
Carrabungup Road	\$110,667
Nanga Road	\$61,866

Direct Grant 2020/21

\$212,565

Roads to Recovery

\$261,562

North Yunderup Road Traffic Bridge

\$3,377,044

Building Better Regions Fund

Dwellingup Trails and Visitor Centre	\$818,213
Western Australian Food Innovation Precinct	\$3,885,362
Dwellingup Trails	\$599,295

Local Roads and Community Infrastructure Program

South Yunderup Oval Sports Pavilion	\$431,553
James Street Pedestrian Bridge	\$294,211



Department of
Primary Industries and
Regional Development

2021 Community Partnership

\$276,823

Dwellingup Community Assistance Scheme

\$35,000

Del Park Road Maintenance Works

\$70,000

Western Australian Food Innovation Precinct

Enterprise Support Program \$980,000

Dwellingup Futures Project

\$10,000



Western Australian Food Innovation Precinct

Experts in Residence Program \$10,000

Transform Peel Project

\$40,000

Hotham Valley Strategy

\$25,000

Volunteer Bushfire Brigades

\$269,685

Murray State Emergency Service

\$45,853

Community Emergency Service Coordinator

\$60,327

Bushfire Risk Management Planning

\$152,928

LEMA Review

\$30,000



Department of Local Government,
Sport and Cultural Industries
WA Local Government Grants Commission

Murray River Foreshore

\$100,000

Sandy Cove Park

\$100,000

Sir Ross McLarty Cricket Wicket

\$23,433

South Yunderup Oval Sports Pavilion

\$100,000



Department of **Planning,
Lands and Heritage**

**Western Australian Food Innovation Precinct
Enterprise Support Program** \$1,000,000

Coastal Hazard Risk Planning Strategy \$50,900



Department of **Jobs, Tourism, Science
and Innovation**

Murray Alliance Against Depression Project \$65,000

STEM Program \$8,000



**Australian Government
Commonwealth Grants Commission**



**Australian Government
Department of Industry, Science,
Energy and Resources**

General Purpose Grant \$911,345
Untied Roads Grant \$895,178
Special Bridge Funding \$284,029

**Western Australian Food Innovation Precinct
Experts in Residence Program** \$44,553



Pinjarra Festival \$10,000

Josh Cowling Photography
Cover Page: Images 1, 2, 4, 6, 7, 8, 9, 10 and 13
Page 4: Image 1
Page 7: Image 1 and 2
Page 11: Images 1 and 2
Pages 6, 8, 10, 31, 37 and 41

Photography Acknowledgement:
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Cover Page: Images 3 5 8
Pages 3, 5
Page 4: Images 2 and 3
Page 7: Image 3
Page 11: Image 3

Annual Financial Report

2020 - 2021



Shire of Murray



SHIRE OF MURRAY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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COMMUNITY VISION

By 2031, the Shire of Murray will be a place where business thrives, we protect our environment, and all people enjoy an outstanding quality of life.
We will be an organisation with a can-do attitude that strives for service excellence, continued improvement and a commitment to outcomes.

Principal place of business:
1915 Pinjarra Road
PINJARRA WA 6208

**SHIRE OF MURRAY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Murray for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the Shire of Murray at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

14

day of

FEBRUARY

2022



Chief Executive Officer

Dean Unsworth

Name of Chief Executive Officer

SHIRE OF MURRAY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Rates	27(a)	17,296,533	17,388,333	17,298,421
Operating grants, subsidies and contributions	2(a)	4,330,930	5,438,915	3,683,651
Fees and charges	2(a)	6,387,047	5,554,546	5,653,767
Interest earnings	2(a)	295,637	372,250	448,771
Other revenue	2(a)	1,977,946	215,575	534,357
		<u>30,288,093</u>	<u>28,969,619</u>	<u>27,618,967</u>
Expenses				
Employee costs		(12,118,811)	(11,985,880)	(11,337,396)
Materials and contracts		(9,196,986)	(12,034,624)	(8,741,421)
Utility charges		(917,913)	(914,233)	(810,921)
Depreciation on non-current assets	11(b)	(6,147,426)	(6,479,266)	(6,366,695)
Interest expenses	2(b)	(147,184)	(146,419)	(146,331)
Insurance expenses		(439,641)	(446,457)	(416,998)
Other expenditure	2(b)	(1,329,651)	(2,060,683)	(529,894)
		<u>(30,297,612)</u>	<u>(34,067,562)</u>	<u>(28,349,656)</u>
		(9,519)	(5,097,943)	(730,689)
Non-operating grants, subsidies and contributions	2(a)	16,756,185	19,761,372	6,878,532
Profit on asset disposals	11(a)	59,468	1,041,005	2,290
Loss on asset disposals	11(a)	(116,261)	(47,763)	(106,788)
Fair value adjustments to financial assets at fair value through profit or loss		3,232	0	1,441
		<u>16,702,624</u>	<u>20,754,614</u>	<u>6,775,475</u>
Net result for the period		16,693,105	15,656,671	6,044,786
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	4,027,046	0	19,731,631
Total other comprehensive income for the period		4,027,046	0	19,731,631
Total comprehensive income for the period		20,720,151	15,656,671	25,776,417

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

SHIRE OF MURRAY
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
Revenue				
Governance		185,978	34,123	232,721
General purpose funding		19,964,774	18,835,740	19,725,218
Law, order, public safety		741,739	691,165	677,721
Health		76,562	78,454	30,819
Education and welfare		37,619	13,496	70,362
Housing		21,835	25,354	21,361
Community amenities		3,919,623	3,478,424	3,476,113
Recreation and culture		1,254,369	1,279,122	1,007,840
Transport		490,157	283,511	398,038
Economic services		1,241,907	3,566,049	1,023,742
Other property and services		2,353,530	684,181	955,032
		30,288,093	28,969,619	27,618,967
Expenses				
Governance		(1,867,905)	(2,057,856)	(1,980,624)
General purpose funding		(446,869)	(384,073)	(437,763)
Law, order, public safety		(1,642,778)	(1,674,136)	(1,662,941)
Health		(690,497)	(637,706)	(561,043)
Education and welfare		(171,454)	(176,546)	(215,526)
Housing		(56,863)	(47,296)	(31,289)
Community amenities		(5,546,176)	(5,871,696)	(5,146,715)
Recreation and culture		(7,858,834)	(8,226,633)	(7,527,217)
Transport		(7,222,413)	(8,397,523)	(7,291,507)
Economic services		(2,957,497)	(5,501,991)	(2,379,902)
Other property and services		(1,689,142)	(945,687)	(968,798)
		(30,150,428)	(33,921,143)	(28,203,325)
Finance Costs				
Governance		(12,023)	(14,265)	(23,477)
General purpose funding		0	0	(516)
Law, order, public safety		(208)	(183)	0
Housing		(26,179)	(26,272)	(27,377)
Recreation and culture		(56,388)	(52,389)	(67,528)
Transport		(673)	(2,333)	(507)
Economic services		(50,625)	(50,977)	(26,926)
Other property and services		(1,088)	0	0
		(147,184)	(146,419)	(146,331)
	2(b)	(9,519)	(5,097,943)	(730,689)
Non-operating grants, subsidies and contributions	2(a)	16,756,185	19,761,372	6,878,532
Profit on disposal of assets	11(a)	59,468	1,041,005	2,290
(Loss) on disposal of assets	11(a)	(116,261)	(47,763)	(106,788)
Fair value adjustments to financial assets at fair value through profit or loss		3,232	0	1,441
		16,702,624	20,754,614	6,775,475
		16,693,105	15,656,671	6,044,786
Net result for the period				
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	4,027,046	0	19,731,631
		4,027,046	0	19,731,631
Total other comprehensive income for the period				
		20,720,151	15,656,671	25,776,417
Total comprehensive income for the period				

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

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SHIRE OF MURRAY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	NOTE	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	28,685,715	19,215,880
Trade and other receivables	6	3,305,162	5,385,470
Other financial assets	5(a)	44,698	41,243
Inventories	7	207,695	933,266
Other assets	8	1,248,198	81,226
TOTAL CURRENT ASSETS		33,491,468	25,657,085
NON-CURRENT ASSETS			
Trade and other receivables	6	615,664	552,727
Other financial assets	5(b)	188,505	109,971
Property, plant and equipment	9	74,074,018	66,069,242
Infrastructure	10	240,369,526	230,939,787
Intangible assets	13	436,344	456,915
Right-of-use assets	12(a)	407,372	251,495
TOTAL NON-CURRENT ASSETS		316,091,429	298,380,137
TOTAL ASSETS	21	349,582,897	324,037,222
CURRENT LIABILITIES			
Trade and other payables	15	4,381,614	2,696,480
Contract liabilities	16	5,626,808	5,557,547
Lease liabilities	17(a)	72,688	44,396
Borrowings	18(a)	483,493	529,208
Employee related provisions	19	2,552,335	2,307,069
TOTAL CURRENT LIABILITIES		13,116,938	11,134,700
NON-CURRENT LIABILITIES			
Contract liabilities	16	3,017,579	0
Lease liabilities	17(a)	290,951	186,777
Borrowings	18(a)	3,164,642	3,528,135
Employee related provisions	19	305,004	219,978
TOTAL NON-CURRENT LIABILITIES		6,778,176	3,934,890
TOTAL LIABILITIES		19,895,114	15,069,590
NET ASSETS		329,687,783	308,967,632
EQUITY			
Retained surplus		122,462,809	111,659,661
Reserves - cash backed	4	14,749,270	8,859,313
Revaluation surplus	14	192,475,704	188,448,658
TOTAL EQUITY		329,687,783	308,967,632

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

SHIRE OF MURRAY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2019		105,217,154	9,257,034	168,717,027	283,191,215
Comprehensive income					
Net result for the period		6,044,786	0	0	6,044,786
Other comprehensive income	14	0	0	19,731,631	19,731,631
Total comprehensive income		6,044,786	0	19,731,631	25,776,417
Transfers from reserves	4	4,864,193	(4,864,193)	0	0
Transfers to reserves	4	(4,466,472)	4,466,472	0	0
Balance as at 30 June 2020		111,659,661	8,859,313	188,448,658	308,967,632
Comprehensive income					
Net result for the period		16,693,105	0	0	16,693,105
Other comprehensive income	14	0	0	4,027,046	4,027,046
Total comprehensive income		16,693,105	0	4,027,046	20,720,151
Transfers from reserves	4	3,938,588	(3,938,588)	0	0
Transfers to reserves	4	(9,828,545)	9,828,545	0	0
Balance as at 30 June 2021		122,462,809	14,749,270	192,475,704	329,687,783

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

SHIRE OF MURRAY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		17,349,496	18,063,333	16,454,624
Operating grants, subsidies and contributions		8,659,369	4,201,972	6,183,509
Fees and charges		8,857,112	5,554,546	5,653,767
Interest received		295,637	372,250	448,771
Goods and services tax received		2,083,914	1,635,216	1,614,985
Other revenue		1,977,946	215,575	534,357
		39,223,474	30,042,892	30,890,013
Payments				
Employee costs		(12,088,054)	(11,750,880)	(11,359,435)
Materials and contracts		(6,904,072)	(11,439,624)	(9,086,965)
Utility charges		(917,913)	(914,233)	(810,921)
Interest expenses		(144,446)	(146,419)	(146,331)
Insurance paid		(439,641)	(446,457)	(416,998)
Goods and services tax paid		(2,269,871)	(1,544,307)	(1,595,391)
Other expenditure		(1,325,293)	(2,060,683)	(529,894)
		(24,089,290)	(28,302,603)	(23,945,935)
Net cash provided by operating activities	20	15,134,184	1,740,289	6,944,078
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost - self supporting loans		(120,000)	(120,000)	0
Payments for purchase of property, plant & equipment	9(a)	(5,998,294)	(15,146,112)	(5,640,713)
Payments for construction of infrastructure	10(a)	(13,992,522)	(9,852,727)	(6,062,490)
Payments for intangible assets	13	(29,687)	0	(278,716)
Non-operating grants, subsidies and contributions		14,442,502	16,342,174	6,878,532
Proceeds from financial assets at amortised cost - self supporting loans		41,243	41,243	40,399
Proceeds from sale of property, plant & equipment	11(a)	478,412	2,337,674	467,573
Net cash provided by (used in) investment activities		(5,178,346)	(6,397,748)	(4,595,415)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	18(b)	(529,208)	(529,208)	(535,267)
Payments for principal portion of lease liabilities	17(b)	(76,795)	(44,396)	(44,177)
Proceeds from new borrowings	18(b)	120,000	120,000	1,155,000
Net cash provided by (used in) financing activities		(486,003)	(453,604)	575,556
Net increase(decrease) in cash held		9,469,835	(5,111,063)	2,924,219
Cash at beginning of year		19,215,880	19,211,909	16,291,661
Cash and cash equivalents at the end of the year	20	28,685,715	14,100,846	19,215,880

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

SHIRE OF MURRAY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 Actual \$	2021 Budget \$	2020 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)		5,887,345	5,632,372	5,002,991
		5,887,345	5,632,372	5,002,991
Revenue from operating activities (excluding rates)				
Governance		203,231	34,123	232,721
General purpose funding		2,863,398	1,639,823	2,618,764
Law, order, public safety		742,375	691,165	677,721
Health		76,562	78,454	30,819
Education and welfare		37,619	13,496	70,362
Housing		21,835	25,354	21,361
Community amenities		3,920,499	3,478,424	3,476,698
Recreation and culture		1,262,642	1,279,272	1,008,950
Transport		519,657	284,456	398,633
Economic services		1,248,069	3,566,049	1,025,183
Other property and services		2,353,530	1,724,091	955,032
		13,249,417	12,814,707	10,516,244
Expenditure from operating activities				
Governance		(1,879,928)	(2,076,681)	(2,013,681)
General purpose funding		(446,869)	(384,073)	(438,279)
Law, order, public safety		(1,664,857)	(1,688,832)	(1,666,521)
Health		(690,497)	(637,706)	(561,043)
Education and welfare		(171,454)	(176,546)	(215,526)
Housing		(83,042)	(73,568)	(58,666)
Community amenities		(5,546,176)	(5,876,991)	(5,146,715)
Recreation and culture		(7,959,929)	(8,286,377)	(7,608,804)
Transport		(7,238,536)	(8,415,896)	(7,371,583)
Economic services		(3,008,122)	(5,552,968)	(2,406,828)
Other property and services		(1,724,463)	(945,687)	(968,798)
		(30,413,873)	(34,115,325)	(28,456,444)
Non-cash amounts excluded from operating activities	28(a)	9,967,689	5,531,024	5,340,238
Amount attributable to operating activities		(1,309,422)	(10,137,222)	(7,596,971)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	16,756,185	19,761,372	6,878,532
Proceeds from disposal of assets	11(a)	478,412	2,337,674	467,573
Proceeds from financial assets at amortised cost - self supporting loans		41,243	41,243	40,399
Payments for financial assets at amortised cost - self supporting loans		(120,000)	(120,000)	0
Purchase of property, plant and equipment	9(a)	(5,998,294)	(15,146,112)	(5,640,713)
Purchase and construction of infrastructure	10(a)	(13,992,522)	(9,852,727)	(6,062,490)
Payments for intangible assets	13	(29,687)	0	(278,716)
Amount attributable to investing activities		(2,864,663)	(2,978,550)	(4,595,415)
FINANCING ACTIVITIES				
Repayment of borrowings	18(b)	(529,208)	(529,208)	(535,267)
Proceeds from borrowings	18(c)	120,000	120,000	1,155,000
Payments for principal portion of lease liabilities	17(b)	(76,795)	(44,396)	(44,177)
Transfers to reserves (restricted assets)	4	(9,828,545)	(6,946,092)	(4,466,472)
Transfers from reserves (restricted assets)	4	3,938,588	4,635,036	4,864,193
Amount attributable to financing activities		(6,375,960)	(2,764,660)	973,277
Surplus/(deficit) before imposition of general rates		(10,550,045)	(15,880,432)	(11,219,109)
Total amount raised from general rates	27(a)	17,101,376	17,195,917	17,106,454
Surplus/(deficit) after imposition of general rates	28(b)	6,551,331	1,315,485	5,887,345

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

SHIRE OF MURRAY
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FOR THE YEAR ENDED 30 JUNE 2021

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SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 30 to these financial statements.

INITIAL APPLICATION OF ACCOUNTING STANDARDS

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These were:

- *AASB 1059 Service Concession Arrangements: Grantors*
- *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Materiality*

The adoption of these standards had no material impact on the financial report.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

The following new accounting standards will have application to local government in future years:

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

It is not expected these standards will have an impact on the financial report.

CRITICAL ACCOUNTING ESTIMATES

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- Land held for resale
- Other financial assets
- Property, Plant and Equipment
- Infrastructure
- Intangible assets
- Right-of-use assets
- Lease liabilities
- Provisions

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES

(a) Grant revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Operating grants, subsidies and contributions			
Governance	0	11,200	0
General purpose funding	2,373,575	1,103,193	2,035,214
Law, order, public safety	588,598	539,171	502,841
Education and welfare	27,557	12,777	65,074
Community amenities	141,905	131,748	26,673
Recreation and culture	130,023	167,137	85,079
Transport	1,045,546	248,335	340,073
Economic services	0	3,225,354	578,846
Other property and services	23,726	0	49,851
	4,330,930	5,438,915	3,683,651
Non-operating grants, subsidies and contributions			
Law, order, public safety	476,125	0	18,015
Recreation and culture	236,183	842,422	1,129,390
Transport	11,636,523	5,731,939	3,362,675
Economic services	4,407,354	13,187,011	2,368,452
	16,756,185	19,761,372	6,878,532
Total grants, subsidies and contributions	21,087,115	25,200,287	10,562,183
Fees and charges			
Governance	226	306	4,521
General purpose funding	178,600	153,380	134,778
Law, order, public safety	144,827	131,096	126,052
Health	76,562	78,454	30,819
Education and welfare	2,409	109	2,144
Housing	21,603	25,220	20,311
Community amenities	3,746,834	3,326,141	3,445,620
Recreation and culture	855,558	882,525	676,622
Transport	203,730	35,176	57,493
Economic services	448,777	327,054	419,902
Other property and services	707,921	595,085	735,505
	6,387,047	5,554,546	5,653,767

There were no changes to the amounts of fees or charges detailed in the original budget.

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Contracts with customers and transfers for recognisable non-financial assets

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Operating grants, subsidies and contributions	4,330,930	5,438,915	3,683,651
Fees and charges	6,387,047	5,554,546	5,653,767
Other revenue	1,636,525	78,681	279,039
Non-operating grants, subsidies and contributions	16,756,185	19,761,372	6,878,532
	<u>29,110,687</u>	<u>30,833,514</u>	<u>16,494,989</u>

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Revenue from contracts with customers recognised during the year	12,354,502	11,072,142	9,616,457
Revenue from transfers intended for acquiring or constructing recognisable non financial assets held as a liability at the start of the period	5,557,547	0	0
Revenue from transfers intended for acquiring or constructing recognisable non financial assets during the year	11,198,638	19,761,372	6,878,532
	<u>29,110,687</u>	<u>30,833,514</u>	<u>16,494,989</u>

Information about receivables, contract assets and contract liabilities 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:

Trade and other receivables from contracts with customers	441,064	0	2,868,980
Contract assets	1,018,864	0	0
Contract liabilities from contracts with customers	(7,006,979)	0	0
Financial assets held from transfers for recognisable financial assets	1,637,408	0	5,557,547
Grant liabilities from transfers for recognisable non financial assets	(1,637,408)	0	(5,557,547)

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2021. Assets associated with contracts with customers were not subject to an impairment charge. Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

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

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months, except the Enterprise Support Program which is planned to complete in December 2026..

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates	17,101,376	17,195,917	17,106,454
Specified area rates	195,157	192,416	191,967
	<u>17,296,533</u>	<u>17,388,333</u>	<u>17,298,421</u>

Other revenue

Reimbursements and recoveries	341,421	136,894	255,318
Proceeds on sale of land held for sale	1,379,549	0	0
Other	256,976	78,681	279,039
	<u>1,977,946</u>	<u>215,575</u>	<u>534,357</u>

Interest earnings

Interest on reserve funds	22,674	71,400	89,461
Rates instalment and penalty interest (refer Note 27(d))	241,247	218,626	308,145
Other interest earnings	31,716	82,224	51,165
	<u>295,637</u>	<u>372,250</u>	<u>448,771</u>

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset 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).

Interest earnings (continued)

Interest income is presented as interest earnings where it is earned from financial assets that are held for cash management purposes.

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES (Continued)

(b) Expenses	Note	2021 Actual \$	2021 Budget \$	2020 Actual \$
Auditors remuneration				
- Audit of the Annual Financial Statements		24,010	31,000	12,700
- Other services		9,222	5,720	3,280
		33,232	36,720	15,980
Interest expenses (finance costs)				
Borrowings	18(b)	142,292	141,909	116,506
Other interest expense and accruals		(984)	0	24,566
Lease liabilities	17(b)	5,876	4,510	5,259
		147,184	146,419	146,331
Other expenditure				
Impairment loss on trade and other receivables from contracts with customers		764	0	11,835
Sundry expenses		1,328,887	2,060,683	518,059
		1,329,651	2,060,683	529,894

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by Council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
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	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and Charges								
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	Refunds as set by legislation	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	Refunds as set by legislation	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Refunds as set by legislation	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by Council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
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	Adopted by Council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by Council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by Council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Other Revenue								
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

3. CASH AND CASH EQUIVALENTS

NOTE	2021	2020
	\$	\$
Cash at bank and on hand	26,181,685	19,215,880
Term deposits	2,504,030	0
Total cash and cash equivalents	28,685,715	19,215,880
Restrictions		
The following classes of 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	23,393,657	14,416,860
	23,393,657	14,416,860
The restricted assets are a result of the following specific purposes to which the assets may be used:		
Reserves - cash backed	4	14,749,270
Contract liabilities from contracts with customers	16	7,006,979
Grants for transfers for recognisable non financial assets	16	1,637,408
Total restricted assets	23,393,657	14,416,860

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

Restricted asset balances are not available for general use by the Shire due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

4. RESERVES - CASH BACKED

	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	Actual Closing Balance	2021 Budget Opening Balance	2021 Budget Transfer to	2021 Budget Transfer (from)	2021 Budget Closing Balance	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave Reserve	597,002	0	0	597,002	597,002	0	0	597,002	597,002	0	0	597,002
(b) Workers Compensation Reserve	198,003	0	0	198,003	198,003	0	0	198,003	198,003	0	0	198,003
(c) Waste Management Reserve	2,686,253	3,287,341	(3,236,825)	2,736,769	2,732,981	3,155,447	(3,740,772)	2,147,656	2,351,685	3,186,883	(2,852,315)	2,686,253
(d) Peel Mosquito Management Reserve	17,184	0	(17,184)	0	16,828	2,300	0	19,128	15,856	1,328	0	17,184
(e) Unspent Grants, Contributions & Loans Reserve	0	3,017,579	0	3,017,579	0	0	0	0	1,043,186	0	(1,043,186)	0
(f) Yunderup Canal General Maintenance Reserve	281,350	51,400	(19,136)	313,614	281,377	51,274	(46,520)	286,131	244,055	51,242	(13,947)	281,350
(g) Willow Gardens General Canal Maintenance Reserve	73,352	6,432	(1,552)	78,232	73,355	6,431	(75,033)	4,753	68,568	6,411	(1,627)	73,352
(h) Murray Lakes General Canal Maintenance Reserve	347,079	32,099	(8,981)	370,197	347,094	32,062	(20,086)	359,070	322,700	32,050	(7,671)	347,079
(i) Entrance Channel Reserve	209,662	116,601	0	326,263	218,370	116,178	0	334,548	102,324	116,044	(8,706)	209,662
(j) Austin Lakes Phase 2 Maintenance Reserve	238,225	46,926	0	285,151	238,225	44,560	0	282,785	193,982	44,243	0	238,225
(k) Asset Enhancement Reserve	687,459	2,414,549	(259,109)	2,842,899	617,609	2,980,000	(295,434)	3,302,175	824,231	300,677	(437,449)	687,459
(l) Building Renewal Reserve	235,060	36,351	(32,000)	239,411	235,060	36,351	0	271,411	184,358	50,702	0	235,060
(m) Plant & Vehicle Reserve	652,167	53,636	(28,980)	676,823	845,869	0	(28,980)	816,889	845,869	0	(193,702)	652,167
(n) Road, Drainage & Pathway Reserve	240,031	359,887	0	599,918	240,031	230,240	0	470,271	256,474	125,622	(142,065)	240,031
(o) Parks & Recreation Reserve	344,180	147,768	0	491,948	344,180	147,768	0	491,948	216,052	128,128	0	344,180
(p) Heritage Rail Precinct Reserve	52,190	30,865	(43,261)	39,794	52,633	44,270	(47,190)	49,713	59,834	23,183	(30,827)	52,190
(q) General Developers Reserve	865,826	160,321	(129,450)	896,697	865,826	0	(348,492)	517,334	657,910	290,493	(82,577)	865,826
(r) Austin Lakes Asset Replacement Reserve	667,103	1,707	0	668,810	667,103	21,500	0	688,603	659,738	7,365	0	667,103
(s) Murray Leisure Centre Capital Reserve	315,269	34,217	(133,610)	215,876	315,269	34,217	0	349,486	296,214	47,873	(28,818)	315,269
(t) Herron Point Reserve	151,918	30,866	(28,500)	154,284	152,331	43,494	(32,529)	163,296	118,993	54,228	(21,303)	151,918
	8,859,313	9,828,545	(3,938,588)	14,749,270	9,039,146	6,946,092	(4,635,036)	11,350,202	9,257,034	4,466,472	(4,864,193)	8,859,313

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

All reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

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

Name of Reserve	Purpose of the reserve
(a) Leave Reserve	Provision for employees and ex-employees leave/termination entitlements.
(b) Workers Compensation Reserve	To provide contingency funds for the annual workers compensation insurance premium under the performance based contributions scheme.
(c) Waste Management Reserve	To provide for current and future waste management services for the Shire of Murray.
(d) Peel Mosquito Management Reserve	To provide contingency funds for the Peel Mosquito Management Group as per the CLAG memorandum of understanding.
(e) Unspent Grants, Contributions & Loans Reserve	For the placement of grants, contributions and loan funding that is unlikely to be expended in the current financial year.
(f) Yunderup Canal General Maintenance Reserve	To receive specified area rates to be used in maintaining the canal waterway and associated infrastructure.
(g) Willow Gardens General Canal Maintenance Reserve	To receive specified area rates to be used in maintaining the canal waterway and associated infrastructure.
(h) Murray Lakes General Canal Maintenance Reserve	To receive specified area rates to be used in maintaining the canal waterway and associated infrastructure.
(i) Entrance Channel Reserve	To receive specified area rates for the purpose of dredging the entrance channel to Yunderup Estate and Murray Waters.
(j) Austin Lakes Phase 2 Maintenance Reserve	To receive specified area rates for the purpose of maintaining the lake and public open space in Austin Lakes Phase 2.
(k) Asset Enhancement Reserve	Provision for the construction, acquisition, upgrade or maintenance of property, plant & equipment, excluding heavy plant and light vehicles.
(l) Building Renewal Reserve	Provision for the renewal of building assets.
(m) Plant & Vehicle Reserve	Provision for the replacement or purchase of heavy plant and light vehicles.
(n) Road, Drainage & Pathway Reserve	Provision for the construction, upgrade or renewal of infrastructure assets.
(o) Parks & Recreation Reserve	Provision for the construction, upgrade or renewal of infrastructure assets associated with parks, recreation, waterways and streetscapes.
(p) Heritage Rail Precinct Reserve	Provision for the upgrade and maintenance of the rail heritage building and surrounding precinct.
(q) General Developers Reserve	To receive developer's contributions to assist in the construction or upgrade of infrastructure associated with new land developments.
(r) Austin Lakes Asset Replacement Reserve	To receive developer's contributions to assist in the repair, maintenance and replacement of major infrastructure associated with the lake development at Austin Lakes Estate and to assist in maintaining lake water quality.
(s) Murray Leisure Centre Capital Reserve	Provision for the renewal of capital items at the Murray Aquatic & Leisure Centre.
(t) Herron Point Reserve	To receive excess revenue proceeds from the Herron Point Camping Grounds to assist in the future upgrade and development of the area.

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Self supporting loans

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit and loss

Financial assets at amortised cost

Self supporting loans

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	2021	2020
	\$	\$
	44,698	41,243
	44,698	41,243
	44,698	41,243
	44,698	41,243
	96,246	20,944
	92,259	89,027
	188,505	109,971
	96,246	20,944
	96,246	20,944
	92,259	89,027
	92,259	89,027

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 18(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

The Shire classifies the following financial assets at fair value through profit and loss:

- equity investments which the Shire has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 29.

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for impairment of receivables	

Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

2021	2020
\$	\$
2,573,177	2,422,597
441,064	2,868,980
291,685	105,728
(764)	(11,835)
3,305,162	5,385,470
615,664	552,727
615,664	552,727

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 29.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

Due to the nature of all receivables, their carrying amount is considered to be the same as their fair value.

7. INVENTORIES

	NOTE	2021 \$	2020 \$
Current			
Fuel and materials		25,281	28,176
Land held for resale - cost			
Cost of acquisition		182,414	905,090
		207,695	933,266
The following movements in inventories occurred during the year:			
Balance at beginning of year			
Fuel and materials expensed during the year		(234,954)	(269,725)
Land sold	26	(722,676)	0
Additions to inventory		232,059	1,172,897
Balance at end of year		207,695	933,266

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

8. OTHER ASSETS

Other assets - current

Prepayments	
Contract asset	
Accrued income	
Accrued interest on investments	

	2021	2020
	\$	\$
	143,744	43,814
	1,018,864	0
	85,014	37,412
	576	0
	1,248,198	81,226

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other 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.

Other current assets (continued)

Contract assets represent the funds to be recovered based on work completed for the construction of a non-financial asset in accordance with an agreement with the customer.

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - non-specialised	Buildings - specialised	Total land and buildings owned	Work In Progress - Buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$		\$	\$	\$	\$
Balance at 1 July 2019	16,068,611	0	41,645,104	57,713,715	0	57,713,715	240,311	5,370,286	63,324,312
Additions	1,316,317	0	2,748,715	4,065,032	271,780	4,336,812	163,245	1,140,656	5,640,713
(Disposals)	(125,000)	0	0	(125,000)	0	(125,000)	0	(447,071)	(572,071)
Revaluation increments / (decrements) transferred to revaluation surplus	(7,000)	0	0	(7,000)	0	(7,000)	0	0	(7,000)
Depreciation (expense)	0	0	(772,511)	(772,511)	0	(772,511)	(49,811)	(589,300)	(1,411,622)
Transfers	(905,090)	0	0	(905,090)		(905,090)	0	0	(905,090)
Balance at 30 June 2020	16,347,838	0	43,621,308	59,969,146	271,780	60,240,926	353,745	5,474,571	66,069,242
Comprises:									
Gross balance amount at 30 June 2020	16,347,838	0	45,879,565	62,227,403	271,780	62,499,183	545,370	7,017,167	70,061,720
Accumulated depreciation at 30 June 2020	0	0	(2,258,257)	(2,258,257)	0	(2,258,257)	(191,625)	(1,542,596)	(3,992,478)
Balance at 30 June 2020	16,347,838	0	43,621,308	59,969,146	271,780	60,240,926	353,745	5,474,571	66,069,242
Additions	0	13,703	465,653	479,356	3,888,233	4,367,589	191,404	1,439,301	5,998,294
(Disposals)	0	0	0	0	0	0	(50,287)	(484,918)	(535,205)
Revaluation increments / (decrements) transferred to revaluation surplus	175,162	144,336	3,707,548	4,027,046	0	4,027,046	0	0	4,027,046
Depreciation (expense)	0	(34,039)	(774,219)	(808,258)	0	(808,258)	(65,918)	(611,183)	(1,485,359)
Transfers	0	266,000	(266,000)	0	0	0	0	0	0
Balance at 30 June 2021	16,523,000	390,000	46,754,290	63,667,290	4,160,013	67,827,303	428,944	5,817,771	74,074,018
Comprises:									
Gross balance amount at 30 June 2021	16,523,000	390,000	56,916,305	73,829,305	4,160,013	77,989,318	584,722	7,583,052	86,157,092
Accumulated depreciation at 30 June 2021	0	0	(10,162,015)	(10,162,015)	0	(10,162,015)	(155,778)	(1,765,281)	(12,083,074)
Balance at 30 June 2021	16,523,000	390,000	46,754,290	63,667,290	4,160,013	67,827,303	428,944	5,817,771	74,074,018

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market Approach	Independent Valuers	June 2021	Price per hectare
Buildings - non-specialised	2	Market Approach	Independent Valuers	June 2021	Price per square metre
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent Valuers	June 2021	Improvements to land using construction costs (Level 2); current condition, residual values and remaining useful life assessments (Level 3) inputs
(ii) Cost					
Furniture and equipment			Cost		Purchase cost
Plant and equipment			Cost		Purchase cost

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change was effective from 1 July 2019 and represented a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximated cost at the date of change.

SHIRE OF MURRAY
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10. 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 - bridges	Infrastructure - other	Work In Progress Infrastructure - other	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	137,295,142	8,114,227	26,505,480	21,891,158	16,241,503	0	210,047,510
Additions	3,193,244	216,249	361,614	509,006	1,782,377	0	6,062,490
Revaluation increments / (decrements) transferred to revaluation surplus	19,738,631	0	0	0	0	0	19,738,631
Depreciation (expense)	(2,859,245)	(228,696)	(384,310)	(738,388)	(698,205)	0	(4,908,844)
Balance at 30 June 2020	157,367,772	8,101,780	26,482,784	21,661,776	17,325,675	0	230,939,787
Comprises:							
Gross balance at 30 June 2020	192,686,875	11,470,725	38,792,638	48,757,548	24,705,275	0	316,413,061
Accumulated depreciation at 30 June 2020	(35,319,103)	(3,368,945)	(12,309,854)	(27,095,772)	(7,379,600)	0	(85,473,274)
Balance at 30 June 2020	157,367,772	8,101,780	26,482,784	21,661,776	17,325,675	0	230,939,787
Additions	4,988,938	581,392	3,596,944	3,950,991	791,292	82,965	13,992,522
Depreciation (expense)	(2,433,931)	(232,762)	(390,629)	(745,463)	(759,998)	0	(4,562,783)
Balance at 30 June 2021	159,922,779	8,450,410	29,689,099	24,867,304	17,356,969	82,965	240,369,526
Comprises:							
Gross balance at 30 June 2021	197,675,814	12,052,117	42,389,582	52,708,539	25,496,567	82,965	330,405,584
Accumulated depreciation at 30 June 2021	(37,753,035)	(3,601,707)	(12,700,483)	(27,841,235)	(8,139,598)	0	(90,036,058)
Balance at 30 June 2021	159,922,779	8,450,410	29,689,099	24,867,304	17,356,969	82,965	240,369,526

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

10. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2020	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Independent Valuer	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - other	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Work In Progress Infrastructure - other	3	Cost approach using depreciated replacement cost	Management Valuation	June 2021	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)

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 significantly higher or lower fair value measurement.

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

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial recognition and measurement between mandatory revaluation dates

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

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

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

Individual assets that are land, buildings and infrastructure acquired between initial recognition and the next valuation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, buildings and infrastructure is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

Revaluation (Continued)

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, is treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to leases (including right-of-use assets).

SHIRE OF MURRAY
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11. FIXED ASSETS

(a) Disposals of Assets

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss	2021 Budget Net Book Value	2021 Budget Sale Proceeds	2021 Budget Profit	2021 Budget Loss	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	125,000	125,000	0	0
Land held for resale	0	0	0	0	905,090	1,945,000	1,039,910	0	0	0	0	0
Furniture and equipment	50,287	5,581	0	(44,706)	0	0	0	0	0	0	0	0
Plant and equipment	484,918	472,831	59,468	(71,555)	439,342	392,674	1,095	(47,763)	447,071	342,573	2,290	(106,788)
	535,205	478,412	59,468	(116,261)	1,344,432	2,337,674	1,041,005	(47,763)	572,071	467,573	2,290	(106,788)

The following assets were disposed of during the year.

Plant and Equipment

Governance

4001MY 2018 Toyota Prado DSL GXL 5 Door - CEO

4027MY 2015 Ford Ranger 4x4 3.2L Diesel (Manager)

Law, order, public safety

4017MY 2016 Mitsubishi Pajero Sport GLX 2.4L

1COR746 Isuzu FSS550 (2.4 Urban) Fire tender

Community amenities

4015MY 2014 Ford Ranger XLS 3.2L Dual Cab

Recreation and culture

4065MY Toro Z-Master 72" 6000

4063MY 2017 Toro ZMaster 6000 Zero Turn Mower

4025MY 2015 Isuzu D-Max SX Crew Cab 4X4 3.0L T/D

Transport

4013MY 2020 Holden Colorado (Manager)

4036MY 2015 Isuzu FVD 1000 Drainage Truck

4050MY 2014 Caterpillar 12M Grader

Economic services

4033MY 2015 Honda Civic Vti-S Hatch (Tourism)

Other Asset class

Recreation and culture

Cogen Unit - 2011 Tedom Cento Unit (MALC)

Gym Equipment - Pec Rear Delt & Seated Rowing

	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$
4001MY 2018 Toyota Prado DSL GXL 5 Door - CEO	44,056	53,636	9,580	0
4027MY 2015 Ford Ranger 4x4 3.2L Diesel (Manager)	17,100	24,773	7,673	0
4017MY 2016 Mitsubishi Pajero Sport GLX 2.4L	20,728	21,364	636	0
1COR746 Isuzu FSS550 (2.4 Urban) Fire tender	62,780	40,909	0	(21,871)
4015MY 2014 Ford Ranger XLS 3.2L Dual Cab	20,261	21,137	876	0
4065MY Toro Z-Master 72" 6000	7,680	8,120	440	0
4063MY 2017 Toro ZMaster 6000 Zero Turn Mower	7,050	8,120	1,070	0
4025MY 2015 Isuzu D-Max SX Crew Cab 4X4 3.0L T/D	17,100	23,864	6,764	0
4013MY 2020 Holden Colorado (Manager)	34,233	0	0	(34,233)
4036MY 2015 Isuzu FVD 1000 Drainage Truck	70,500	100,000	29,500	0
4050MY 2014 Caterpillar 12M Grader	175,450	159,999	0	(15,451)
4033MY 2015 Honda Civic Vti-S Hatch (Tourism)	7,980	10,909	2,929	0
	484,918	472,831	59,468	(71,555)
	37,595	1,455	0	(36,140)
	12,692	4,126	0	(8,566)
	50,287	5,581	0	(44,706)
	535,205	478,412	59,468	(116,261)

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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11. FIXED ASSETS

(b) Depreciation

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Buildings - non-specialised	34,039	0	0
Buildings - specialised	774,219	754,446	772,511
Furniture and equipment	65,918	68,145	49,811
Plant and equipment	611,183	610,860	589,300
Infrastructure - roads	2,433,931	3,049,600	2,859,245
Infrastructure - footpaths	232,762	214,251	228,696
Infrastructure - drainage	390,629	385,200	384,310
Infrastructure - bridges	745,463	734,384	738,388
Infrastructure - other	759,998	641,219	698,205
Right-of-use assets - buildings	2,695	7,186	2,327
Right-of-use assets - plant and equipment	17,157	13,975	12,943
Right-of-use assets - furniture and equipment	29,174	0	8,585
Intangible assets - computer software	50,258	0	22,374
	6,147,426	6,479,266	6,366,695

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Depreciation 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	
Long Life Buildings	84 to 120 years
Medium Life Buildings	56 to 80 years
Short Life Buildings	42 to 60 years
Roof	42 to 60 years
Mechanical	14 to 20 years
Fitout	17 to 25 years
Furniture and Equipment	4 to 40 years
Plant and Equipment	3 to 50 years
Computer Software	3 to 10 years
Sealed Roads	
Formation	not depreciated
Pavement (distributors)	42 to 60 years
Pavement (access)	64 to 80 years
Seal (Bituminous)	17 to 25 years
Seal (Asphalt)	21 to 30 years
Gravel roads	
Formation	not depreciated
Pavement	24 to 30 years
Gravel Sheet	12 years
Formed Roads (unsealed)	
Formation	not depreciated
Footpaths	
Concrete	48 to 60 years
Brick Paved	40 to 50 years
Limestone	15 to 20 years
Sealed	20 to 25 years
Gravel/Timber	15 to 25 years
Stormwater Drainage	
Pits	80 to 100 years
Pipes	50 to 100 years
Bridges	60 to 100 years
Other Infrastructure	10 to 100 years

Depreciation on revaluation

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

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

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

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

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

SHIRE OF MURRAY
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FOR THE YEAR ENDED 30 JUNE 2021

12. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Right-of-use assets - buildings \$	Right-of-use assets - plant and equipment \$	Right-of-use assets - furniture and equipment \$	Right-of-use assets Total
Balance at 1 July 2019	95,072	31,728	25,553	152,353
Additions	0	0	122,997	122,997
Depreciation (expense)	(2,327)	(12,943)	(8,585)	(23,855)
Balance at 30 June 2020	92,745	18,785	139,965	251,495
Additions	0	0	186,355	186,355
Gains/(losses) from sale and leaseback transactions	15,987	3,610	(568)	19,029
Revaluation (loss) / reversals transferred to profit or loss	(1,035)	554	0	(481)
Depreciation (expense)	(2,695)	(17,157)	(29,174)	(49,026)
Balance at 30 June 2021	105,002	5,792	296,578	407,372

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

	2021 Actual \$	2020 Actual \$
Depreciation expense on lease liabilities	49,026	23,855
Interest expense on lease liabilities	5,876	5,259
Short-term lease payments recognised as expense	0	38,612
Low-value asset lease payments recognised as expense	190,639	192,098
Total amount recognised in the statement of comprehensive income	245,541	259,824
Total cash outflow from leases	(82,671)	(49,436)

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

13. INTANGIBLE ASSETS

	2021 Actual	2020 Actual
	\$	\$
Computer Software		
Non-current		
Computer software	539,628	509,941
Less: accumulated depreciation	(103,284)	(53,026)
	436,344	456,915

Movements in balances of computer software during the financial year are shown as follows:

Balance at 30 June	456,915	0
Reclassification from PPE Furniture & Equipment	0	200,573
Recognition of computer software	29,687	278,716
Amortisation expense	(50,258)	(22,374)
Balance at 30 June	436,344	456,915
TOTAL INTANGIBLE ASSETS	436,344	456,915

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14. REVALUATION SURPLUS

	2021 Opening Balance	2021 Revaluation Increment	Total Movement on Revaluation	2021 Closing Balance	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	31,933,113	175,162	175,162	32,108,275	31,940,113	0	(7,000)	(7,000)	31,933,113
Buildings - non-specialised	0	144,336	144,336	144,336	0	0	0	0	0
Buildings - specialised	0	3,707,548	3,707,548	3,707,548	0	0	0	0	0
Infrastructure - roads	103,683,801	0	0	103,683,801	83,945,170	19,738,631	0	19,738,631	103,683,801
Infrastructure - footpaths	5,460,194	0	0	5,460,194	5,460,194	0	0	0	5,460,194
Infrastructure - drainage	24,303,256	0	0	24,303,256	24,303,256	0	0	0	24,303,256
Infrastructure - bridges	15,238,177	0	0	15,238,177	15,238,177	0	0	0	15,238,177
Infrastructure - other	7,830,117	0	0	7,830,117	7,830,117	0	0	0	7,830,117
	188,448,658	4,027,046	4,027,046	192,475,704	168,717,027	19,738,631	(7,000)	19,731,631	188,448,658

SHIRE OF MURRAY
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15. TRADE AND OTHER PAYABLES

Current

Sundry creditors	
Prepaid rates	
Accrued salaries and wages	
ATO liabilities	
Bonds and deposits held	
Income received in advance	
Accrued interest on long term borrowings	
Accrued expenditure	
Accrued interest on lease liabilities	

	2021	2020
	\$	\$
	1,691,383	754,682
	845,834	579,354
	10,653	335,165
	24,977	0
	1,354,734	902,580
	1,105	1,105
	12,733	16,456
	437,457	107,138
	2,738	0
	4,381,614	2,696,480

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

Prepaid rates

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

16. CONTRACT LIABILITIES

Current

Contract liabilities
 Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Non-current

Contract liabilities

Performance obligations for each type of liability are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year
 1 to 2 years
 2 to 3 years
 3 to 4 years
 4 to 5 years
 > 5 years

2021	2020
\$	\$
3,989,400	0
1,637,408	5,557,547
5,626,808	5,557,547
3,017,579	0
3,017,579	0

Contract liabilities	Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity
\$	\$
3,989,400	1,637,408
670,000	0
670,000	0
670,000	0
670,000	0
337,579	0
7,006,979	1,637,408

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Grant liabilities represent the the Shire's performance obligations to construct recognisable non-financial assets to identified specifications which are yet to be satisfied.

Grant liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

SHIRE OF MURRAY
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17. LEASE LIABILITIES

(a) Lease Liabilities	2021	2020
	\$	\$
Current	72,688	44,396
Non-current	290,951	186,777
	<u>363,639</u>	<u>231,173</u>

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual	30 June 2021	30 June 2021	30 June 2021	30 June 2021	Budget	30 June 2021	30 June 2021	30 June 2021	Actual	30 June 2020	30 June 2020	30 June 2020	30 June 2020	
					Lease Principal 1 July 2020	Lease Modifications	Actual New Leases	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments	Lease Principal 1 July 2020	Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	Lease Principal 1 July 2019	Actual New Leases	Actual Lease Principal Repayments	Actual Lease Principal Outstanding	Actual Lease Interest Repayments
Law, order, public safety					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Ford Ranger MY12336	4	Toyota Finance	2.13%	14	538	8,372	0	(8,206)	704	(48)									
Ford Ranger H22635	11	Fleet Partners	2.13%	24	14,719	(1,120)	0	(13,599)	0	(159)									
Recreation and culture																			
Pinjarra Court House	12	National Trust	2.13%	480	93,597	15,654	0	(1,173)	108,078	(1,994)									
Solar Panels MALC	15	Capital Finance	2.13%	60	101,416	0	0	(24,028)	77,388	(1,927)									
Cardio Equipment	16	Maia Financial	0.67%	48	0	0	92,726	(11,367)	81,359	(499)									
Transport																			
Solar Panels Operation Centre	1	Maia Financial	2.13%	60	20,903	0	0	(4,750)	16,153	(407)									
Other property and services																			
Photocopiers	17	Maia Financial	0.71%	60	0	0	93,629	(13,672)	79,957	(842)									
					<u>231,173</u>	<u>22,906</u>	<u>186,355</u>	<u>(76,795)</u>	<u>363,639</u>	<u>(5,876)</u>									
											<u>231,173</u>	<u>(44,396)</u>	<u>186,777</u>	<u>(4,510)</u>	<u>152,353</u>	<u>122,997</u>	<u>(44,177)</u>	<u>231,173</u>	<u>(5,259)</u>

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18. INFORMATION ON BORROWINGS

(a) Borrowings

	2021	2020
	\$	\$
Current	483,493	529,208
Non-current	3,164,642	3,528,135
	<u>3,648,135</u>	<u>4,057,343</u>

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2021					30 June 2020									
				Actual Principal 1 July 2020	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal 1 July 2020	Budget New Loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal 1 July 2019	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Governance																		
Administration Centre Extension Construction	161	WATC*	6.94%	163,830	0	(79,082)	(10,907)	84,748	163,830	0	(79,082)	(10,907)	84,748	237,625	0	(73,795)	(15,233)	163,830
Administration Centre Extension Construction	173	WATC*	6.07%	64,483	0	(64,483)	(3,359)	0	64,483	0	(64,483)	(3,359)	0	125,223	0	(60,740)	(6,693)	64,483
Recreation and culture																		
Aquatic Centre Construction	170	WATC*	5.98%	0	0	0	0	0	0	0	0	0	0	98,314	0	(98,314)	(4,430)	0
Lots 85-88 George Street	174e	WATC*	3.04%	403,232	0	(75,855)	(14,347)	327,377	403,232	0	(75,855)	(14,347)	327,377	476,832	0	(73,600)	(13,941)	403,232
Lot 1213 South Western Highway	175e	WATC*	3.11%	617,316	0	(104,589)	(22,405)	512,727	617,315	0	(104,589)	(22,406)	512,726	718,726	0	(101,410)	(21,570)	617,316
Murray Foreshore Upgrade	179	WATC*	1.49%	200,000	0	(18,691)	(4,256)	181,309	200,000	0	(18,691)	(4,257)	181,309	0	200,000	0	0	200,000
Exchange Hotel	180	WATC*	2.13%	292,782	0	(29,843)	(8,058)	262,939	292,782	0	(29,843)	(8,058)	262,939	322,000	0	(29,218)	(6,704)	292,782
Transport																		
Camp Road Properties	182	WATC*	3.61%	619,784	0	(26,929)	(26,272)	592,855	619,784	0	(26,929)	(26,272)	592,855	645,762	0	(25,978)	(22,963)	619,784
Economic services																		
Pinjarra Underground Power	178	WATC*	3.28%	678,729	0	(32,865)	(26,665)	645,864	678,729	0	(32,865)	(26,665)	645,864	710,542	0	(31,813)	(23,047)	678,729
Dwellingup Trails Centre	184	WATC*	1.49%	955,000	0	(55,628)	(24,312)	899,372	955,000	0	(55,628)	(24,311)	899,372	0	955,000	0	0	955,000
				<u>3,995,156</u>	<u>0</u>	<u>(487,965)</u>	<u>(140,581)</u>	<u>3,507,191</u>	<u>3,995,155</u>	<u>0</u>	<u>(487,965)</u>	<u>(140,582)</u>	<u>3,507,190</u>	<u>3,335,024</u>	<u>1,155,000</u>	<u>(494,868)</u>	<u>(114,581)</u>	<u>3,995,156</u>
Self Supporting Loans																		
Recreation and culture																		
Yunderup Sport & Recreation Club Inc	181	WATC*	2.08%	62,187	0	(41,243)	(1,327)	20,944	62,187	0	(41,243)	(1,327)	20,944	102,586	0	(40,399)	(1,925)	62,187
Pinjarra Bowling & Recreation Club Inc	183	WATC*	0.52%	0	120,000	0	(384)	120,000	0	120,000	0	0	120,000	0	0	0	0	0
				<u>62,187</u>	<u>120,000</u>	<u>(41,243)</u>	<u>(1,711)</u>	<u>140,944</u>	<u>62,187</u>	<u>120,000</u>	<u>(41,243)</u>	<u>(1,327)</u>	<u>140,944</u>	<u>102,586</u>	<u>0</u>	<u>(40,399)</u>	<u>(1,925)</u>	<u>62,187</u>
				<u>4,057,343</u>	<u>120,000</u>	<u>(529,208)</u>	<u>(142,292)</u>	<u>3,648,135</u>	<u>4,057,342</u>	<u>120,000</u>	<u>(529,208)</u>	<u>(141,909)</u>	<u>3,648,134</u>	<u>3,437,610</u>	<u>1,155,000</u>	<u>(535,267)</u>	<u>(116,506)</u>	<u>4,057,343</u>

* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

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18. INFORMATION ON BORROWINGS (Continued)

(c) New Borrowings - 2020/21

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2021 Actual	2021 Budget	2021 Actual	2021 Budget		
Pinjarra Bowling & Recreation Club Inc	WATC*	Debenture	5	0.5151%	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 1,706	\$ 0
* WA Treasury Corporation					120,000	120,000	120,000	120,000	1,706	0

	2021	2020
(d) Undrawn Borrowing Facilities	\$	\$
Credit Standby Arrangements		
Credit card limit	100,000	100,000
Credit card balance at balance date	(20,087)	(9,774)
Total amount of credit unused	79,913	90,226
Loan facilities		
Loan facilities - current	483,493	529,208
Loan facilities - non-current	3,164,642	3,528,135
Lease liabilities - current	72,688	44,396
Lease liabilities - non-current	290,951	186,777
Total facilities in use at balance date	4,011,774	4,288,516
Unused loan facilities at balance date	0	0

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they may capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 29.

19. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave & TIL	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2020			
Current provisions	912,632	1,394,437	2,307,069
Non-current provisions	0	219,978	219,978
	912,632	1,614,415	2,527,047
Additional provision			
Balance at 30 June 2021	156,659	173,633	330,292
	1,069,291	1,788,048	2,857,339
Comprises			
Current	1,069,291	1,483,044	2,552,335
Non-current	0	305,004	305,004
	1,069,291	1,788,048	2,857,339

	2021	2020
	\$	\$
Less than 12 months after the reporting date	1,108,102	961,175
More than 12 months from reporting date	1,678,397	1,478,462
Expected reimbursements from other WA local governments	70,840	87,410
	2,857,339	2,527,047

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date
More than 12 months from reporting date
Expected reimbursements from other WA local governments

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, Time in Lieu (TIL) and long service leave entitlements are recognised as 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 salaries and wages. 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 salaries and wages 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 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

Other long-term employee benefits (Continued)

rates determined by reference to market yields at the end of the reporting period 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.

Provisions

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

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

20. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Cash and cash equivalents	28,685,715	14,100,846	19,215,880
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	16,693,105	15,656,671	6,044,786
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(3,232)	0	(1,441)
Depreciation on non-current assets	6,147,426	6,479,266	6,366,695
(Profit)/loss on sale of asset	56,793	(993,242)	104,498
(Gain) Loss on revaluation of ROU assets & lease liability	4,358	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	2,017,371	1,675,000	(2,838,706)
(Increase)/decrease in other assets	(148,108)	0	66,733
(Increase)/decrease in inventories	725,571	(5,000)	1,918
(Increase)/decrease in contract assets	(1,018,864)	0	0
Increase/(decrease) in payables	1,685,134	600,000	(393,716)
Increase/(decrease) in employee provisions	330,292	235,000	(42,518)
Increase/(decrease) in other liabilities	3,086,840	(5,565,232)	4,514,361
Non-operating grants, subsidies and contributions	(14,442,502)	(16,342,174)	(6,878,532)
Net cash from operating activities	15,134,184	1,740,289	6,944,078

21. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2021	2020
	\$	\$
Governance	5,252,141	4,381,176
General purpose funding	2,781,382	2,683,953
Law, order, public safety	5,451,089	4,881,525
Health	73,087	98,437
Education and welfare	288,816	193,552
Housing	1,418,677	1,269,167
Community amenities	5,344,579	6,624,835
Recreation and culture	55,900,867	48,709,302
Transport	233,062,883	223,707,589
Economic services	18,810,790	20,564,921
Other property and services	9,568,183	7,813,635
Unallocated	11,630,403	3,109,130
	<u>349,582,897</u>	<u>324,037,222</u>

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22. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire has listed sites to be possible sources of contamination. Details of those sites are:

Location	Land Use	Nature of potential contamination
Lot 11 (100) Baker Street, Pinjarra	Operations Centre	Total petroleum hydrocarbons, Monocyclic aromatic hydrocarbons, Polycyclic aromatic hydrocarbons, Metals, Phenols, Chlorinated hydrocarbons, Oil and grease.
Lot 11 (834) Corio Road, Ravenswood	Current Waste Transfer Station/ Former Landfill Site	Polychlorinated biphenyls, Alkanes, Sulphides, Metals, Organic acids, Nutrients, Total petroleum hydrocarbons, Polycyclic aromatic hydrocarbons, Ammonia, Landfill gas, Total Dissolved Solids (TDS), and Monocyclic aromatic hydrocarbons.
Lot 501 Moores Road, Pinjarra	Former Landfill Site (Pre 1990)	Polychlorinated biphenyls, Alkanes, Sulphides, Metals, Organic acids, Nutrients, Total petroleum hydrocarbons, Polycyclic aromatic hydrocarbons, Ammonia, Landfill gas, Total Dissolved Solids (TDS), and Monocyclic aromatic hydrocarbons.

Until the Shire conducts an investigation to determine the presence and scope of the contamination, assess the risk and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation guidelines.

23. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

	2021	2020
	\$	\$
Corporate Business System	68,964	122,206
InfoCouncil Agenda & Minutes Software	0	43,978
Dwellingup National Trails Centre Building Upgrade	0	521,992
Murray River Foreshore	0	465,908
Transform Peel	0	225,618
Dwellingup Futures	0	109,037
WA Food Innovation Precinct	13,785,894	2,877,519
North Yunderup Road Traffic Bridge	0	541,679
South Yunderup Oval Changerooms	1,614,008	0
Sandy Cove Playground	50,471	0
York Road Public Open Space	30,910	0
MALC Boilers	53,690	0
Light vehicle fleet renewal	140,543	0
Dog Trailer	109,740	0
	15,854,220	4,907,937
Payable:		
- not later than one year	15,854,220	4,907,937

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

	2021	2020
	\$	\$
- not later than one year	93,263	48,906
- later than one year but not later than five years	76,605	111,934
- later than five years	0	122,500
	169,868	283,340

24. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
President D. Bolt			
President's annual allowance	35,525	35,525	35,525
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	54,808	54,808	54,808
Deputy President D. McLarty			
Deputy President's annual allowance	8,881	8,881	8,881
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	28,164	28,164	28,164
Councillor G. Black			
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	19,283
Councillor B. Beacham			
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	19,283
Councillor B. Cardilini			
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	19,283
Councillor S. Kirkham			
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	19,283
Councillor S. Lee			
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	19,283
Councillor A. Rogers			
Meeting attendance fees	15,733	15,733	15,733
Annual allowance for ICT expenses	3,500	3,500	3,500
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	19,283
Councillor C. Rose			
Meeting attendance fees	15,733	15,733	10,997
Annual allowance for ICT expenses	3,500	3,500	2,446
Annual allowance for travel and accommodation expenses	50	50	50
	19,283	19,283	13,493
	217,953	217,953	212,163

24. ELECTED MEMBERS REMUNERATION

	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$
Fees, expenses and allowances to be paid or reimbursed to elected council members.			
President's allowance	35,525	35,525	35,525
Deputy President's allowance	8,881	8,881	8,881
Meeting attendance fees	141,597	141,597	136,861
Annual allowance for ICT expenses	31,500	31,500	30,446
Annual allowance for travel and accommodation expenses	450	450	450
	217,953	217,953	212,163

25. RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP) Compensation Disclosure

	2021 Actual	2020 Actual
The total of remuneration paid to KMP of the Shire during the year are as follows:	\$	\$
Short-term employee benefits	1,020,033	993,120
Post-employment benefits	94,396	92,278
Other long-term benefits	22,065	22,063
	1,136,494	1,107,461

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found in the previous note.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

25. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2021 Actual	2020 Actual
	\$	\$
Sale of goods and services	0	4,305
Purchase of goods and services	300	0
Short term employee benefits -other related parties	0	206,895
Amounts payable to related parties:		
Trade and other payables	0	200

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

26. MAJOR LAND TRANSACTIONS

a) Details

Land held for sale

The Shire of Murray historically held a parcel of land situated at Lot 102 Lakes Road, North Dandalup. This parcel of land was revalued in 2017 at \$438,000.

In 2018 the Shire commenced the process of subdividing the land into 10 residential lots to be held for resale.

The subdivision was completed in 2020 and the lots offered for sale.

8 of the lots were sold in 2020/21, with 2 lots remaining.

	2021 Actual Value	2021 Actual Proceeds	2021 Profit	2021 Loss
	\$	\$	\$	\$
Land sold				
LOT 301 Dewar Road, North Dandalup	84,227	168,182	83,955	0
LOT 303 Dewar Road, North Dandalup	90,742	172,728	81,986	0
LOT 304 Dewar Road, North Dandalup	90,276	170,455	80,179	0
LOT 306 Beau Sovereign Court, North Dandalup	92,138	172,727	80,589	0
LOT 307 Beau Sovereign Court, North Dandalup	91,207	172,728	81,521	0
LOT 308 Beau Sovereign Court, North Dandalup	91,672	172,728	81,056	0
LOT 309 Beau Sovereign Court, North Dandalup	91,672	172,728	81,056	0
LOT 310 Beau Sovereign Court, North Dandalup	90,742	177,273	86,531	0
	<u>722,676</u>	<u>1,379,549</u>	<u>656,873</u>	<u>0</u>

Land awaiting sale

LOT 302 Dewar Road, North Dandalup

LOT 305 Dewar Road, North Dandalup

	87,019			
	95,395			
	<u>182,414</u>			
	<u>905,090</u>	<u>1,379,549</u>	<u>656,873</u>	<u>0</u>

(b) Current year transactions

	2021 Actual
	\$
Other revenue	
- Sale proceeds	1,379,549
Other expenditure	
- Cost of goods sold	(722,676)
	<u>656,873</u>

(c) Cash flows over life of project

	2017/18	Actual		2020/21	Budget	Total
	\$	2018/19	2019/20	\$	2021/22	\$
	\$	\$	\$	\$	\$	\$
Cash outflows						
- Development costs	(2,580)	(398,193)	(66,317)	(4,982)	(23)	(472,095)
- Selling expenses	0	0	0	(34,315)	(9,212)	(43,527)
	<u>(2,580)</u>	<u>(398,193)</u>	<u>(66,317)</u>	<u>(39,297)</u>	<u>(9,235)</u>	<u>(515,622)</u>
Cash inflows						
- Sale proceeds	0	0	0	1,379,549	370,910	1,750,459
	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,379,549</u>	<u>370,910</u>	<u>1,750,459</u>
Net cash flows	<u>(2,580)</u>	<u>(398,193)</u>	<u>(66,317)</u>	<u>1,340,252</u>	<u>361,675</u>	<u>1,234,837</u>

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27. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2020/21 Actual Rateable Value \$	2020/21 Actual Rate Revenue \$	2020/21 Actual Interim Rates \$	2020/21 Actual Back Rates \$	2020/21 Actual Total Revenue \$	2020/21 Budget Rate Revenue \$	2020/21 Budget Interim Rate \$	2020/21 Budget Back Rate \$	2020/21 Budget Total Revenue \$	2019/20 Actual Total Revenue \$
Differential general rate / general rate												
Gross rental valuations												
GRV General	0.09676	6,241	101,020,732	9,774,766	91,965	0	9,866,731	9,774,766	73,607	5,260	9,853,633	9,501,274
GRV Commercial	0.077408	147	17,560,846	1,359,350	3,133	0	1,362,483	1,359,350	0	0	1,359,350	1,365,213
Unimproved valuations												
UV General	0.006654	890	577,683,999	3,843,909	(70,333)	947	3,774,523	3,843,909	29,891	1,831	3,875,631	4,067,566
Sub-Total		7,278	696,265,577	14,978,025	24,765	947	15,003,737	14,978,025	103,498	7,091	15,088,614	14,934,053
Minimum payment												
Gross rental valuations												
GRV General	1,143	1,614	13,847,488	1,844,802	0	0	1,844,802	1,844,802	0	0	1,844,802	1,911,096
GRV Commercial	1,143	25	294,235	28,575	0	0	28,575	28,575	0	0	28,575	28,575
GRV General Lesser Minimum	843	185	334,165	155,955	0	0	155,955	155,955	0	0	155,955	155,955
Unimproved valuations												
UV General	1,143	195	21,450,572	222,885	0	0	222,885	222,885	0	0	222,885	220,599
Sub-Total		2,019	35,926,460	2,252,217	0	0	2,252,217	2,252,217	0	0	2,252,217	2,316,225
		9,297	732,192,037	17,230,242	24,765	947	17,255,954	17,230,242	103,498	7,091	17,340,831	17,250,278
Discounts/concessions (Note 27(c))							(160,221)				(149,564)	(148,561)
Ex-gratia rates							5,643				4,650	4,737
Total amount raised from general rate							17,101,376				17,195,917	17,106,454
Specified Area Rate (Note 27(b))							195,157				192,416	191,967
Totals							17,296,533				17,388,333	17,298,421

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred, refundable at the request of the ratepayer.

Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

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27. RATING INFORMATION (Continued)

(b) Specified Area Rate

Specified Area Rate	Basis of Valuation	Rate in \$	2020/21 Rateable Value	2020/21 Rate Revenue	2020/21 Interim Rate Revenue	2020/21 Back Rate Revenue	2020/21 Total Specified Area Rate Revenue	2020/21 Budget Rate Revenue	2020/21 Budget Back Rate Revenue	2020/21 Budget Interim Rate Revenue	2020/21 Total Budget Revenue	2019/20 Total Actual Revenue
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Yunderup Canal Entrance Dredging	GRV	0.007084	8,200,022	58,089	212	0	58,301	58,089	0	0	58,089	58,023
Yunderup Canal Maintenance	GRV	0.006599	7,770,032	51,274	126	0	51,400	51,274	0	0	51,274	51,241
Murray Lakes Canal Maintenance	GRV	0.006645	4,824,990	32,062	37	0	32,099	32,062	0	0	32,062	32,050
Willow Gardens Canal Maintenance	GRV	0.006653	966,650	6,431	0	0	6,431	6,431	0	0	6,431	6,411
Austin Lakes Phase 2 Maintenance	GRV	0.007334	6,075,830	44,560	2,366	0	46,926	44,560	0	0	44,560	44,242
			27,837,524	192,416	2,741	0	195,157	192,416	0	0	192,416	191,967

Specified Area Rate	Purpose of the rate	2020/21 Actual Rate Applied to Costs	2020/21 Actual Rate Set Aside to Reserve	2020/21 Actual Reserve Applied to Costs	2020/21 Budget Rate Applied to Costs	2020/21 Budget Rate Set Aside to Reserve	2020/21 Budget Reserve Applied to Costs
		\$	\$	\$	\$	\$	\$
Yunderup Canal Entrance Dredging	For the purpose of dredging the entrance channel to Yunderup Stage 1 Estate, The Moorings and Sapphire Waters	0	58,301	0	0	58,089	0
Yunderup Canal Maintenance	For the purpose of maintaining the canal waterway and associated infrastructure	0	51,400	4,166	0	51,274	46,520
Murray Lakes Canal Maintenance	For the purpose of maintaining the canal waterway and associated infrastructure	0	32,099	20,000	0	32,062	20,086
Willow Gardens Canal Maintenance	For the purpose of maintaining the canal waterway and associated infrastructure	0	6,431	0	1,678	4,753	75,033
Austin Lakes Phase 2 Maintenance	For the purpose of maintaining the lake and public open space in Austin Lakes Estate Phase 2	0	46,926	0	0	44,560	0
		0	195,157	24,166	1,678	190,738	141,639

SHIRE OF MURRAY
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27. RATING INFORMATION (Continued)

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

Write-offs

Rate or Fee Discount Granted	Type	Discount %	Discount \$	2021 Actual \$	2021 Budget \$	2020 Actual \$
General Rates	Write off	0.00%	0	19,935	1,000	51,406
				19,935	1,000	51,406

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	2021 Actual \$	2021 Budget \$	2020 Actual \$
Primary Producer Full	Concession	0	0.00	140,912	141,673	140,400
Primary Producer Partial	Concession	0	0.00	6,597	6,697	6,967
Riverglades Complex	Concession	0	6.00	1,194	1,194	1,194
Wheeler Airfield	Concession	0	0.00	1,186	0	0
Pinjarra Paceway	Concession	0	0.00	10,332	0	0
Total discounts/concessions (Note 27(a))				160,221	149,564	148,561

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects and reasons of the Waiver or Concession
Primary Producer Full	Bona-fide primary producers residing within the Shire as per Policy F7	In recognition of the critical economic importance of the agricultural industry, Council has adopted Policy F7 to assist bona-fide primary producers
Primary Producer Partial	Bona-fide primary producers residing within the Shire as per Policy F7	
Riverglades Complex	Applied to strata-titled lots within the Riverglades Complex	Concession applied in recognition of property owners required to pay the mandated fee under the Caravan Parks & Camping Grounds Regulations
Wheeler Airfield	Applied to the property located at Lot 7 Mounsey Road, West Coolup whilst the property is made available as a recognised forward fire base	Concession applied in recognition of the community benefit afforded by the use of the airfield in assisting with firefighting activities
Pinjarra Paceway	Applied to the property located at 7 Paceway Court Pinjarra	Concession applied to reduce rates on the property to an equitable level in recognition of the importance of the equine industry to the district

27. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	1/10/2020	0.00	0.00%	8.00%
Option Two				
Rate Smoothing	As Scheduled	25.00	0.00%	8.00%
Option Three				
First instalment	1/10/2020	0.00	0.00%	8.00%
Second instalment	1/12/2020	10.00	5.50%	8.00%
Third instalment	1/02/2021	10.00	5.50%	8.00%
Fourth instalment	2/04/2021	10.00	5.50%	8.00%

	2021 Actual \$	2021 Budget \$	2020 Actual \$
Interest on unpaid rates	188,130	128,631	246,100
Interest on instalment plan	53,117	89,995	62,045
Charges on instalment plan	57,484	83,000	64,903
	298,731	301,626	373,048

28. RATE SETTING STATEMENT INFORMATION

		2020/21 Budget	2019/20
	2020/21 (30 June 2021 Carried Forward)	(30 June 2021 Carried Forward)	(30 June 2020 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	11(a) (59,468)	(1,041,005)	(2,290)
Less: Non-cash grants and contributions for assets	4,358	0	0
Less: Movement in liabilities associated with restricted cash	0	0	(1,043,186)
Less: Fair value adjustments to financial assets at fair value through profit and loss	(3,232)	0	(1,441)
Movement in pensioner deferred rates (non-current)	(62,937)	0	(102,967)
Movement in employee benefit provisions (non-current)	85,026	45,000	16,639
Movement in contract liabilities (non-current)	3,017,579	0	0
Add: Cost of land held for resale disposed during year	722,676	0	0
Add: Loss on disposal of assets	11(a) 116,261	47,763	106,788
Add: Depreciation on non-current assets	11(b) 6,147,426	6,479,266	6,366,695
Non cash amounts excluded from operating activities	9,967,689	5,531,024	5,340,238
(b) Surplus/(deficit) after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserves - cash backed	4 (14,749,270)	(11,350,202)	(8,859,313)
Less: Financial assets at amortised cost - self supporting loans	5(a) (44,698)	(44,115)	(41,243)
Less: Current assets not expected to be received at end of year - Land held for resale	7 (182,414)	0	(905,090)
Add: Current liabilities not expected to be cleared at end of year - Current portion of borrowings	18(a) 483,493	482,910	529,208
- Movement in provisions between current & non-current	0	110,448	0
- Current portion of lease liabilities	72,688	32,079	44,396
- Employee benefit provisions	597,002	597,002	597,002
Total adjustments to net current assets	(13,823,199)	(10,171,878)	(8,635,040)
Net current assets used in the Rate Setting Statement			
Total current assets	33,491,468	17,919,001	25,657,085
Less: Total current liabilities	(13,116,938)	(6,431,638)	(11,134,700)
Less: Total adjustments to net current assets	(13,823,199)	(10,171,878)	(8,635,040)
Net current assets used in the Rate Setting Statement	6,551,331	1,315,485	5,887,345

29. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

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

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council has approved the overall risk management policy and provides policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2021					
Cash and cash equivalents	0.30%	28,685,715	2,504,030	26,175,745	5,940
2020					
Cash and cash equivalents	0.25%	19,215,880	0	19,210,270	5,610

Sensitivity

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

Impact of a 1% movement in interest rates on profit and loss and equity*

* Holding all other variables constant

	2021	2020
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	261,757	192,159

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 18(b).

29. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. Whilst the Shire was historically able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of sundry debtors over a period of 12 months and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of customers to settle the receivables.

No expected credit loss was forecast on 1 July 2020 or 30 June 2021 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

The loss allowance as at 30 June 2021 and 30 June 2020 for rates receivable was determined as follows:

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2021					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,409,603	686,217	1,093,021	0	3,188,841
Loss allowance	0	0	0	0	0
29 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,566,305	1,409,019	0	0	2,975,324
Loss allowance	0	0	0	0	0

The loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2021					
Trade and other receivables					
Expected credit loss	0.13%	0.40%	0.92%	1.79%	
Gross carrying amount	421,717	6,163	4,516	8,668	441,064
Loss allowance	542	25	42	155	764
30 June 2020					
Trade and other receivables					
Expected credit loss	0.28%	0.40%	2.57%	6.05%	
Gross carrying amount	1,859,786	108,434	71,827	71,974	2,112,021
Loss allowance	5,197	436	1,848	4,354	11,835

29. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 18(d).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2021					
Payables	4,356,637	0	0	4,356,637	4,356,637
Borrowings	579,948	1,729,377	1,941,148	4,250,473	3,648,135
Contract liabilities	5,626,808	2,680,000	337,579	8,644,387	8,644,387
Lease liabilities	72,688	189,664	101,287	363,639	363,639
	<u>10,636,081</u>	<u>4,599,041</u>	<u>2,380,014</u>	<u>17,615,136</u>	<u>17,012,798</u>
2020					
Payables	2,696,480	0	0	2,696,480	2,696,480
Borrowings	644,121	1,891,389	2,238,094	4,773,604	4,057,343
Contract liabilities	5,557,547	0	0	5,557,547	5,557,547
Lease liabilities	44,396	101,039	85,738	231,173	231,173
	<u>8,942,544</u>	<u>1,992,428</u>	<u>2,323,832</u>	<u>13,258,804</u>	<u>12,542,543</u>

30. 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 2020	Amounts Received	Amounts Paid	30 June 2021
	\$	\$	\$	\$
Unclaimed Monies	35,391	0	(671)	34,720
Building License Bonds	14,000	0	0	14,000
	49,391	0	(671)	48,720

SHIRE OF MURRAY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

31. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

SHIRE OF MURRAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

32. ACTIVITIES/PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of available resources.</p>	<p>Includes the activities of elected members of council and the administrative support available to the Council for the provision of governance of the Shire. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.</p>
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	<p>Rates revenue, late payment penalties, general purpose grants, untied road grants and interest received on investments.</p>
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control, graffiti and litter control, off-road vehicles and other aspects of public safety, including emergency services.</p>
<p>HEALTH To provide an operational framework for environmental and community health.</p>	<p>Provision of health services, including inspection of food outlets, pest control, noise control and other preventative services.</p>
<p>EDUCATION AND WELFARE To provide services to disadvantaged persons, the elderly, children and youth.</p>	<p>Provision of pre-school and senior citizen facilities and welfare and youth programs.</p>
<p>HOUSING To maintain Shire owned residential properties.</p>	<p>Housing owned by the Shire that cannot be allocated to other programs.</p>
<p>COMMUNITY AMENITIES To provide services required by the community.</p>	<p>Provision of rubbish collection services, operation of waste transfer stations, protection of the environment, administration of town planning schemes, provision and maintenance of public conveniences and bus shelters and operation of the Pinjarra cemetery.</p>
<p>RECREATION AND CULTURE To establish and manage infrastructure and resources which will help the social wellbeing of the community.</p>	<p>Provision of facilities and support of organisations and the community with leisure, heritage and cultural activities. This support includes halls, sporting grounds, the Murray Aquatic and Leisure Centre, parks and gardens, art and community festivals and the Murray Public Library.</p>
<p>TRANSPORT To provide safe, effective and efficient transport infrastructure to the community.</p>	<p>Construction and maintenance of roads, bridges, pathways, the works operations centre, canals and waterways, parking facilities and road plant purchases.</p>
<p>ECONOMIC SERVICES To help promote the Shire and its economic wellbeing.</p>	<p>Activities associated with building services, economic development, tourism and area promotion, public utilities and the operation of the Dwellingup Trails and Visitor Centre.</p>
<p>OTHER PROPERTY AND SERVICES To monitor and control the Shire's overhead</p>	<p>Private works, administration and public works overheads and plant operations.</p>

33. FINANCIAL RATIOS

	2021 Actual	2020 Actual	2019 Actual
Current ratio	1.50	1.07	1.84
Asset consumption ratio	0.76	0.76	0.73
Asset renewal funding ratio	1.50	0.93	0.67
Asset sustainability ratio	1.25	1.33	0.72
Debt service cover ratio	8.26	8.71	6.90
Operating surplus ratio	(0.003)	(0.04)	(0.06)
Own source revenue coverage ratio	0.80	0.83	0.81

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Murray

To the Councillors of the Shire of Murray

Report on the audit of the annual financial report

Opinion

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

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the Shire of Murray:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

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

Auditor's responsibility for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matters indicates a significant adverse trend in the financial position of the Shire:
 - a) The Operating Surplus Ratio as reported in Note 33 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries standard for the past 3 financial years.
- (ii) There were no material matters indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law identified during the course of our audit.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (i) In In our opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

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

Matters relating to the electronic publication of the audited financial report




This auditor's report relates to the financial report of the Shire of Murray for the year ended 30 June 2021 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



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Delegate of the Auditor General for Western Australia
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15 February 2022

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