



**SHIRE OF EAST PILBARA**

# **AGENDA**

## **ANNUAL ELECTORS' MEETING**

**NOTICE IS HEREBY GIVEN** that the  
Annual Meeting of Electors will be held,  
in the Council Chambers, Newman  
at 10.30am, Friday 30 June 2023

**Steven Harding**  
**CHIEF EXECUTIVE OFFICER**



## DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of East Pilbara for any act, omission or statement or intimation occurring during Council or Committee Meetings. The Shire of East Pilbara disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that person's or legal entity's own risk.

In particular and without derogating any planning application or application of a licence, any statement or intimation of approval made by any member or Officer of the Shire of East Pilbara during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of East Pilbara.

The Shire of East Pilbara warns that anyone who has any application lodged with the Shire of East Pilbara must obtain and should only rely on

## WRITTEN CONFIRMATION

of the outcome of the application and any conditions attaching to the decision made by the Shire of East Pilbara in respect of the application.

Please be advised this Agenda may include the names of people who are deceased.

Signed: \_\_\_\_\_  
Steven Harding  
Chief Executive Officer

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**ANNUAL ELECTORS' MEETING**  
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## **ELECTORS' GENERAL MEETING PROCEDURES**

The following provides an overview of the legislative provisions governing the format and procedure for the Annual Meeting of Electors.

### ***Prepare Annual Report***

The *Local Government Act 1995* ("the Act") requires that the Local Government is to prepare an Annual Report (section 5.53), accept the Annual Report (section 5.54), advertise its availability to the public (section 5.55) and hold an Annual Meeting of Electors within 56 days of accepting the Annual Report (section 5.27).

### ***Matters for discussion at the Annual Meeting of Electors***

In accordance with section 5.27(3) of the Act and regulation 15 of the *Local Government (Administration) Regulations 1996* ("the Regulations") the matters to be discussed at the Annual Meeting of Electors are firstly the contents of the Annual Report for the previous financial year and then any other general business.

### ***President to preside at the Annual Meeting of Electors***

Section 5.30 of the Act stipulates that the President (or if not available, the Deputy President) is to preside at an Electors Meeting.

### ***Voting at the Annual Meeting of Electors***

Regulation 17 of the Regulations outlines the voting provisions at an Electors Meeting as follows:

1. *Each elector at the meeting is entitled to one vote on each matter to be decided, but does not have to vote;*
2. *All decisions are to be made by a simple majority vote; and*
3. *Voting is to be conducted so that no voter's vote is secret.*

### ***Procedure at the Annual Meeting of Electors***

Regulation 18 of the Regulations states that the procedure at an Annual Meeting of Electors is to be determined by the person presiding (President or Deputy President) at the meeting.

### ***Decisions made at an Annual Meeting of Electors***

In accordance with section 5.33 of the Act, all decisions made at an Annual Meeting of Electors are to be considered at the next Ordinary Meeting of Council or, if that is not practicable:

1. *At the first Ordinary Meeting of Council after that meeting; or*
2. *At a Special Meeting called for that purpose.*

If, at a Meeting of the Council, a Local Government makes a decision in response to a decision made at an Annual Meeting of Electors, the reasons for the decision are to be recorded in the Minutes of the Council Meeting.

***Definition of Elector***

An Elector is defined under the Act as a person who is eligible to vote in an election of the Shire of East Pilbara.

***Speaking at Electors Meetings***

When addressing the Meeting, electors are asked to step up to the lectern and state their name and address for minute taking purposes. Electors will also be asked to complete the public participation form and return it to the Shire's governance staff.

**1 DECLARATION OF OPENING/ ACKNOWLEDGMENT OF COUNTRY**

**2 RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE**

**2.1 ATTENDANCES**

**Councillors**

Cr Anthony Middleton	Shire President
Cr Wendy McWhirter-Brooks	Deputy Shire President
Cr Matthew Anick	Councillor
Cr Peta Baer	Councillor
Cr Langtree Coppin OAM	Councillor
Cr David Kular	Councillor
Cr Annabell Landy	Councillor
Cr Karen Lockyer	Councillor
Cr Adrienne Mortimer	Councillor

**Officers**

Steven Harding	Chief Executive Officer
Emma Landers	Deputy Chief Executive Officer / Director Community Experience
Steve Leeson	Director Corporate Services
Vic Etherington	Director Aviation and Regulatory Services
Etienne Vorster	Acting Director Infrastructure Services
Joshua Brown	Manager Governance, Risk and Procurement
Sally Fry	Governance Administration Officer
Tehsin Ali	Governance Administration Officer ( <i>MS Teams</i> )

**2.2 APOLOGIES**

Cr Stacy Smith

**2.3 LEAVE OF ABSENCE**

**3 DISCLOSURES OF INTEREST**

4 CONFIRMATION OF MINUTES OF PREVIOUS ELECTORS' MEETING

[Minutes June 8 2022 Annual Electors Meeting.docx](#)

**OFFICER'S RECOMMENDATION**

That the Minutes of the Annual Electors' Meeting held on 8 June 2022 as published on the Shire's website, be confirmed as a true and correct record of proceedings.

5 SHIRE PRESIDENT'S REPORT

6 CONSIDERATION OF THE SHIRE OF EAST PILBARA 2021/22 ANNUAL REPORT

Council accepted the Annual Report for the 2021/22 financial year at its Ordinary Meeting on 26 May 2023.

In accordance with section 5.27 of the Act and Regulation 15 of the *Local Government (Administration) Regulations 1996*, electors present at the Annual General Meeting of Electors are invited to raise for discussion any matters concerning the content of the Annual Report and Financial Statements.

[Attachments\Annual Report 2021-22 FINAL PRINT.pdf](#)

<https://www.eastpilbara.wa.gov.au/documents/1056/annual-report-20212022>

**OFFICER'S RECOMMENDATION**

That the Shire of East Pilbara Annual Meeting of Electors receive the President's Report and the Annual Report for the 2021/22 Financial Year.



# Annual Report 2021/2022

Shire of **EAST**  
**Pilbara**  
THE HEART OF THE PILBARA



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*The Shire of East Pilbara acknowledges the Traditional Owners throughout this vast region and their continuing connection to the land, waters and community.*

*We pay our respects to the members of these Aboriginal communities, their cultures, and to their Elders past, present and emerging.*



# About Us

The Shire of East Pilbara - Heart of the Pilbara - is 33% larger than the State of Victoria. Driving east to west takes two days, and six hours from north to south.

The region is rich in Aboriginal heritage, with the Nyiyaparli people and their culture dating back 41,000 years.

Our towns are Newman, Nullagine and Marble Bar, and our Aboriginal Communities include Goodabinya, Irrungadji, Jigalong, Kiwirrkurra, Kunawarritji, Parngurr, Punmu and Warralong. At least 13 Aboriginal groups hold Native Title determinations. They include Lappi Lappi, Ngulupi, Ngururrpa, Ngurra Kayata, Ngurrara, Martu, Kulyakartu, Ngangumarta, Ngarla, Nyamal, Palyku and Nyiyaparli people.

The Shire has a strong mining industry, and a growing tourism industry, the latter of which shines a spotlight on our stunning natural landscapes and cultural heritage.

The Shire plays a vital role in facilitating services to be provided by others or in partnership; influencing decisions made by others that significantly impact community outcomes; and advocating to State and Federal governments and regional agencies for the recognition, funding, policy and planning support of regional initiatives.

Shire of EAST  
Pilbara 1972



372,571sq km



3,047km of unsealed roads  
263km of sealed roads

21.6%

of our Shire's population  
was born overseas\*

17.9%

Aboriginal and/or Torres Strait  
Islander population\*

\* Data is collected from 2021 Census



# President's Report

It is my privilege to present this year's Annual Report. It is one of our most important documents, as it clearly and succinctly lays out the achievements, updates and state of the Shire of East Pilbara, and how we are performing in our duty for the Shire's residents.

In 2021/2022, the Shire went to great strides to provide services, opportunities and activities to and for the community.

We are proud to announce that this year, our Reconciliation Action Plan - Reflect (RAP) was endorsed by the Shire of East

Pilbara Council, and was sent to Reconciliation Australia for review and endorsement.

The RAP provides us the opportunity to turn good intentions into real actions. We have designed the plan to integrate with our Strategic Community Plan and Corporate Business Plan, so our Reconciliation actions will be defined and measurable as we move forward.

Tourism has been a major priority for the Shire for several years now, as we know that the region has a lot to offer in the

way of stunning natural vistas and unique adventures to be had.

We launched the Pilbara East App, which will highlight the natural wonders of the area, while putting our local businesses in a spotlight, and their role in bringing character and flavour to the things to explore in our region.

Council also adopted the Recreation Master Plan for incorporation into our Long Term Financial Plan, to provide achievable actions for our community's priorities.

# CEO's Report



The Annual Report is our organisation's opportunity to report back to the community on what we've delivered over the past 12 months.

This year the Shire commenced on planning and delivery of upgrades at Newman and Marble Bar Airports, the Newman Aquatic Centre, and the Liquid Waste Facility, to the inception of the Reconciliation Action Plan, and the Waste and Recycling Guide.

Thank you to everyone who participated in the Strategic Community Plan (SCP)

consultation. The information gathered was instrumental in the Plan's major review. We are aligning our community's priorities with our organisation's plans.

All our other Intergrated Planning and Reporting Framework documents will now align with the SCP, so we can be confident in the knowledge that any change and money spent is beneficial and prioritised by the community's benefit and expectations.

We have been using this information in our Advocacy

efforts at an industry, State and Federal level, to advocate for funding and support to improve our community's future.

In addition to taking a look back on the year that was, I am also pleased provide an insight into our plans for the coming 2022/2023 year, with a two-page spread looking at just some of the projects, services and upgrades we intend to provide throughout the year. It proposes actions that align with the strategic documents we have designed in consultation with the community, for the benefit of generations to come.

# Councillors 2021/2022



**Anthony Middleton**  
Shire President  
**South Ward**  
shirepresident@eastpilbara.wa.gov.au

During the preparation of this document, the Shire of East Pilbara community and organisation lost one of its champions.

*Anita Grace*

*2 July 1957 - 14 August 2022*

Throughout her 26-year tenure on Council, Cr Grace served as Deputy President for seven years, and also served on many committees. Cr Grace was instrumental in the formation of the Newman Women's Shelter and supported many local organisations.



**Anita Grace**  
**South Ward**  
Years of service: 1996 - 2022



**Gerry Parsons**  
**South Ward**  
Years of service: 2011 - 2021



**Langtree (Lang) Coppin OAM**  
**North Ward**  
L.Coppin@eastpilbara.wa.gov.au



**Karen (Lou) Lockyer**  
**South Ward**  
L.Lockyer@eastpilbara.wa.gov.au



**Holly Pleming**  
**South Ward**  
Years of service: 2019 - 2022



**Stacey Smith**  
**Lower Central Ward**  
S.Smith@eastpilbara.wa.gov.au



**Adrienne Mortimer**  
**North West Ward**  
A.Mortimer@eastpilbara.wa.gov.au



**Wendy McWhirter-Brooks**  
Deputy President  
**Central Ward**  
w.mcwhirter-brooks@eastpilbara.wa.gov.au



**Annabell Landy**  
**East Ward**  
ALandy@eastpilbara.wa.gov.au



**Matthew Anick**  
**South Ward**  
MANick@eastpilbara.wa.gov.au



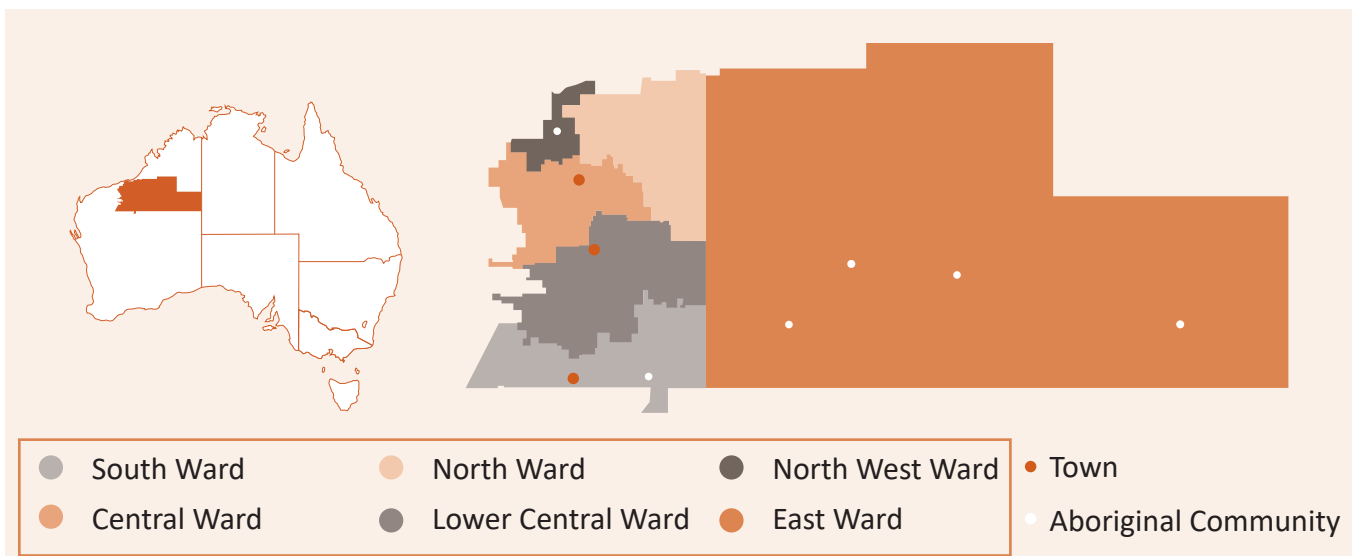
**Peta Baer**  
**South Ward**  
PBaer@eastpilbara.wa.gov.au



**David Kular**  
**South Ward**  
DKular@eastpilbara.wa.gov.au

# Councillor Attendance

Councillor	Ward	Ordinary Council Meetings Attended	Committee Meetings Attended
Cr Anthony Middleton	South	10/11	6
Cr Anita Grace	South	7/11	N/A
Cr Gerry Parson	South	2/3	1
Cr Lang Coppin	North	10/11	3
Cr Karen Lockyer	South	10/11	5
Cr Holly Pleming	South	7/7	1
Cr Stacey Smith	Lower Central	9/11	N/A
Cr Adrienne Mortimer	North West	7/11	N/A
Cr Wendy McWhirter-Brooks	Central	11/11	3
Cr Annabell Landy	East	8/8	N/A
Cr Matthew Anick	South	8/8	N/A
Cr Peta Baer	South	8/8	2
Cr David Kular	South	1/1	N/A



# Executive Management

**Steven Harding**  
**Chief Executive Officer**

- Strategic Corporate Planning
- Corporate Marketing & Communications
- Organisation Oversight & Administration of Shire Resources
- Implementation of Council Policies & Decisions
- People and Culture Services



**Emma Landers**  
**Deputy CEO and Director Organisation Development**

- Advocacy
- 2050 Plan
- Business Improvement
- Special Projects
- Stakeholder Management
- Organisational Strategy & Performance
- Community Consultation & Engagement
- Partnership Development
- Grants (incoming & outgoing)
- Martumili Centre - Exhibition & Gallery
- Reconciliation Plan & Cultural Development



**Eric Plet**

**Director Community Services**

*Lisa Clack (Until Oct 2021) and  
Emma Landers (Until Dec 2021)*

- Aquatic Services
- Recreation Services
- Sports & Club Development
- Activation & Events
- Emergency Services
- Youth Services & Development
- Place Management Newman & Rural
- Community Development
- Library Services
- Community Safety & Ranger Services



**Stephen Leeson**

**Director Corporate Services**

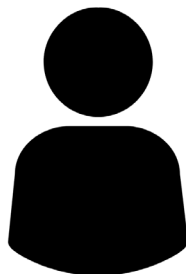
- Finance
- Governance
- Strategic Workforce & Corporate Business Plans
- Customer Service & Bookings
- IT Strategy & Management
- Records Management
- Asset Management - Planning
- Work Health & Safety
- Internal Audits
- Procurement



**Director Infrastructure Services**

*Raees Rasool (Until Aug 2021) and  
Bart Servaas (Until Feb 2022)*

- Civil Operations
- Infrastructure Design & Development
- Infrastructure Maintenance
- Parks & Gardens
- Capital Projects Management & Delivery
- Waste Management
- Road & Drainage
- Wastewater Service
- Fleet Management



**Vic Etherington**  
**Acting Director Commercial Services**

*Ben Lewis (Until Sep 2021)  
and Bill Burke (Until Apr 2022)*

- Aviation Services
- Contracts and Leasing
- Economic Development
- Building Services
- Strategic & Statutory Town Planning
- Environmental Health
- Property Management





# Workforce Summary

Shire of East Pilbara	2020/2021	2021/2022	Trend
Total Staff Numbers (including Casual)	~200	160	▼
Full Time Equivalent Staff	100.11	149.09	▲
Employment - Aboriginal Australian	19.81%	28.50%	▲
Employment - Women	61.84%	59%	▼

*Below: Regulation 19B of the Local Government Regulations 1996 requires the reporting of the number of employees within the Shire of East Pilbara with an annual salary of \$130,000 or more.*

Salary Range (\$ per annum)	Total
10,000 - 130,000	135
130,000 - 140,000	3
140,000 - 150,000	7
150,000 - 160,000	0
160,000 - 170,000	0
170,000 - 180,000	0
180,000 - 190,000	1
190,000 - 200,000	2
200,000 - 210,000	2
210,000 - 220,000	0
220,000 - 230,000	0
230,000 - 240,000	0
240,000 - 250,000	0
<b>Total</b>	

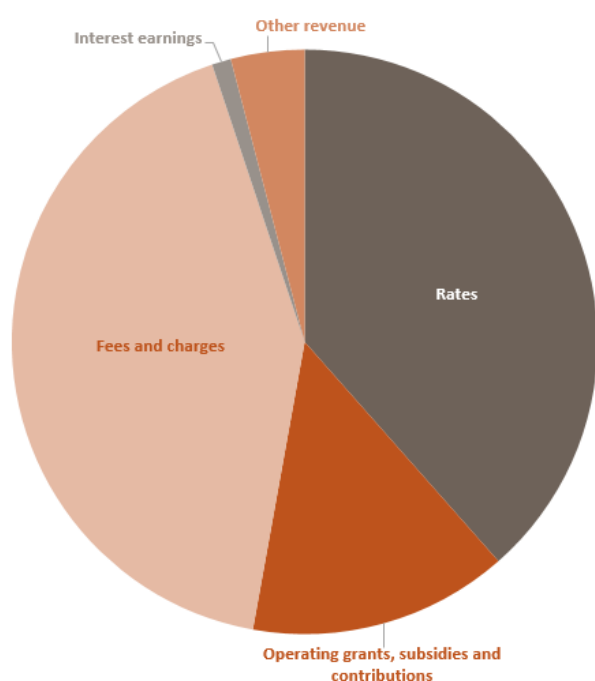
*The Chief Executive Officer total remuneration package is \$265,650.*



# Financial Summary

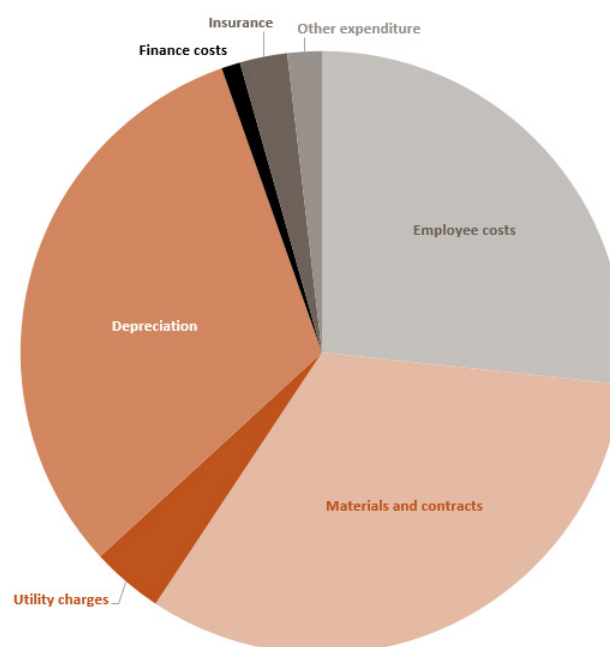
## Finance 2021/2022

Operating revenue	\$
Rates	21,181,469
Operating grants, subsidies and contributions	7,889,391
Fees and charges	23,132,292
Interest earnings	578,778
Other revenue	2,238,295
<b>Total operating revenue</b>	<b>55,020,225</b>



## Operating expenses

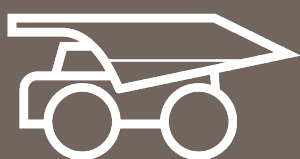
	\$
Employee costs	13,635,742
Materials and contracts	16,673,452
Utility charges	1,969,104
Depreciation	16,061,765
Finance costs	515,827
Insurance	1,301,887
Other expenditure	942,416
<b>Total operating expenses</b>	<b>51,100,193</b>



Shire of East Pilbara	2020/2021	2021/2022	Trend
Total Number of Rateable Properties	4874	4874	-
Minimum General Residential Rate	663	715	▲
Rates Levied (excluding services)	\$14,327,704	\$21,181,469	▲
Operating Revenue	\$43,780,896	\$55,020,225	▲
Total Assets	\$307,342,079	\$379,105,900	▲
Capital Grants Revenue	\$7,262,953	\$6,509,379	▼
Operating Grants Revenue	\$5,849,232	\$7,889,391	▲
Contracts Awarded	\$20,390,000	\$34,090,000	▲

# Shire of East Pilbara: 2021-2022 at a glance

## Economic



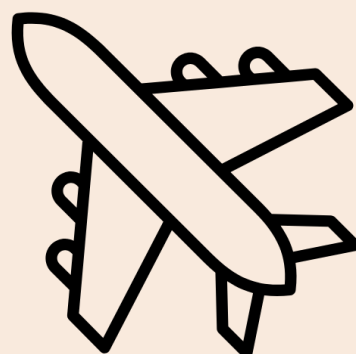
**38.1%\***

Employed in the iron  
ore mining industry

**NEWMAN**

Airport Passengers

**365,062**



**\$32B**

commodities  
mined in 2021

**\$31,346.49**

in Community Assistance Grants  
Program funding provided

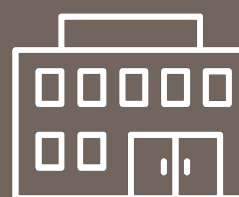
## Shire

**Planning  
Applications**

**41**

**Building  
Permits**

**106**



**Facilities  
Bookings**

**Artworks created  
at Martumili**

**1699**

**Artworks sold at  
Martumili**

**1597**

**4922**

# East Pilbara Population

# 9,760

**Median Age**  
34



**3,550**  
Private dwellings



## New Zealand

Highest population of residents born in another country (6.8%), other than Australia

# 74.9%

of the 5,042 people in the labour force, aged 15 and over, work full time

# 930 Volunteers



# 2.9

Average household population

\* Data is collected from 2021 Census

# Statutory Information

## Official Conduct Report

Section 5.121 of the Local Government Act 1995 (“the Act”) requires the Shire to report on the number, if any, of complaints that result in a finding under section 5.110(2)(a) of the Act, that a minor breach has occurred. The Shire received no such complaints during the 2021/2022 financial year.

## Freedom of Information

The Freedom of Information Act

1992 gives the public the right to access documents held by the Shire of East Pilbara, subject to the exemptions in the Act.

## Recordkeeping Statement

The Shire of East Pilbara is committed to the reliable and systematic management of government records, in accordance with legislative requirements and best practice standards.

The Shire’s current record-keeping plan, RKP 2018028,

was submitted to the State Records Office and subsequently approved on 12 December 2019. In accordance with the State Records Act 2000, the plan is to be reviewed within the next five years and submitted to the State Records Office by 12 December 2024.

**13,661**  
Records captured  
in 2021/2022



*Progress made on our Disability Access and Inclusion Plan is required for the Disability Services Act 1993. This is a snapshot of what we submitted to the State Government at the end of the 2021-2022.*

# Access and Inclusion Plan

## **General Services and Events**

The Shire embedded accessibility, inclusivity and liveability of the community into the review of the Strategic Community Plan.

Accessibility and inclusion forms part of planning for events, and facilities are chosen for maximum inclusivity.

## **Buildings and Facilities**

Accessibility and inclusion is a feature of all Shire planning

and design for new facilities. Shire administration buildings are accessible with ramps and handrails provided in both Newman and Marble Bar. The Marble Bar Civic Centre and Nullagine's Gallop Hall are accessible and include a wheelchair-accessible bathroom.

We also undertook an accessibility access audit of all our Shire buildings.

## **Information and Communication**

Following the popular

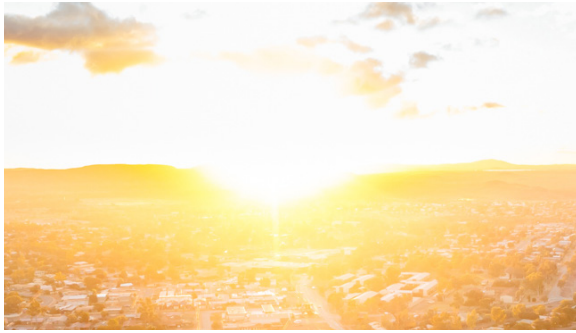
Communication Boards' installation in local parks in Newman, Nullagine and Marble Bar, we broadened these out and placed them in the Newman and Marble Bar Aquatic Centres.

The Communication Boards are a tool for low-verbal or low-literacy people to communicate their needs by pointing to a picture on the board, which has a corresponding word underneath. This enables communication in an accessible and inclusive way.





- Completed annual inspection of all public building in the Shire, including public buildings on mine sites.
- Improved event planning approval processes for customers by combining required information into one form, rather than different forms across several departments, to help with health and other approvals.
- Began helping other Local Governments and private enterprises with their permits, which brought in another source of revenue.
- 3 new maps were produced for the Shire's three towns.
- Secured a 5-year partnership with BHP for Martumili.
- Investigated tourism kiosks for Newman, Marble Bar and Nullagine, to promote activities and exploration throughout the Shire, in the following financial year.
- Reopened Nullagine Caravan Park after it was closed following the December 2020 flooding incident.
- Achieved the highest sales record ever, through commercial sales at the Martumili Gallery, online and with gallery partners.
- Secured \$300,000 funding for the Warrarnku Ninti | Kujungka project, comprising of a 2-year program of activities in engaging emerging artists in the creation of new works.



## Strategic Community Plan

In November 2021, the Shire undertook community and stakeholders consultation to update the Strategic Community Plan.

The Shire used the information gathered from the community to identify the aspirations and priorities of the community, for future delivery of Shire services, priorities and infrastructure.

The completed plan will be adopted by Council in the 2022/2023 financial year, and will be the overarching strategic document to inform other shire plans, which will guide the Shire to deliver the community's vision.



## Pilbara Light Show

The Shire of East Pilbara held the inaugural Pilbara Light Show in June 2022, which featured Martumili artwork projected using lights, on a giant screen.

The use of the light projection enabled the artwork to appear as if it were moving, which, when coupled with the auditory sound of crackling fire and the feeling of sand beneath your feet, provided an experience unlike anything else.

The three-day event tied in with NAIDOC Week, and was made possible with Presenting Partner BHP and major sponsor BTP Group.

The free event was almost completely booked out across the three days.



## Launched Pilbara East App

In an effort to promote the region, the Shire of East Pilbara worked with partners to produce the Pilbara East brand and app.

The Pilbara East brand focuses on promoting the region as an untamed, untouched oasis full of natural and cultural wonders.

The app and planned website, enables local businesses to promote their services to potential visitors.

Future version of the app will include maps and points of interest for people to visit, as well as listing what events the Shire and other groups have taking place in the region.



## Martumili brightens Sydney

Martumili Artists was selected to light up the Sydney Opera House in May and June 2022, as part of Vivid Sydney. Vivid Sydney is an annual festival of Light, Music, Ideas and Food, and Martumili's artwork

'Yarrkalpa- Hunting Ground, Parngurr Area (2013)' was brought to life using light projection by Curious Studios and soundscape by Electric Fields Music.

The artwork was created by eight senior Martu women, and the work teaches people how Martu people lived and continue to live.

The presentation was a 15 minute AV projection adapted from the artwork, and projected several times a night over a 23-day period.



## Social 2021/2022 Achievements

**Outcome: Harmonious communities sharing strong community connections.**

- Newman Aquatic Centre had a 36% increase in attendance, and 32% increase in income (despite closing 7 weeks early for the season).
- Work began on the Newman Aquatic Centre upgrade, with the replacement of the damaged pool liner.
- Rural Fitness Centre memberships in Marble Bar and Nullagine increased.
- The East Pilbara Strategic Recreation Masterplan and Implementation Plan was adopted.
- Workshops and events were held to expand and assist local community groups.
- 32 Community Assistance Grants were approved, valued at over \$31,000.
- Citizenship Ceremonies (with attendance by WA State MLA, and the first Nullagine ceremony) were held in the East Pilbara.
- Events throughout the year included Thank a Volunteer & Sports Star Awards; Concert on the Green; Christmas festivities and Lights Tour; Australia Day across all three towns, Welcome to Newman; RottoSwim Challenge; Newman Triathlon; Reconciliation Ball; WA Day in all three towns; and the NAIDOC Opening Ceremony in Newman.
- Community Wellbeing events included: rural art workshops; Rowan's Walk in Newman; R U OK Day.
- Christmas Pool Party attendance tipped over 600 people, and Australia Day attendance doubled to over 260 people.
- 120 people attended the Mother's Day Classic.
- Youth Events: Youth Week; International Women's Day celebration; the inaugural International Men's Day celebration; Christmas Party; and Christmas Lunch.
- Delivered the Nullagine Colour Run during the Martu Youth Festival.
- Created the Newman Library Facebook page.
- Over 500 enrolments for Swim School in Newman.
- Marble Bar Swimming Pool was opened for 1262 hours.
- Creche attendance increased 14.4% and income increased 4%.
- Partnered with Marble Bar Police to host a Halloween Disco for young people.
- Partnered with Nullagine Police to deliver an October School Holiday Blue Light Disco.
- Delivered multiple Social Inclusion and Disability workshops with Inclusion Solutions.
- Introduced four new programs: Junior Lifeguard Club, Living with Water StoryTime, Multisport and adult swimming lessons.
- Introduced Aquafit in Term 1 of 2022, and the Department of Education delivered VacSwim and in-term swimming lessons.
- Changed 180 minute sessions to 90 minutes at creche, to double available spots.
- Successful funding application to implement a RYDE program in Newman, to support young learner drivers to gain their 50 hours of supervised driving.
- Agreement put in place with the Newman Women's Shelter to support the Martu Night Patrol.
- Library Services obtained a grant to purchase and deliver Virtual Reality goggles for young people.
- Increased the Shire's e-resource Library catalogue to now include BorrowBox, Libby, Hoopla, Story Box Library, Online Book Club, Biodiversity Heritage Library and Open Library.
- Marble Bar Book Exchange Barrow began.



## CCTV Tender Phase 1 and 2

CCTV Tender Phase 1 and 2 was undertaken by using the WALGA Preferred Supplier Plan, inviting submissions from 4 suppliers.

Partnered with BHP to deliver the project for the community.

Phase one of the project took place at the end of 2021, and is worth \$757,000 and includes the installation of cameras in Newman hotspots. Locations will include installation around the Newman town centre, Newman Aquatic Centre, Newman Recreation Centre and more.

CCTV cameras are planned in high-traffic areas, and we will work towards Phase 3.



## Moving Forward Program

The Shire of East Pilbara was successful in its funding application with the Department of Justice to implement the Moving Forward Program.

The aim of the program is to provide education to young people around anti-social behaviours and reduce youth offending in the region.

The program will use three avenues to improve young people's education about the consequences of anti-social behaviour, volatile substance abuse and stealing vehicles.

The program will include a mural project in Newman, hip-hop music workshops and the Key to Life Program.



## Reconciliation Action Plan

Reconciliation Action Plan Reflect was endorsed by the Shire of East Pilbara Council, and was sent to Reconciliation Australia for review and endorsement.

The Reconciliation Action Plan Reflect provides an opportunity for our organisation to turn good intentions into real action and to rise to the challenge of reconciling Australia. A RAP takes a holistic approach to create meaningful relationships, enhanced respect and promote sustainable opportunities for Aboriginal and Torres Strait Islander Peoples.

The Shire of East Pilbara is committed to completing the actions and deliverables in the plan.



## Multipurpose Courts Built

Construction of the multipurpose courts was completed and provides upgraded playing services for many sports.

The courts were previously for netball, but now also include the capacity for basketball and tennis to be played on the surfaces.

The Shire of East Pilbara implemented the ability for the community to make bookings through the website, in addition to over the phone.

The courts' surface is competition-grade and may encourage bigger competitions and tournaments to be played in Newman.



- The award-winning design for the Reverse Osmosis Plan at Cape Keraudren is now functioning, providing drinkable water to visitors.
- The ongoing recovery works from the 2020 Nullagine flood were finalised early in the year.
- The street sweeper being used in Marble Bar was implemented in Newman and Nullagine.
- The exterior of the Newman Aquatic Centre was painted in Shire Branded Aquatic colours.
- Recommissioned of the Town Square's AV system.
- Began the construction of the ponds at the Liquid Waste Facility.
- Increased the amount of footpath construction in the Shire of East Pilbara, as a result of a successful grant application.
- Achieved an increased volume of grants for our Shire's Indigenous roads.
- Reopened the historical Corunna Downs airstrip for use while the Marble Bar Airport was being upgraded.



## Landfill Management

The Shire of East Pilbara assumed management of the Newman Waste Management Facility landfill.

It allows the Shire to operationally-manage the facility on the ground, after being contracted out for 20+ years.

As a result, there was additional recruitment of staff, and enable the ability to select the improved and appropriate equipment to run and extend the life of the landfill.

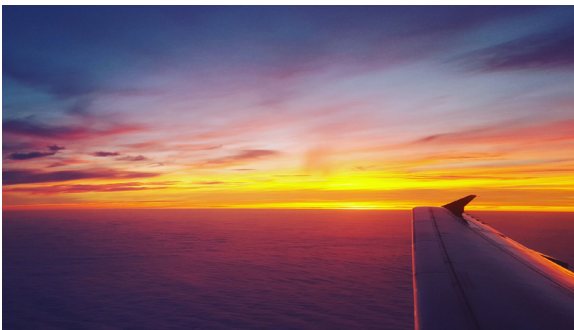
This now increases the recycling and recovery methods on site, for improved environmental sustainability benefits for the years to come.



## Newman Airport Upgrades

The tarmac area at the Newman Airport (with work provided in-house) was enlarged for tractors, trolleys and stairs, for Virgin Australia and QANTAS.

Looking forward to the 2022/2023 financial year, the Shire will be completing the design for an upgraded baggage carousel, and we will also be going out for tender for the runway lighting upgrades.



## Marble Bar Airport Upgrades

Undertook a joint Marble Bar Airport upgrade between Local Government and industry.

The purpose of these upgrades were to enable the operation of jet aircraft, and improved access to the region, and enable 100+ seater passenger jets to land there.

This includes extending the existing runway, strengthening and widening the pavement, and construction of a new taxiway and apron area.

Remaining works will take place in 2022/2023 and include a new car park, access road and terminal building.



## Wastewater Treatment Plant

The Shire obtained the approvals needed, including State Government approvals, for the emergency bypass at the plant. With these approvals, the emergency bypass will be completed in the 2022/2023 financial year.

Licence applications for the proposed upgrades to the plant have been lodged.

This is just one portion of planned projects to upgrade the Wastewater Treatment Plant, which is vital infrastructure for the Newman community.

Future upgrades will provide improved and efficient wastewater processing in the community.

# Natural Environment 2021/2022 Achievements

Outcome: Valued iconic Pilbara environmental assets and biodiversity.

- Won the WA Regional Waste Award at the 2022 WasteSorted WA Awards.
- A total of 1.9 million containers were refunded in the 2021/2022 financial year.
- Released the Waste and Recycling Guide for residents and visitors, with information presented in pictorial form, as well as English and Martu Wangka.
- All eligible Shire residential properties now have Colorbond roofing and solar panels, which is the culmination of a 5-year program.
- Developed a plan to plant over 300 trees in Newman.



## WasteSorted WA Awards

The Shire of East Pilbara won the WA Regional Waste Award at the 2022 WasteSorted WA Awards.

The Shire was nominated in recognition of the environmental and recycling projects undertaken in the region, and the breadth of their success in the community.

The award included recognition of our waste education program, undertaking and the success of recycling in Newman, reducing recycling contamination levels by 71%, the success with the Bin Tagging Program, and the introduction of infrastructure for safe disposal of waste.

The Shire received the award on 19 May 2022.



## Containers for Change

A total of 1.9 million containers were refunded in the 2021/2022 financial year.

That is 1.9 million containers kept out of landfill, which has improved recycling in the community, while also putting a little bit of money back into residents' pockets, while also supporting local volunteer clubs and organisations.

Since opening in Oct 2020, the East Pilbara Refund Point has now refunded 3.3 million containers, a massive achievement for a community that didn't even have a recycling service in 2020

The operation of the East Pilbara Refund Point, open on Saturdays, has also increased local employment.



## Waste and Recycling Guide

The Shire of East Pilbara released the Waste and Recycling Guide for residents and visitors, with information presented in pictorial form, as well as English and Martu Wangka.

The guide was printed on recycled paper and included information on waste avoidance, bin placement on the kerb, information on landfill, Containers for Change and bulk waste disposal in the region.

The books were provided to Newman residents via a letter drop in May 2022.

Coinciding with the release of the Guide, was a series of three waste education videos (in English and Martu Wangka).



## Greening Up Newman

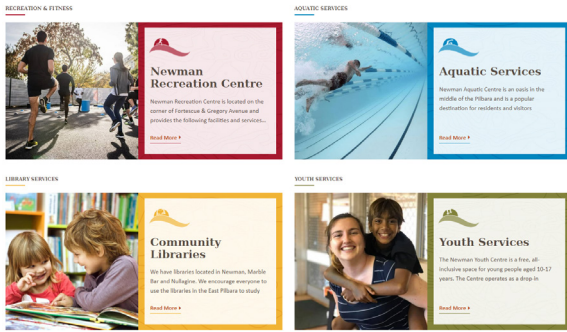
We increased the capacity for landscaping, with the plan to plant over 300 trees in Newman.

As part of this \$20 million project, the plan is to increase the irrigation infrastructure of the town's public open spaces, which will also divert treated wastewater away from the P1 drinking zone at the wetlands, to a P3 zone.

Once completed, the project is designed to improve the aesthetic appearance of Newman, while also helping to assist cooling the hot climate in Newman.



- Began a review of our Asset Management through the updating of Asset Management Plans.
- The 2021/2022 Rates model (six categories) added an additional \$7 million raised in rates.
- Introduced Mandatory Accountable and Ethical Decision-Making training for all staff.
- Completed the Rating Strategy 2021 - 2026.
- Introduced a new Financial Hardship Policy.
- Undertook a reduction in Outstanding Sundry Debt.
- Adopted a Code of Conduct for Employees.
- Undertook website publications compliance.
- Replaced the online booking system with Room Manager for Yurlu Caravan Park and Cape Keraudren.
- Averaged a three-day turnaround for building permits.
- Organisation COVID-19 measures were introduced.
- Undertook the Staff Wellbeing Program, which provided flu and Hepatitis vaccinations.
- Undertook ergonomic assessments of employee office spaces, and began rolling out ergonomic furniture.
- Had increased exposure of the Shire's projects and achievements through social media channels.



## Launched new Shire Website

The Shire completed a \$150,000 project to create a new Shire website, a Councillor Portal and an intranet.

The new Shire of East Pilbara website launched on 23 December 2021 and introduced a raft of new features for the community, including the ability to subscribe to news, events and road report information. Functionality improvements included a more intuitive website layout, a text-reader function, and the ability to adjust text size and contrast colours.

The other two internal sites provide easy sharing of information to allow for greater efficiency in the Shire.

## Equipment Upgrades

The Shire provided Councillor equipment upgrades, including meeting rooms' infrastructure, and MS Teams. Shire staff additionally began using the 3CW phone system.

This upgrade enabled staff to work through COVID-19 periods when close contacts were unable to be in the office, provided server access on business trips, and reduced paper being used by Councillors and Staff.

The hardware and software upgrades improved efficiency across different areas of the Shire of East Pilbara, and have improved information-sharing.



## Local Government Elections

The Shire held its Ordinary election in October 2021 for seven positions across different Wards. In addition to the re-election of several Councillors, the election also resulted in three new Councillors: Annabell Landy, Matthew Anick and Peta Baer.

Towards the end of the financial year, the Shire also held an Extraordinary to fill a vacancy on Council.

Cr David Kular was elected in June 2022.

## Organisation Structure

The Shire updated the Organisation Structure to include a new portfolio called Organisation Development, to focus on advocacy, grants and partnerships.

The region has a lot to offer the Shire, the community, business owners and individuals, and Organisation Development will help to foster and strengthen relationships between Government and community.

Advocacy is an important part of the Shire, as it feeds into the Strategic Community Plan, which outlines the community's priorities for the region's future. The Shire will use that document and advocate for funding and support to improve our community.



# Major Initiatives 2022-2023



## \$2.76m - Newman Aquatic Centre Renewal

Project	\$
Cape Keraudren potable water	\$200,000
CCTV Stage 2	\$374,000
Waste Services improvements	\$500,000
Newman Airport lighting upgrade	\$4M
Newman Liquid Waste Facility	\$8.8M
Marble Bar airstrip upgrade	\$14M

In 2022/2023, the Shire of East Pilbara will be launching its first Reconciliation Action Plan - Reflect.

A Reconciliation Action Plan (RAP) provides an opportunity for our organisation to turn good intentions into real action and to rise to the challenge of reconciling Australia. A RAP takes a holistic approach to create meaningful relationships, enhanced respect and promote sustainable opportunities for Aboriginal and Torres Strait Islander Peoples.

The RAP- Reflect is one of the Shire's strategic documents, which means it informs, and is informed by, the Shire's Strategic Community Plan and Corporate Business Plan.

The document is the first of four RAPs produced as part of the Shire's commitment to Reconciliation with our First Nations Peoples.

Shire of **EAST Pilbara**  
THE HEART OF THE PILBARA



**Reconciliation Action Plan**  
Nov 2022 - Nov 2023

*Reflect*

## Emu Oval Sports Lighting



The Shire will complete this \$370,000 project that was identified in the Strategic Recreation Masterplan.

The project will include the installation of two additional light pole towers, and changing all existing lighting fixtures to LED technology. The upgrade will benefit small-ball sports and general use.

## Delivery of Shire Events

The Shire of East Pilbara intends to provide a vibrant and diverse range of events for the communities across Newman, Nullagine and Newman.

The \$400,000+ events program includes grant funding from various sources, and will be used throughout the year for town favourites, new events and returning events.



## Yurlu Caravan Park Upgrades



We are planning a variety of aesthetic, infrastructure and operational changes at Yurlu Caravan Park, which will begin throughout the financial year with a \$250,000 budget.

Upgrades include planting trees and greenery, layout updates and planning for more features and accommodation types.

# Financial Report

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**SHIRE OF EAST PILBARA**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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

A diverse community thriving in a vast landscape that offers a world of opportunity and rich heritage and culture.

Principal place of business:  
Cnr Kalgan & Newman Drive  
Newman WA 6753

**SHIRE OF EAST PILBARA  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

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

**Statement by Chief Executive Officer**

The attached financial report of the Shire of East Pilbara for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of East Pilbara at 30 June 2022 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 13<sup>th</sup> day of May 2023

  
\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Steven Harding



SHIRE OF EAST PILBARA  
STATEMENT OF COMPREHENSIVE INCOME  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Revenue</b>				
Rates	26(a),2(a)	21,181,469	21,015,600	14,327,704
Operating grants, subsidies and contributions	2(a)	7,889,391	4,993,200	5,849,232
Fees and charges	25(c),2(a)	23,132,292	21,840,000	21,691,386
Interest earnings	2(a)	578,778	406,800	447,855
Other revenue	2(a)	2,238,295	1,183,100	1,464,720
		55,020,225	49,438,700	43,780,897
<b>Expenses</b>				
Employee costs		(13,635,742)	(14,067,500)	(13,297,414)
Materials and contracts		(16,673,452)	(20,502,700)	(13,980,130)
Utility charges		(1,969,104)	(2,036,200)	(1,722,437)
Depreciation	10(a)	(16,061,765)	(16,900,100)	(17,671,266)
Finance costs	2(b)	(515,827)	(248,600)	(170,308)
Insurance		(1,301,887)	(1,174,600)	(1,007,578)
Other expenditure	2(b)	(942,416)	(734,200)	(1,461,106)
		(51,100,193)	(55,663,900)	(49,310,239)
		3,920,032	(6,225,200)	(5,529,342)
Non-operating grants, subsidies and contributions	2(a)	6,509,379	6,168,800	7,262,953
Profit on asset disposals	10(b)	76,352	152,800	104,147
Loss on asset disposals	10(b)	(145,702)	(185,800)	(402,571)
Fair value adjustments to financial assets at fair value through profit or loss		4,996	0	0
		6,445,025	6,135,800	6,964,529
<b>Net result for the year</b>		<b>10,365,057</b>	<b>(89,400)</b>	<b>1,435,187</b>
<b>Other comprehensive income for the year</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	1,224,731	0	(10,939,158)
<b>Total other comprehensive income/(loss) for the year</b>	17	<b>1,224,731</b>	<b>0</b>	<b>(10,939,158)</b>
<b>Total comprehensive income for the year</b>		<b>11,589,788</b>	<b>(89,400)</b>	<b>(9,503,971)</b>

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



SHIRE OF EAST PILBARA  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	34,028,491	47,848,122
Trade and other receivables	5	3,392,276	3,581,371
Other financial assets	4(a)	42,637,421	19,951,682
Inventories	6	255,878	95,483
Other assets	7	4,261,841	400,292
<b>TOTAL CURRENT ASSETS</b>		<b>84,575,907</b>	<b>71,876,950</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	10,026	8,420
Other financial assets	4(b)	97,255	92,259
Property, plant and equipment	8	69,243,644	69,399,632
Infrastructure	9	225,179,068	226,706,458
<b>TOTAL NON-CURRENT ASSETS</b>		<b>294,529,993</b>	<b>296,206,769</b>
<b>TOTAL ASSETS</b>		<b>379,105,900</b>	<b>368,083,719</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	6,477,223	5,682,920
Other liabilities	13	3,744,310	3,524,216
Borrowings	14	384,436	466,132
Employee related provisions	15	1,245,399	1,172,391
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,851,368</b>	<b>10,845,659</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14	2,008,676	2,393,112
Employee related provisions	15	143,553	206,840
Other provisions	16	15,795,637	16,921,230
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>17,947,866</b>	<b>19,521,182</b>
<b>TOTAL LIABILITIES</b>		<b>29,799,234</b>	<b>30,366,841</b>
<b>NET ASSETS</b>		<b>349,306,666</b>	<b>337,716,878</b>
<b>EQUITY</b>			
Retained surplus		158,939,675	159,103,801
Reserve accounts	29	68,580,931	58,051,748
Revaluation surplus	17	121,786,060	120,561,329
<b>TOTAL EQUITY</b>		<b>349,306,666</b>	<b>337,716,878</b>

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



SHIRE OF EAST PILBARA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2020</b>		<b>164,390,343</b>	<b>51,330,019</b>	<b>131,500,487</b>	<b>347,220,849</b>
Comprehensive income for the year					
Net result for the year		1,435,187	0	0	1,435,187
Other comprehensive income for the year	17	0	0	(10,939,158)	(10,939,158)
Total comprehensive income for the year		1,435,187	0	(10,939,158)	(9,503,971)
Transfers from reserves	29	2,571,553	(2,571,553)	0	0
Transfers to reserves	29	(9,293,282)	9,293,282	0	0
<b>Balance as at 30 June 2021</b>		<b>159,103,801</b>	<b>58,051,748</b>	<b>120,561,329</b>	<b>337,716,878</b>
Comprehensive income for the year					
Net result for the year		10,365,057	0	0	10,365,057
Other comprehensive income for the year	17	0	0	1,224,731	1,224,731
Total comprehensive income for the year		10,365,057	0	1,224,731	11,589,788
Transfers from reserves	29	389,144	(389,144)	0	0
Transfers to reserves	29	(10,918,327)	10,918,327	0	0
<b>Balance as at 30 June 2022</b>		<b>158,939,675</b>	<b>68,580,931</b>	<b>121,786,060</b>	<b>349,306,666</b>

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



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SHIRE OF EAST PILBARA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022

NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates	20,701,283	21,572,265	14,310,598
Operating grants, subsidies and contributions	9,265,381	7,569,056	5,289,415
Fees and charges	23,364,386	22,050,700	21,691,386
Interest received	578,778	406,800	447,855
Goods and services tax received	3,324,782	1,205,040	2,258,249
Other revenue	2,238,295	1,183,100	1,464,720
	59,472,905	53,986,961	45,462,223
<b>Payments</b>			
Employee costs	(13,600,155)	(15,302,629)	(13,323,189)
Materials and contracts	(20,014,939)	(22,709,359)	(14,090,946)
Utility charges	(1,969,104)	(2,036,200)	(1,722,437)
Finance costs	(143,905)	(221,847)	(176,638)
Insurance paid	(1,301,887)	(1,174,600)	(1,007,578)
Goods and services tax paid	(3,452,191)	(1,400,000)	(2,419,842)
Other expenditure	(1,064,841)	(734,200)	(1,461,106)
	(41,547,022)	(43,578,835)	(34,201,736)
<b>Net cash provided by (used in) operating activities</b>	18(b) 17,925,883	10,408,126	11,260,487
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a) (3,741,067)	(4,300,000)	(4,564,900)
Payments for construction of infrastructure	9(a) (11,078,751)	(34,115,500)	(7,643,947)
Non-operating grants, subsidies and contributions	6,126,880	6,168,800	9,794,397
Proceeds from financial assets at amortised cost	(22,685,739)		(8,489,704)
Proceeds from financial assets at fair values through profit and loss	0		(3,232)
Proceeds from sale of property, plant & equipment	10(b) 43,702	383,000	240,473
Proceeds from sale of infrastructure	55,592	0	0
<b>Net cash provided by (used in) investing activities</b>	(31,279,383)	(31,863,700)	(10,666,913)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	28(a) (466,131)	(1,209,500)	(937,918)
Payments for principal portion of lease liabilities	28(c) 0	0	(27,489)
Proceeds from new borrowings	28(a) 0	4,700,000	0
<b>Net cash provided by (used in) financing activities</b>	(466,131)	3,490,500	(965,407)
<b>Net increase (decrease) in cash held</b>	(13,819,631)	(17,965,074)	(371,833)
Cash at beginning of year	47,848,122	66,488,721	48,219,955
<b>Cash and cash equivalents at the end of the year</b>	18(a) 34,028,491	48,523,647	47,848,122

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



SHIRE OF EAST PILBARA  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>NET CURRENT ASSETS - At start of financial year - surplus/(deficit)</b>	27(b)	3,445,675	400,000	3,497,149
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities (excluding general rate)</b>				
Operating grants, subsidies and contributions		7,889,391	4,993,200	5,849,232
Fees and charges		23,132,292	21,840,000	21,891,386
Interest earnings		578,778	406,800	447,855
Other revenue		2,238,295	1,183,100	1,464,720
Profit on asset disposals	10(b)	76,352	152,800	104,147
Fair value adjustments to financial assets at fair value through profit or loss		4,996	0	0
		33,920,104	28,575,900	29,557,340
<b>Expenditure from operating activities</b>				
Employee costs		(13,635,742)	(14,067,500)	(13,297,414)
Materials and contracts		(16,673,452)	(20,502,700)	(13,980,130)
Utility charges		(1,969,104)	(2,036,200)	(1,722,437)
Depreciation		(16,061,765)	(16,900,100)	(17,671,266)
Finance costs		(515,827)	(248,600)	(170,308)
Insurance		(1,301,887)	(1,174,600)	(1,007,578)
Other expenditure		(942,416)	(734,200)	(1,461,106)
Loss on asset disposals	10(b)	(145,702)	(185,800)	(402,571)
		(51,245,895)	(55,849,700)	(49,712,810)
Non-cash amounts excluded from operating activities	27(a)	16,433,146	16,933,100	18,168,848
<b>Amount attributable to operating activities</b>		(892,645)	(10,340,700)	(1,986,622)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		6,509,379	6,168,800	7,262,953
Proceeds from disposal of assets	10(b)	99,294	383,000	240,473
Purchase of property, plant and equipment	8(a)	(3,741,067)	(4,300,000)	(4,564,900)
Purchase and construction of infrastructure	9(a)	(11,078,748)	(34,115,500)	(7,643,947)
		(8,211,142)	(31,863,700)	(4,705,421)
<b>Amount attributable to investing activities</b>		(8,211,142)	(31,863,700)	(4,705,421)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	28(a)	(466,131)	(1,209,500)	(937,918)
Proceeds from borrowings	28(a)	0	4,700,000	0
Payments for principal portion of lease liabilities	28(c)	0	0	(27,489)
Transfers to reserves (restricted assets)	29	(10,918,327)	(1,706,800)	(9,293,281)
Transfers from reserves (restricted assets)	29	389,144	11,999,700	2,571,553
<b>Amount attributable to financing activities</b>		(10,995,314)	13,783,400	(7,687,135)
<b>Surplus/(deficit) before imposition of general rates</b>		(16,653,426)	(28,021,000)	(10,882,029)
<b>Total amount raised from general rates</b>	26(a)	21,181,469	21,015,600	14,327,704
<b>Surplus/(deficit) after imposition of general rates</b>	27(b)	4,528,043	(7,005,400)	3,445,675

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

**SHIRE OF EAST PILBARA  
FOR THE YEAR ENDED 30 JUNE 2022  
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**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**1. BASIS OF PREPARATION**

The financial report comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

**Local Government Act 1995 requirements**

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribes that the financial report be presented in accordance with the Local Government Act 1995 and to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

**The local government reporting entity**

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

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

**Judgements and estimates**

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Operating grants, subsidies and contributions from customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and Charges, licenses, registrations and approvals.	Building, planning, health, development and animal amangement	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and Charges - waste management fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and Charges - airport landing fees	permission to use facilities and runways	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and Charges - Use of Facilities general	Permission to enter and use facilities and equipment, attend functions and events.	Single point in time	Full payment in advance or on entry, where applicable credit provided on normal trading terms,	None	On entry to facility or at time of confirming booking
Fees and charges - sale of stock	kiosk and art centre stock on hand sales, aviation fuel	Single point in time	Full payment in advance or credit provided on normal trading terms,	None	Output method based on goods sold
Other Revenue - Private Works	contracted private works	Single point in time	Monthly in arrears	None	Output method based on works done

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

Revenue Recognition

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

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	21,181,469	0	21,181,469
Operating grants, subsidies and contributions	7,477,148	0	0	412,245	7,889,391
Fees and charges	21,467,671	0	1,664,621	0	23,132,292
Interest earnings	354,507	0	214,271	0	578,778
Other revenue	0	0	0	2,238,295	2,238,295
Non-operating grants, subsidies and contributions	0	6,509,379	0	0	6,509,379
<b>Total</b>	<b>29,309,324</b>	<b>6,509,379</b>	<b>23,060,361</b>	<b>2,650,540</b>	<b>61,529,604</b>

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	14,327,704	0	14,327,704
Operating grants, subsidies and contributions	5,849,232	0	0	0	5,849,232
Fees and charges	20,053,149	0	1,638,237	0	21,691,386
Interest earnings	251,167	0	196,688	0	447,855
Other revenue	0	0	0	1,464,720	1,464,720
Non-operating grants, subsidies and contributions	0	7,262,953	0	0	7,262,953
<b>Total</b>	<b>26,153,548</b>	<b>7,262,953</b>	<b>16,162,629</b>	<b>1,464,720</b>	<b>51,043,850</b>

SHIRE OF EAST PILBARA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (Continued)

	Note	2022 Actual	2022 Budget	2021 Actual
<b>Interest earnings</b>				
Interest on reserve funds		265,430	371,800	223,611
Fees instalment and penalty interest (refer Note 26(c))		214,271	97,000	196,688
Other interest earnings		99,077	30,000	27,556
		<u>578,778</u>	<u>498,800</u>	<u>447,855</u>
<b>(b) Expenses</b>				
<b>Auditors remuneration</b>				
- Audit of the Annual Financial Report		53,570	128,600	55,000
- Other services		14,692	10,000	
		<u>68,262</u>	<u>138,600</u>	<u>55,000</u>
<b>Finance costs</b>				
Borrowings	28(a)	143,905	310,600	170,157
Other provisions: unwinding of discount	18	371,922	0	0
Lease liabilities	28(c)	0	0	151
		<u>515,827</u>	<u>310,600</u>	<u>170,308</u>
<b>Other expenditure</b>				
Impairment losses on trade and other receivables		354,519	160,000	317,572
Impairment losses on receivables from other contracts		(122,425)	10,000	0
Sundry expenses		710,322	574,200	1,143,534
		<u>942,416</u>	<u>734,200</u>	<u>1,461,106</u>

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**3. CASH AND CASH EQUIVALENTS**

Note	2022	2021
	\$	\$
Cash at bank and on hand	16,449,341	4,852,570
Term deposits	17,579,150	42,985,552
<b>Total cash and cash equivalents</b>	<b>34,028,491</b>	<b>47,848,122</b>
Held as		
- Unrestricted cash and cash equivalents	8,084,961	9,748,066
- Restricted cash and cash equivalents	25,943,510	38,100,066
	<b>34,028,491</b>	<b>47,848,122</b>

**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.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to 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 and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 18.

**4. OTHER FINANCIAL ASSETS**

	2022	2021
	\$	\$
<b>(a) Current assets</b>		
Financial assets at amortised cost	42,637,421	19,951,682
	42,637,421	19,951,682
<b>Other financial assets at amortised cost</b>		
Term deposits	42,637,421	19,951,682
	42,637,421	19,951,682
Held as		
- Restricted other financial assets at amortised cost	18(a) 42,637,421	18(a) 19,951,682
	42,637,421	19,951,682
<b>(b) Non-current assets</b>		
Financial assets at fair value through profit and loss	97,255	92,259
	97,255	92,259
<b>Financial assets at fair value through profit and loss</b>		
Units in Local Government House Trust	97,255	92,259
	97,255	92,259
<b>Total restricted assets</b>	<b>4,999,118</b>	<b>4,733,762</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates.

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

**Financial assets at fair value through profit and loss**

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

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income,
- equity investments which the Shire has 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 22.

**Restricted assets**

Restricted asset balances are not available for general use by the local government 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 EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

5. TRADE AND OTHER RECEIVABLES

Note	2022	2021
	\$	\$
<b>Current</b>		
Rates receivable	2,387,494	1,820,934
Trade and other receivables	2,345,311	2,996,283
GST receivable	531,469	404,058
Allowance for credit losses of trade and other receivables	22(b) (141,727)	(264,152)
Allowance for credit losses of rates receivables	22(b) (1,730,271)	(1,375,752)
	3,392,276	3,581,371
<b>Non-current</b>		
Pensioner's rates and ESL deferred	10,026	8,420
	10,026	8,420

**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 grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

**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 22.

**Classification and subsequent measurement**

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

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

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

6. INVENTORIES

Note	2022	2021
	\$	\$
<b>Current</b>		
Fuel and materials	238,242	68,564
History Books	3,247	11,432
Baskets	14,389	15,487
	255,878	95,483

The following movements in inventories occurred during the year:

Balance at beginning of year	95,483	69,830
Inventories expensed during the year	(428,565)	(285,238)
Additions to inventory	588,960	310,891
Balance at end of year	255,878	95,483

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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



**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**7. OTHER ASSETS**

**Other assets - current**

Prepayments  
Accrued income  
Contract assets

	2022	2021
	\$	\$
Prepayments	28,686	55,884
Accrued income	1,465,651	344,408
Contract assets	2,769,294	0
	<b>4,263,631</b>	<b>400,292</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Other current assets**

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

**Contract assets**

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

**Accrued Income**

Accrued income primarily relates to the Shire's right to consideration for services provided but not billed at the end of the year.

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

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**8. PROPERTY, PLANT AND EQUIPMENT**

(a) Movements in Balances

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

Note	Land \$	Buildings -		Total land and buildings \$	Furniture and equipment \$	Plant and equipment \$	Total property, plant and equipment \$
		non- specialised \$	specialised \$				
Balance at 1 July 2020	5,980,500	13,696,770	52,903,875	72,581,145	798,788	8,207,576	81,587,509
Additions	0	1,299,963	1,861,274	3,161,237	242,792	1,160,871	4,564,900
Disposals	0	0	0	0	(16,866)	(223,680)	(240,546)
Revaluation increments / (decrements) transferred to revaluation surplus	(4,400,500)	4,209,826	(10,748,486)	(10,939,158)	0	0	(10,939,158)
Depreciation	0	(694,561)	(3,079,463)	(3,774,024)	(286,464)	(1,512,595)	(5,573,073)
Balance at 30 June 2021	1,580,000	18,512,000	40,937,200	61,029,200	738,250	7,632,182	69,399,632
Comprises:							
Gross balance amount at 30 June 2021	1,580,000	18,512,000	40,937,200	61,029,200	1,932,780	14,212,702	77,174,682
Accumulated depreciation at 30 June 2021	0	0	0	0	(1,194,530)	(6,580,520)	(7,775,050)
Balance at 30 June 2021	1,580,000	18,512,000	40,937,200	61,029,200	738,250	7,632,182	69,399,632
Additions	2,512	1,795,955	364,916	2,163,383	108,803	1,468,881	3,741,067
Disposals	0	0	(122,844)	(122,844)	0	(42,679)	(165,523)
Depreciation	0	(694,738)	(1,317,448)	(2,012,186)	(210,672)	(1,508,674)	(3,731,532)
Balance at 30 June 2022	1,582,512	19,613,217	39,861,824	61,057,553	636,381	7,549,710	69,243,644
Comprises:							
Gross balance amount at 30 June 2022	1,582,512	20,307,955	41,173,416	63,063,883	2,041,563	15,592,562	80,698,028
Accumulated depreciation at 30 June 2022	0	(694,738)	(1,311,592)	(2,006,330)	(1,405,202)	(8,042,852)	(11,454,384)
Balance at 30 June 2022	1,582,512	19,613,217	39,861,824	61,057,553	636,381	7,549,710	69,243,644

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

(b) Carrying Value Measurements

(i) Fair Value	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land	2/3	Market Approach using recent observable market data for similar properties	Independent registered valuer	June 2021	While the unit rates based on square metre could be supported by market evidence (Level 2) other inputs such as zoning, restrictions, accessibility (Level 3) required extensive professional judgement and impacted significantly on the final determination.
Buildings - non-specialised	2	Market approach using recent observable market data or similar properties	Independent registered valuer	June 2021	Price per square metre
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuer and management valuation	June 2021	This required estimating the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. Other inputs such as residual value, useful life, pattern of consumption and asset condition required extensive professional judgement and impacted significantly on the final determination.

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

(ii) Cost

Furniture and equipment	NA	Cost	NA	Purchase Cost
Plant and equipment	NA	Cost	NA	Purchase Cost

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

9. INFRASTRUCTURE

(a) Movements in Balances

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

Note	Infrastructure - roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Parks and Gardens and Other	Infrastructure - Airport	Infrastructure - Landfill Rehabilitation	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	139,013,997	8,589,128	11,728,422	34,618,426	37,480,818	0	231,430,591
Additions	6,534,341	0	0	1,067,410	42,196	0	7,643,947
(Disposals)	0	0	0	(295,340)	(3,011)	0	(298,351)
Depreciation	(7,683,491)	(434,033)	(329,572)	(2,444,600)	(1,167,933)	0	(12,068,729)
Transfers	0	0	0	(15,490,657)	0	15,490,657	0
Balance at 30 June 2021	137,854,847	8,155,095	11,398,750	17,455,239	36,351,870	15,490,657	228,705,458
Comprises:							
Gross balance at 30 June 2021	159,757,077	9,445,192	12,383,757	22,539,880	40,346,455	16,781,414	261,253,785
Accumulated depreciation at 30 June 2021	(21,902,230)	(1,290,097)	(985,007)	(5,084,641)	(3,984,585)	(1,280,757)	(34,547,327)
Balance at 30 June 2021	137,854,847	8,155,095	11,398,750	17,455,239	36,351,870	15,490,657	226,706,458
Additions	6,053,504	274,382	184,282	4,297,722	258,858	0	11,078,748
(Disposals)	0	0	0	(3,121)	0	0	(3,121)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	0	0	(272,784)	(272,784)
Depreciation	(7,997,674)	(435,488)	(319,735)	(1,783,860)	(1,169,097)	(645,379)	(12,330,233)
Balance at 30 June 2022	135,910,677	7,993,989	11,273,297	19,985,980	35,442,631	14,572,494	225,179,068
Comprises:							
Gross balance at 30 June 2022	165,810,591	9,719,574	12,578,039	26,819,201	40,605,323	15,795,637	271,328,355
Accumulated depreciation at 30 June 2022	(29,899,904)	(1,725,585)	(1,304,742)	(6,833,221)	(5,162,692)	(1,223,143)	(46,149,287)
Balance at 30 June 2022	135,910,677	7,993,989	11,273,297	19,985,980	35,442,631	14,572,494	225,179,068

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**9. INFRASTRUCTURE (Continued)**

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Parks and Gardens and Other	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Airport Infrastructure	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - Landfill Rehabilitation	2	Cost approach using depreciated replacement cost	Independent Valuation	June 2022	Price per metre/square metre units, future inflation discount rate (Level 2)

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

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

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**10. FIXED ASSETS**

**(a) Depreciation**

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non-specialised	8(a)	694,738	582,900	694,561
Buildings - specialised	8(a)	1,317,448	3,193,100	3,079,463
Furniture and equipment	8(a)	210,672	302,900	286,464
Plant and equipment	8(a)	1,508,674	1,423,100	1,512,585
Infrastructure - roads	9(a)	7,997,674	9,000,400	7,693,491
Infrastructure - Footpaths	9(a)	435,488	436,300	434,033
Infrastructure - Drainage	9(a)	319,735	344,400	329,672
Infrastructure - Parks and Gardens and Other	9(a)	1,763,860	447,700	1,799,221
Infrastructure - Airport Infrastructure	9(a)	1,168,097	1,169,300	1,167,933
Infrastructure - Landfill Rehabilitation	9(a)	645,379	0	645,379
Right-of-use assets - plant and equipment	11(a)	0	0	28,464
		<b>16,061,765</b>	<b>16,900,100</b>	<b>17,671,266</b>

**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**

Buildings - non specialised  
 Buildings - specialised  
 Furniture and Equipment  
 Plant and Equipment  
 Infrastructure - Roads  
 Infrastructure - Footpaths  
 Infrastructure - Drainage  
 Infrastructure - Parks and Gardens  
 Infrastructure - Airport  
 Infrastructure - Landfill Rehabilitation

**Useful life**

10 - 50 years  
 10 - 50 years  
 3 - 5 years  
 3 - 10 years  
 15 - 50 years  
 20 - 50 years  
 20 - 50 years  
 20 - 50 years  
 20 - 50 years  
 10 - 31 years

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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10. FIXED ASSETS (Continued)

(b) Disposals of assets

	2022	2022	2022	2022	2022	2022	2022	2021	2021	2021	2021	
	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - non-specialised	122,844	0	0	(122,844)	0	0	0	0	0	0	0	0
Furniture and equipment	0	0	0	0	0	0	0	0	16,866	0	0	(16,866)
Plant and equipment	42,879	43,702	21,023	(20,000)	418,000	383,000	152,800	(185,800)	223,880	240,473	104,147	(87,354)
Infrastructure - Parks and Garden	3,121	55,592	55,329	(2,858)	0	0	0	0	295,340	0	0	(295,340)
Infrastructure - Airport infrastruc	0	0	0	0	0	0	0	0	3,011	0	0	(3,011)
	168,644	99,294	76,352	(145,702)	418,000	383,000	152,800	(185,800)	538,897	240,473	104,147	(402,571)

The following assets were disposed of during the year.

	2022	2022	2022	2022
	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Governance</b>				
4122BE - Toyota RAV 4	22,879	43,702	21,023	0
1GXN941 MHR				
<b>Community amenities</b>				
P10-014 - Newman refuse - recycling Mobile recycling facility (MRF)	20,000	0	0	(20,000)
<b>Economic services</b>				
L190208- NULLAGINE CARAVAN PARK - Laundry / Storage Block - External Services	4,516	0	0	(4,516)
L190203- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Finishes	9,408	0	0	(9,408)
L190204- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Fittings	3,067	0	0	(3,067)
L190207- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Improvements	3,575	0	0	(3,575)
L190202- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Roof	8,844	0	0	(8,844)
L190205- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Services	41,686	0	0	(41,686)
L190200- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Substructure	18,208	0	0	(18,208)
L190201- NULLAGINE CARAVAN PARK - Laundry / Storage Block - Superstructure	33,540	0	0	(33,540)
	165,523	43,702	21,023	(142,844)
<b>Other Asset class</b>				
<b>Program</b>				
L04-022 - Newman Nardoo loop Park - playground PC0353	0	27,796	27,796	0
Z15020A - Newman Wilara park - Palisade Fencing	2,858	0	0	(2,858)
PG17027D - NEWMAN - NARDOO LOOP PARK - softfall PC0353	263	27,796	27,533	0
	3,121	55,592	55,329	(2,858)
	168,644	99,294	76,352	(145,702)

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

10. FIXED ASSETS (Continued)

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Initial recognition and measurement for assets held at cost**

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

**Initial recognition and measurement between mandatory revaluation dates for assets held at fair value**

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

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

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, infrastructure and investment properties acquired between scheduled revaluation dates 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 revaluation date in accordance with the mandatory measurement framework.

**Revaluation**

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

At the end of each period the carrying amount for each asset class is reviewed and where appropriate the fair value is updated to reflect current market conditions. 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.

**Revaluation (continued)**

For property, plant and equipment and infrastructure, 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. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

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

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

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 on revaluation**

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

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

**Amortisation**

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

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

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



SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - plant and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2020		28,464	28,464
Additions		0	0
Depreciation		(28,464)	(28,464)
Balance at 30 June 2021		0	0
Additions		0	0
Depreciation	10(a)	0	0
Balance at 30 June 2022		0	0

The Shire did not enter into any new "Right of Use" lease agreements during the reporting period

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

Depreciation on right-of-use assets	10(a)
Interest expense on lease liabilities	28(c)
<b>Total amount recognised in the statement of comprehensive income</b>	

Total cash outflow from leases

	2022 Actual \$	2021 Actual \$
	0	(28,464)
	0	(151)
	0	(28,615)
	0	(27,640)
	0	0
	0	0
	0	0

(b) Lease Liabilities

Current  
Non-current

28(c)

Secured liabilities and assets pledged as security

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

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 term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 28(c).

Right-of-use assets - valuation measurement

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 10 under revaluation 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 shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

SHIRE OF EAST PILBARA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

11. LEASES (Continued)

(c) Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

	2022 Actual \$	2021 Actual \$
Less than 1 year	740,729	901,238
1 to 2 years	300,493	740,729
2 to 3 years	0	300,493
3 to 4 years	0	0
4 to 5 years	0	0
> 5 years	0	0
	1,041,222	1,942,460

Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease

Rental income	901,238	921,562
---------------	---------	---------

The Shire leases houses to staff and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Shire is exposed to changes in the residual value at the end of the current leases, the Shire typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

**SIGNIFICANT ACCOUNTING POLICIES**

**The Shire as Lessor**

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 to allocate the consideration under the contract to each component.

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**12. TRADE AND OTHER PAYABLES**

<b>Current</b>
Sundry creditors
Prepaid rates
Bonds and deposits held
Accrued salaries and wages
Other accruals
Accrued interest on long term borrowings

2022	2021
\$	\$
4,086,719	3,825,509
128,246	40,266
1,254,808	1,209,546
167,801	141,935
824,496	445,241
15,153	20,423
<b>6,477,223</b>	<b>5,682,920</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Bonds and Deposits Held**

Bonds and deposits held represent a payment made to the Shire as a security bond. These are normally payable after a period of 6 to 12 months, and is most commonly for the damage to footpaths or other Shire infrastructure caused by construction

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**Prepaid rates**

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

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**13. OTHER LIABILITIES**

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

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

Less than 1 year

	2022 \$	2021 \$
	1,735,181	1,132,588
	2,009,129	2,391,628
	3,744,310	3,524,216
		<b>Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity</b>
<b>Contract Liabilities</b>		
\$	1,735,181	2,009,129

**SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(ii)) due to the unobservable inputs, including own credit risk.

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**14. BORROWINGS**

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Unsecured		\$	\$	\$	\$	\$	\$
WA treasury Corporation		384,436	2,008,676	2,393,112	466,132	2,393,112	2,859,244
<b>Total Unsecured borrowings</b>	<b>28(a)</b>	<b>384,436</b>	<b>2,008,676</b>	<b>2,393,112</b>	<b>466,132</b>	<b>2,393,112</b>	<b>2,859,244</b>

The Shire of East Pilbara has complied with the terms and conditions of its borrowing facilities during the 2022 and 2021 years.

**SIGNIFICANT ACCOUNTING POLICIES**

**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 are 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.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 22. Details of individual borrowings required by regulations are provided at Note 28(a).

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2022	2021
	\$	\$
<b>Current provisions</b>		
Employee benefit provisions		
Annual Leave	713,018	787,562
Long Service Leave	532,381	384,829
	1,245,399	1,172,391
<b>Non-current provisions</b>		
Long Service Leave	143,553	206,840
	143,553	206,840
	1,388,952	1,379,231

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

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

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

Note	2022	2021
	\$	\$
	713,018	819,424
	675,934	559,807
	1,388,952	1,379,231

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**16. OTHER PROVISIONS**

	Note	Provision for remediation	
		costs	Total
		\$	\$
<b>Opening balance at 1 July 2021</b>			
Non-current provisions		16,921,230	16,921,230
		<u>16,921,230</u>	<u>16,921,230</u>
Increase/(Decrease) provision			
Amounts used		(1,497,515)	(1,497,515)
Unused amounts reversed		0	0
Charged to profit or loss		0	0
- unwinding of discount	2(b)	371,922	371,922
<b>Balance at 30 June 2022</b>		<u>15,795,637</u>	<u>15,795,637</u>
<b>Comprises</b>			
Non-current		15,795,637	15,795,637
		<u>15,795,637</u>	<u>15,795,637</u>

During the year, the remediation costs were reviewed as part of the revaluation of Infrastructure - Landfill Rehabilitation with decreases in the provision being recognised in Other Comprehensive Income as part of the revaluation.

**Other provisions**

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

**Make good provisions**

Under the licence for the operation of the Newman, Marble Bar and Nullagine landfill sites, the Shire has a legal obligation to restore the site.

A provision for remediation is recognised when:

- there is a present obligation as a result of waste activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

**Provisions**

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

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

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

17. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	1,575,000	0	0	0	1,575,000	5,975,500	0	(4,400,500)	(4,400,500)	1,575,000
Revaluation surplus - Buildings	14,173,539	0	0	0	14,173,539	20,712,197	4,209,828	(10,748,486)	(6,538,658)	14,173,539
Revaluation surplus - Furniture and equipment	215,604	0	0	0	215,604	215,604	0	0	0	215,604
Revaluation surplus - Plant and equipment	3,367,076	0	0	0	3,367,076	3,367,076	0	0	0	3,367,076
Revaluation surplus - Infrastructure - roads	66,828,070	0	0	0	66,828,070	66,828,070	0	0	0	66,828,070
Revaluation surplus - Infrastructure - Footpaths	3,361,744	0	0	0	3,361,744	3,361,744	0	0	0	3,361,744
Revaluation surplus - Infrastructure - Drainage	8,937,971	0	0	0	8,937,971	8,937,971	0	0	0	8,937,971
Revaluation surplus - Infrastructure - Parks and Gardens and	1,282,573	0	0	0	1,282,573	1,282,573	0	0	0	1,282,573
Revaluation surplus - Airport Infrastructure	20,819,752	0	0	0	20,819,752	20,819,752	0	0	0	20,819,752
Revaluation surplus - Infrastructure - Landfill Rehabilitation	0	1,497,515	(272,784)	1,224,731	1,224,731	0	0	0	0	0
	120,561,329	1,497,515	(272,784)	1,224,731	121,786,060	131,500,487	4,209,828	(15,148,966)	(10,939,138)	120,561,329

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.



**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**18. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	34,026,491	48,523,647	47,848,122
<b>Restrictions</b>				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents	3	25,943,510	27,112,819	38,100,066
- Financial assets at amortised cost	4	42,637,421	19,951,682	19,951,682
		68,580,931	47,064,301	58,051,748
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	29	68,580,931	47,064,301	58,051,748
<b>Total restricted financial assets</b>		68,580,931	47,064,301	58,051,748

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

Net result		10,365,057	(89,400)	1,435,187
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(4,996)	0	0
Depreciation/amortisation		16,061,765	16,900,100	17,671,266
(Profit)/loss on sale of asset		69,350	33,000	298,424
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		187,489	3,148,261	(715,565)
(Increase)/decrease in other assets		(3,861,549)	0	30,413
(Increase)/decrease in inventories		(160,395)	(23,057)	(25,653)
Increase/(decrease) in trade and other payables		794,303	(2,065,178)	(37,819)
Increase/(decrease) in employee related provisions		9,721	(1,326,800)	(88,950)
Increase/(decrease) in other provisions		371,922	0	139,816
Increase/(decrease) in other liabilities		220,094	0	2,347,765
Non-operating grants, subsidies and contributions		(6,126,880)	(6,168,800)	(9,794,397)
<b>Net cash provided by/(used in) operating activities</b>		17,925,881	10,408,126	11,260,487

**(c) Undrawn Borrowing Facilities**

Credit card limit		50,000		50,000
Credit card balance at balance date		(14,678)		(20,154)
<b>Total amount of credit unused</b>		35,322		29,846

**Loan facilities**

Loan facilities - current		384,436		466,132
Loan facilities - non-current		2,008,676		2,393,112
<b>Total facilities in use at balance date</b>		2,393,112		2,859,244

<b>Unused loan facilities at balance date</b>		0		0
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**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**19. CONTINGENT ASSETS AND LIABILITIES**

The Shire does not have any contingent assets or contingent liabilities that should be included in this financial report.

**20. CAPITAL COMMITMENTS**

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	943,000	243,729
	943,000	243,729
Payable:		
- not later than one year	943,000	243,729

The capital expenditure projects outstanding at the end of the current reporting period represents Capital Works for various Public Buildings and the Contract for the Cape Keraudren Reverse Osmosis System.

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Cr Anthony Middleton (2017 - Current)</b>			
President's annual allowance	50,451	50,000	3,906
Meeting attendance fees	24,930	21,600	16,749
Annual allowance for ICT expenses	2,500	2,000	1,088
	<b>77,881</b>	<b>73,600</b>	<b>21,743</b>
<b>(Former Councillor) - Cr Lynne Craigie (2019 - 2021)</b>			
President's annual allowance	0	0	38,702
Meeting attendance fees	0	0	18,999
Annual allowance for ICT expenses	0	0	1,742
Travel and accommodation expenses	0	0	64
	<b>0</b>	<b>0</b>	<b>59,507</b>
<b>Cr Wendy McWhirter-Brooks (2021 - Current)</b>			
Deputy President's annual allowance	9,459	9,847	6,775
Meeting attendance fees	18,583	17,000	0
Travel and accommodation expenses	3,383	0	417
Annual allowance for ICT expenses	1,833	2,833	1,012
	<b>33,258</b>	<b>29,680</b>	<b>8,204</b>
<b>(Former Councillor) - Geraldine Parsons (2011 - 2021)</b>			
Deputy President's annual allowance	3,153	3,153	11,110
Meeting attendance fees	4,646	18,778	16,261
Annual allowance for ICT expenses	458	414	1,000
	<b>8,257</b>	<b>22,345</b>	<b>28,371</b>
<b>Cr Anita Grace (1996 - 2022)</b>			
Meeting attendance fees	18,583	18,778	16,261
Annual allowance for ICT expenses	1,833	1,833	1,000
	<b>20,416</b>	<b>20,611</b>	<b>17,261</b>
<b>Cr Adrienne Mortimer (2019 - Current)</b>			
Meeting attendance fees	18,583	18,777	16,261
Annual allowance for ICT expenses	1,833	1,833	1,000
Travel and accommodation expenses	0	0	1,122
	<b>20,416</b>	<b>20,610</b>	<b>18,383</b>
<b>(Former Councillor) - Carol Williams (2017 - 2021)</b>			
Meeting attendance fees	0	0	6,775
Annual allowance for ICT expenses	0	0	417
	<b>0</b>	<b>0</b>	<b>7,192</b>
<b>(Former Councillor) - Dean Hatwell (2017 - 2021)</b>			
Meeting attendance fees	0	0	5,420
Annual allowance for ICT expenses	0	0	333
Travel and accommodation expenses	0	0	2,852
	<b>0</b>	<b>0</b>	<b>8,605</b>
<b>(Former Councillor) - Holly Fleming (2019 - 2022)</b>			
Meeting attendance fees	13,937	14,083	16,261
Child care expenses	0	0	3,356
Annual allowance for ICT expenses	1,375	1,419	1,000
	<b>15,312</b>	<b>15,502</b>	<b>20,617</b>
<b>Cr Langtree Coppin (1986 - Current)</b>			
Meeting attendance fees	18,583	18,778	16,261
Annual allowance for ICT expenses	1,833	1,833	1,000
Travel and accommodation expenses	8,090	0	9,628
	<b>28,506</b>	<b>20,611</b>	<b>26,889</b>
<b>Cr Karen Lockyer (2019 - Current)</b>			
Meeting attendance fees	18,583	18,778	16,261
Annual allowance for ICT expenses	1,833	1,833	1,000
Travel and accommodation expenses	369	0	0
	<b>20,785</b>	<b>20,611</b>	<b>17,261</b>
<b>Cr Stacey Smith (2019 - Current)</b>			
Meeting attendance fees	18,583	18,778	16,261
Annual allowance for ICT expenses	1,833	1,833	1,000
Travel and accommodation expenses	2,898	0	2,261
	<b>23,314</b>	<b>20,611</b>	<b>19,522</b>

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

21. RELATED PARTY TRANSACTIONS (cont)

(a) Elected Member Remuneration (cont)

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Cr Annabell Landy (2021 - Current)</b>			
Meeting attendance fees	13,937	14,083	0
Travel and accommodation expenses	5,749	0	0
Annual allowance for ICT expenses	1,375	1,419	0
	<b>21,061</b>	<b>15,502</b>	<b>0</b>
<b>Cr Peta Baer (2021 - Current)</b>			
Meeting attendance fees	13,937	14,083	0
Annual allowance for ICT expenses	1,375	1,375	0
	<b>15,312</b>	<b>15,458</b>	<b>0</b>
<b>Cr Matthew Anick (2021 - Current)</b>			
Meeting attendance fees	13,937	14,083	0
Annual allowance for ICT expenses	1,375	1,376	0
Travel and accommodation expenses	5,749	0	0
	<b>21,061</b>	<b>15,459</b>	<b>0</b>
	<b>305,579</b>	<b>290,600</b>	<b>253,555</b>

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

	2022 Actual \$	2022 Budget \$	2021 Actual \$
President's annual allowance	50,451	50,000	42,608
Deputy President's annual allowance	12,612	13,000	11,110
Meeting attendance fees	196,823	207,599	168,545
Child care expenses	0	0	3,356
Annual allowance for ICT expenses	19,455	20,001	10,997
Travel and accommodation expenses	26,238	0	16,939
21(b)	<b>305,579</b>	<b>290,600</b>	<b>253,555</b>

(b) Key Management Personnel (KMP) Compensation

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

	2022 Actual \$	2021 Actual \$
Short-term employee benefits	1,200,786	960,199
Post-employment benefits	158,632	116,084
Employee - other long-term benefits	43,176	21,731
Employee - termination benefits	121,070	214,338
Council member costs	305,579	253,555
21(a)	<b>1,829,243</b>	<b>1,565,907</b>

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Termination benefits*

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

*Council member costs*

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

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**21. RELATED PARTY TRANSACTIONS**

**(c) Transactions with related parties**

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

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

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

	2022 Actual	2021 Actual
Sale of goods and services	\$ 0	\$ 13,160

**(d) Related Parties**

The Shire's main related parties are as follows:

*i. Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council 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.

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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22. 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 rates	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 have approved the overall risk management policy and provide 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, term deposits, and Treasury bonds 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
	%	\$	\$	\$	\$
<b>2022</b>					
Cash and cash equivalents	1.69%	34,028,491	17,579,150	16,449,341	0
Financial assets at amortised cost - term deposits	2.10%	42,637,421	42,637,421	0	0
<b>2021</b>					
Cash and cash equivalents	0.10%	47,848,122	42,995,552	4,852,570	0
Financial assets at amortised cost - term deposits	0.40%	19,951,682	19,951,682	0	0

Sensitivity

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

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	164,493	48,526

\* Holding all other variables constant

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 28(a).

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**22. 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. The Shire is able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages 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 rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively 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 ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
<b>30 June 2022</b>						
Rates receivable						
Expected credit loss	0.72%	0.47%	0.72%	0.85%		
Gross carrying amount	26,721	752,712	448,458	1,211,555	2,439,446	
Loss allowance	19,317	355,054	320,652	1,035,248	1,730,271	5
<b>30 June 2021</b>						
Rates receivable						
Expected credit loss	0.09%	1.52%	3.11%	2.08%		
Gross carrying amount	23,119	482,012	420,710	903,181	1,829,022	
Loss allowance	16,419	293,815	268,630	796,888	1,375,752	5

The loss allowance as at 30 June 2022 and 30 June 2021 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	Note
<b>30 June 2022</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.01%	0.02%	0.25%		
Gross carrying amount	1,506,794	194,169	135,083	509,265	2,345,311	
Loss allowance	6,479	2,854	2,918	129,476	141,727	5
<b>30 June 2021</b>						
Trade and other receivables						
Expected credit loss	0.01%	0.01%	0.02%	0.43%		
Gross carrying amount	1,907,270	506,515	16,328	566,170	2,996,283	
Loss allowance	10,407	7,446	353	245,946	264,152	5

SHIRE OF EAST PILBARA  
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22. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$	\$
Opening loss allowance as at 1 July	1,375,752	1,030,929	264,152	301,571	0	0
Increase in loss allowance recognised in profit or loss during the year	354,519	317,572	(122,425)	10,000	0	0
Receivables written off during the year as uncollectible	15,169	0	5,179	0	0	0
Unused amount reversed	(15,169)	27,251	(5,179)	(47,419)	0	0
Closing loss allowance at 30 June	1,730,271	1,375,752	141,727	264,152	0	0

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Contract Assets**

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



**SHIRE OF EAST PILBARA  
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**22. 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(c).

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
	\$	\$	\$	\$	\$
<b>2022</b>					
Trade and other payables	6,479,985	0	0	6,479,985	6,477,223
Borrowings	490,985	1,774,405	486,123	2,751,513	2,393,112
Other Liabilities	3,744,310	0	0	3,744,310	3,744,310
	<u>10,715,280</u>	<u>1,774,405</u>	<u>486,123</u>	<u>12,975,808</u>	<u>12,614,645</u>
<b>2021</b>					
Trade and other payables	5,682,920	0	0	5,682,920	5,682,920
Borrowings	595,932	2,265,389	486,123	3,347,444	2,859,244
Other Liabilities	3,524,216	0	0	3,524,216	3,524,216
	<u>9,803,068</u>	<u>2,265,389</u>	<u>486,123</u>	<u>12,554,580</u>	<u>12,066,380</u>

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There are no events that have occurred after the end of the reporting period that have a material impact on information reported.

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**24. 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. unforsced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

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

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

**h) Interest earnings**

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

**i) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

In accordance with Australian Accounting Standards the Shire's 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.

**k) Initial application of accounting standards**

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

**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 2017-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2017-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 129 and Editorial Corrections

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

**SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**25. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

<b>Objective</b>	<b>Description</b>
<p><b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources.</p>	Members of council, general governance including administration, finance and other corporate services, computer administration and community liaison.
<p><b>General purpose funding</b> To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants, normalisation grants and interest revenue.
<p><b>Law, order, public safety</b> To provide services to help ensure a safer and environmentally conscious community.</p>	Supervision of Local Laws, fire prevention, emergency services and animal control.
<p><b>Health</b> To provide an operational framework for environmental and community health.</p>	Maintenance of infant health clinic, health inspection services, food and water quality control and immunisation.
<p><b>Education and welfare</b> To provide services to children and youth.</p>	Community services and sponsored support of community and youth.
<p><b>Housing</b> To provide and maintain housing.</p>	Aged persons housing, and maintenance of leased properties.
<p><b>Community amenities</b> To provide services required to the community.</p>	Rubbish collection services, maintenance of cemeteries and public toilets, the maintenance of the Newman Waste Water Treatment Plant and planning services.
<p><b>Recreation and culture</b> To establish and effectively manage infrastructure and resources which will help the social and physical wellbeing of the community.</p>	Maintenance of public halls, Newman and Marble Bar aquatic centres, Newman Recreation Centre, public parks and gardens, libraries and recreation services.
<p><b>Transport</b> To provide safe, effective and efficient transport services to the community.</p>	Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic signs, street lighting, depot operations, street cleaning and operation of the Newman airport and Marble Bar and Nullagine airstrips.
<p><b>Economic services</b> To help promote the Shire and its economic wellbeing.</p>	Tourism support, building services and controls, caravan parks and bus services.
<p><b>Other property and services</b> To monitor and control the Shire's overheads and operating accounts.</p>	Private works carried out by the Shire and allocations to works and service of all salaries and wages, overheads and plant costs incurred. Miscellaneous unclassified areas.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**25. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
<b>Income excluding grants, subsidies and contributions</b>			
Governance	96,357	66,400	131,530
General purpose funding	21,640,386	23,449,600	16,983,281
Law, order, public safety	35,434	51,800	59,364
Health	51,877	86,800	40,116
Education and welfare	1,045	9,000	81,440
Housing	399,892	344,600	394,377
Community amenities	5,222,739	6,166,500	5,126,446
Recreation and culture	1,452,691	2,253,600	2,185,005
Transport	16,347,002	15,437,700	17,058,059
Economic services	881,250	762,500	958,605
Other property and services	1,078,512	810,200	866,821
	47,207,185	49,438,700	43,885,044
<b>Grants, subsidies and contributions</b>			
Governance	46,605	0	0
General purpose funding	4,555,857	0	0
Law, order, public safety	454,217	0	133,414
Health	10,102	0	0
Education and welfare	8,051	0	0
Housing	37,042	0	0
Community amenities	379,245	0	151,067
Recreation and culture	2,265,707	800,000	0
Transport	5,960,589	5,368,800	5,978,472
Economic services	327,260	0	1,000,000
Other property and services	354,095	0	0
	14,398,770	6,168,800	7,262,953
<b>Total Income</b>	61,605,955	55,607,500	51,147,997
<b>Expenses</b>			
Governance	627,149	(433,100)	659,454
General purpose funding	(711,262)	(459,100)	(563,499)
Law, order, public safety	(1,243,770)	(1,244,400)	(1,581,371)
Health	(536,429)	(593,700)	(443,594)
Education and welfare	(2,121,571)	(2,602,700)	(2,340,868)
Housing	(1,025,797)	(916,500)	(1,009,776)
Community amenities	(6,749,607)	(6,303,600)	(6,506,243)
Recreation and culture	(11,127,001)	(13,139,100)	(11,859,105)
Transport	(22,711,146)	(24,955,200)	(21,695,712)
Economic services	(2,468,418)	(2,049,700)	(2,011,695)
Other property and services	(3,178,042)	(2,999,800)	(2,360,401)
<b>Total expenses</b>	(51,245,894)	(55,696,900)	(49,712,810)
<b>Net result for the period</b>	10,360,061	(89,400)	1,435,187

SHIRE OF EAST PILBARA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

25. FUNCTION AND ACTIVITY (Continued)

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
<b>(c) Fees and Charges</b>			
Governance	349	500	143
General purpose funding	11,322	99,000	8,916
Law, order, public safety	35,434	27,800	30,820
Health	51,877	68,800	40,116
Education and welfare	955	2,500	0
Housing	398,121	297,000	345,239
Community amenities	4,769,051	5,868,500	4,805,234
Recreation and culture	770,776	740,100	723,361
Transport	16,244,125	14,140,000	15,102,852
Economic services	846,196	590,800	633,614
Other property and services	4,086	5,000	1,091
	<b>23,132,292</b>	<b>21,840,000</b>	<b>21,691,386</b>
<b>(d) Total Assets</b>			
Governance	10,743,256	10,161,147	
Law, order, public safety	2,670,661	2,537,171	
Health	64,118	79,600	
Education and welfare	5,619,276	5,815,294	
Housing	15,840,342	12,314,558	
Community amenities	24,443,016	23,615,219	
Recreation and culture	37,832,695	35,600,494	
Transport	260,832,981	255,931,125	
Economic services	4,765,285	3,873,963	
Other property and services	545,912	316,908	
Unallocated	15,748,358	17,838,240	
	<b>379,105,900</b>	<b>368,083,719</b>	

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022

26. RATING INFORMATION

(a) General Rates

RATE TYPE Rate Description	Basis of valuation	Rate % \$	Number of Properties	2021/22 Actual Rateable Value*	2021/22			2021/22			2021/22			2020/21 Actual Total Revenue \$
					Actual Revenue Rate	Interim Rates	Actual Rates	Actual Black Rates	Budget Rate	Budget Interim Rate	Budget Black Rate	Budget Total Revenue		
<b>Gross rental valuations</b>														
GRV - Residential		0.07679	2,522	31,393,062	2,404,190	12,069	(13,257)	0	2,410,516	0	0	0	2,410,516	0
GRV - Transient		0.10514	20	31,074,800	3,267,173	0	0	0	3,267,173	0	0	0	3,267,173	0
GRV Non Residential - Town Centre		0.05257	42	4,596,402	241,580	0	0	0	241,580	0	0	0	241,580	0
GRV Non Residential - Industrial		0.05257	121	12,893,798	677,828	0	0	0	677,828	0	0	0	677,827	0
GRV Non Residential - Mixed Business		0.05257	14	1,576,950	71,534	0	0	0	71,534	0	0	0	71,534	0
GRV - General *		0	0	0	0	0	0	0	0	0	0	0	82,848	0
<b>Unimproved valuations</b>														
UV - Pastoral/Special Leases		0.14145	45	6,221,150	879,985	236,745	(90,696)	0	879,986	0	0	0	879,986	711,442
UV - Other		0.2829	1,182	45,785,321	13,162,632	0	0	0	12,052,950	190,000	0	0	13,142,950	7,857,781
<b>Sub-Total</b>			<b>3,927</b>	<b>133,540,211</b>	<b>20,704,920</b>	<b>248,814</b>	<b>(103,855)</b>	<b>0</b>	<b>20,512,880</b>	<b>190,000</b>	<b>0</b>	<b>0</b>	<b>20,702,880</b>	<b>14,439,514</b>
<b>Minimum payment</b>														
<b>Gross rental valuations</b>														
GRV - Residential		715	654	2,215,394	459,750	0	0	0	486,210	0	0	0	486,210	0
GRV - Transient		715	0	0	0	0	0	0	0	0	0	0	0	0
GRV Non Residential - Town Centre		813	16	152,774	13,028	0	0	0	13,008	0	0	0	13,008	0
GRV Non Residential - Industrial		813	5	23,432	4,065	0	0	0	4,066	0	0	0	4,065	0
GRV Non Residential - Mixed Business		813	0	0	0	0	0	0	0	0	0	0	0	0
GRV - General *		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Unimproved valuations</b>														
UV - Pastoral/Special Leases		357	21	8,107	7,508	0	0	0	7,508	0	0	0	7,508	4,830
UV - Other		715	794	853,828	554,870	0	0	0	507,710	0	0	0	507,710	397,120
<b>Sub-Total</b>			<b>1,830</b>	<b>3,263,525</b>	<b>1,104,231</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,098,501</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,098,501</b>	<b>789,420</b>
<b>Total amount raised from general rates</b>			<b>5,457</b>	<b>136,803,736</b>	<b>21,809,151</b>	<b>248,814</b>	<b>(103,860)</b>	<b>0</b>	<b>21,601,381</b>	<b>190,000</b>	<b>0</b>	<b>0</b>	<b>21,791,381</b>	<b>15,238,934</b>
Concessions on general rates (Refer note 26(b))														
<b>Total amount raised from general rates</b>													<b>(775,761)</b>	
													<b>21,015,620</b>	
													<b>14,327,704</b>	

\* Rateable value is based on the value of properties at the time the rate is raised.

(b) Total Rates

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1150 Income for not-for-profit entities.

SHIRE OF EAST PILBARA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2022

26. RATING INFORMATION (Continued)

Waivers or Concessions		2022		2021		
Rate or Fee and Charge to which the Waiver or Concession Is Granted	Type	Waiver/Concession	Discount %	Discount \$	2022 Actual \$	2021 Actual \$
GRV - Industrial	Rate	Concession	30.00%		201,788	493,260
GRV - Mixed Business	Rate	Concession	30.00%		21,295	26,884
UV - Pastoral/ Special	Rate	Concession	63.00%		549,550	391,086
					772,633	911,230
Total discounts/concessions (Note 26)					772,633	911,230
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 of the Waiver or Concession	Reasons for the Waiver or Concession			
GRV - Industrial	All assessments within categories with the exception of minimums	To implement consistency to general rate staged increases	To implement consistency to general rate staged increases			
GRV - Mixed Business						
UV - Pastoral/ Special						



SHIRE OF EAST PILBARA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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26. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single full payment	7/09/2021	0.0	0.00%	7.00%
<b>Option Two</b>				
First instalment	7/09/2021		4.00%	7.00%
Second instalment	9/11/2021	6.0	4.00%	7.00%
Third instalment	11/01/2022	6.0	4.00%	7.00%
Fourth instalment	15/03/2022	6.0	4.00%	7.00%

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Interest on unpaid rates	191,110	80,000	179,595
Interest on instalment plan	23,161	12,000	17,093
Charges on instalment plan	10,332	5,000	8,916
	224,603	97,000	205,604

SHIRE OF EAST PILBARA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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27. RATE SETTING STATEMENT INFORMATION

Note	2021/22	2021/22	2020/21
	(30 June 2022 Carried Forward)	Budget (30 June 2022 Carried Forward)	(30 June 2021 Carried Forward)
	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>			
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> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	10(b) (76,352)	(152,800)	(104,147)
Add: Loss on disposal of assets	10(b) 145,702	185,800	402,571
Add: Depreciation	10(a) 16,061,765	16,900,100	17,671,266
<b>Non-cash movements in non-current assets and liabilities:</b>			
Financial assets at amortised cost	(4,996)	0	(3,232)
Pensioner deferred rates	(1,606)	0	(2,886)
Employee benefit provisions	(63,289)	0	65,460
Other provisions	371,922	0	139,816
<b>Non-cash amounts excluded from operating activities</b>	<b>16,433,146</b>	<b>16,933,100</b>	<b>18,168,848</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>			
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.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	29 (68,580,932)	(47,064,301)	(58,051,748)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 384,436	11,433,817	466,132
- Current portion of lease liabilities	11(b) 0	27,489	0
<b>Total adjustments to net current assets</b>	<b>(68,196,496)</b>	<b>(35,602,995)</b>	<b>(57,585,616)</b>
<b>Net current assets used in the Rate Setting Statement</b>			
Total current assets	84,575,907	56,760,368	71,876,950
Less: Total current liabilities	(11,851,368)	(18,361,608)	(10,845,659)
Less: Total adjustments to net current assets	(68,196,496)	(35,602,995)	(57,585,616)
<b>Net current assets used in the Rate Setting Statement</b>	<b>4,528,043</b>	<b>2,795,765</b>	<b>3,445,675</b>

SHIRE OF EAST PILBARA  
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28. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 30 June 2021		Principal at 30 June 2022		Principal at 1 July 2021		Principal at 30 June 2022	
		During 2020-21	During 2021-22	During 2021-22	During 2021-22	During 2021-22	During 2021-22	During 2021-22	During 2021-22
Loan 67 - Staff Housing		\$ 193,958	\$ 0	\$ 100,068	\$ 0	\$ 193,958	\$ 0	\$ 100,068	\$ 0
Loan 71 - Staff Housing		\$ 829,060	\$ 0	\$ 798,365	\$ 0	\$ 829,061	\$ 0	\$ 798,361	\$ 0
Loan 72 - Sewerage Upgrade		\$ 1,354,945	\$ 0	\$ 1,229,720	\$ 0	\$ 1,354,944	\$ 0	\$ 1,229,744	\$ 0
Loan 73 - Sewerage Upgrade		\$ 823,488	\$ 0	\$ 751,053	\$ 0	\$ 823,465	\$ 0	\$ 731,055	\$ 0
Loan 74 - Sewerage Upgrade		\$ 0	\$ 0	\$ 0	\$ 0	\$ 485,142	\$ 0	\$ 4,923,542	\$ 0
Loan 66 - Airport Upgrade		\$ 0	\$ 0	\$ 2,855,244	\$ 0	\$ 0	\$ 0	\$ 485,100	\$ 0
<b>Total</b>		<b>3,797,161</b>	<b>0</b>	<b>2,855,244</b>	<b>0</b>	<b>3,797,160</b>	<b>4,700,000</b>	<b>11,209,500</b>	<b>7,287,660</b>
<b>Total Borrowings</b>	14	<b>3,797,161</b>	<b>0</b>	<b>2,855,244</b>	<b>0</b>	<b>3,797,160</b>	<b>4,700,000</b>	<b>11,209,500</b>	<b>7,287,660</b>

\* WA Treasury Corporation

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

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022		Budget for year ending 30 June 2022	
						Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021	Budget for year ending 30 June 2021
Loan 67 - Staff Housing		Housing	67	WATC*	6.47%	\$ (3,975)	\$ (12,300)	\$ (9,472)	\$ (9,472)
Loan 71 - Staff Housing		Housing	71	WATC*	6.49%	\$ (51,980)	\$ (65,400)	\$ (55,941)	\$ (55,941)
Loan 72 - Sewerage Upgrade		Community amenities	72	WATC*	4.49%	\$ (81,804)	\$ (88,800)	\$ (59,157)	\$ (59,157)
Loan 73 - Sewerage Upgrade		Community amenities	73	WATC*	3.05%	\$ (26,440)	\$ (30,800)	\$ (24,246)	\$ (24,246)
Loan 74 - Sewerage Upgrade		Community amenities	74	WATC*	1.40%	\$ 0	\$ (110,800)	\$ 0	\$ 0
Loan 66 - Airport Upgrade		Transport	66	WATC*	6.25%	\$ (143,905)	\$ (22,000)	\$ (21,887)	\$ (21,887)
<b>Total</b>						<b>(443,905)</b>	<b>(310,800)</b>	<b>(170,155)</b>	<b>(170,155)</b>
<b>Total Interest Repayments</b>	20a					<b>(443,905)</b>	<b>(310,800)</b>	<b>(170,155)</b>	<b>(170,155)</b>

SHIRE OF EAST PILBARA  
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28. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2022 Actual	2022 Budget	2022 Actual	2022 Budget		
Loan 74 - Sewerage Upgrade	WATC*		10	1.40%	0	6,500,000	0	6,500,000	0	0
Loan 75 - Marble Bar Aerodrome	WATC*		10	1.40%	0	5,000,000	0	5,000,000	0	0
					0	11,500,000	0	11,500,000	0	0

\* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual				Budget				
		Principal at 1 July 2020	New Leases During 2020-21	Repayments During 2020-21	Principal at 30 June 2021	Principal at 1 July 2021	New Leases During 2021-22	Repayments During 2021-22	Principal at 30 June 2022	
Gym Equipment	11(b)	27,489	0	(27,489)	0	0	0	0	0	0
Total Lease Liabilities		27,489	0	(27,489)	0	0	0	0	0	0
Lease Interest Repayments										
Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending 30 June 2021	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021	Budget for year ending 30 June 2022	Lease Term
Gym Equipment	2(b)		E6N0157912	Mella Financial	2.20%	0	0	(151)	0	18 Months
Total Interest Repayments						0	0	(151)	0	

SHIRE OF EAST PILBARA  
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FOR THE YEAR ENDED 30 JUNE 2022

29. RESERVE ACCOUNTS

	2022		2022		2022		2022		2022		2021		2021	
	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Budget Opening Balance	Budget Transfer to	Budget Closing Balance	Budget Transfer (from)	Actual Opening Balance	Actual Transfer to	Actual Transfer (from)	Actual Closing Balance			
<b>Restricted by council</b>														
(a) Alice Springs Road Reserve	216,847	467	0	216,722	2,700	0	0	215,871	976	0	216,847			
(b) Cape Keraudren Reserve	293,390	301,191	0	295,024	4,600	0	0	363,789	1,644	(72,053)	293,390			
(c) Heavy Plant Reserve	1,511,097	3,253	0	1,509,684	19,300	0	0	1,837,818	11,159	(337,920)	1,511,097			
(d) Computer Technology Reserve	670,931	1,444	0	670,614	6,400	0	0	668,455	2,476	0	670,931			
(e) Newman Airport Reserve	42,392,849	7,716,480	0	42,769,773	230,700	(11,005,500)	31,994,973	35,879,532	7,360,401	(847,084)	42,392,849			
(f) Rec'n Facilities Maint Reserve	2,062,501	304,999	0	1,982,355	16,000	(100,000)	1,988,355	2,537,320	109,827	(584,646)	2,062,501			
(g) Staff Housing Reserve	563,058	301,771	0	562,368	7,100	0	569,468	557,666	5,392	0	563,058			
(h) Public Art Reserve	125,365	100,456	0	125,293	1,000	0	124,801	124,801	564	0	125,365			
(i) Waste Management Reserve	1,962,963	4,226	0	1,962,506	624,500	(700,000)	1,887,006	1,959,403	3,560	0	1,962,963			
(j) Annual Leave Reserve	972,884	2,094	0	972,324	9,800	0	982,124	968,504	4,360	0	972,884			
(k) Newman House Reserve	734,010	1,580	0	733,598	9,200	(10,000)	730,710	730,710	3,300	0	734,010			
(l) Public Building Maintenance Reserve	2,028,519	304,926	0	2,069,674	16,400	(100,000)	1,986,074	2,390,433	10,813	(372,727)	2,028,519			
(m) Martumulil Operations Reserve	814,612	126,867	(343,286)	826,372	46,700	(84,200)	788,872	441,766	717,101	(344,246)	814,612			
(n) Martumulil Infrastructure Project Rese	311,104	643,806	(45,858)	310,955	55,000	0	365,955	309,934	1,170	0	311,104			
(o) Future Infrastructure Reserve	3,154,499	853,791	0	2,349,967	407,400	0	2,757,367	2,344,017	810,482	0	3,154,499			
(p) Insurance Reserve	237,119	250,976	0	0	260,000	0	250,000	0	250,000	(12,881)	237,119			
	58,051,748	10,918,327	(388,144)	57,357,201	1,706,800	(11,989,700)	47,064,301	51,330,019	9,293,285	(2,571,566)	58,051,748			

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Alice Springs Road Reserve	Ongoing	To establish a road link to Alice Springs from Marble Bar to the Northern Territory border.
(b) Cape Keraudren Reserve	Ongoing	For the maintenance, development & enhancement of the Cape Keraudren Reserve.
(c) Heavy Plant Reserve	Ongoing	To fund the purchase of heavy plant that is needed for the operation of the Shire.
(d) Computer Technology Reserve	Ongoing	For the replacement, enhancement and upgrading of computer hardware and software.
(e) Newman Airport Reserve	Ongoing	For the upgrading, maintenance and enhancement of the Newman Airport.
(f) Rec'n Facilities Maint Reserve	Ongoing	For the upgrading and enhancement of recreation facilities.
(g) Staff Housing Reserve	Ongoing	For the upgrading and maintenance of staff and community housing assets.
(h) Public Art Reserve	Ongoing	For the development, maintenance & enhancement of Public Art within the three towns of the East Pilbara Shire.
(i) Waste Management Reserve	Ongoing	For the development, maintenance & enhancement of waste facilities including the sewerage plant.
(j) Annual Leave Reserve	Ongoing	For the upgrade, maintenance & enhancement of Newman House.
(k) Newman House Reserve	Ongoing	For the upgrading, maintenance and enhancement of Newman House.
(l) Public Building Maintenance Reserve	Ongoing	For the upgrading, maintenance and enhancement of Public Buildings.
(m) Martumulil Operations Reserve	Ongoing	To hold and utilise the allocation of Martumulil's funds.
(n) Martumulil Infrastructure Project Rese	Ongoing	For the upgrading, maintenance and enhancement of Martumulil Buildings.
(o) Future Infrastructure Reserve	Ongoing	For the development of new or replacement infrastructure with total project cost of greater than one (1) million dollars.
(p) Insurance Reserve	Ongoing	To provide for the liabilities that may arise from the Shire's insurance requirements

**SHIRE OF EAST PILBARA  
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**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:

	<u>1 July 2021</u>	<u>Amounts Received</u>	<u>Amounts Paid</u>	<u>30 June 2022</u>
	\$	\$	\$	\$
Cash in Lieu of Public Open Space	758,224	0	0	758,224
Impounded Vehicle Income	4,545	0	0	4,545
Pilbara Regional Council	0	27,335	0	27,335
	<u>762,769</u>	<u>27,335</u>	<u>0</u>	<u>790,104</u>





## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2022 Shire of East Pilbara

To the Councillors of the Shire of East Pilbara

#### Opinion

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

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income by Nature or Type, 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.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2022 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

#### Basis for opinion

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

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

#### Other information

The Chief Executive Officer (CEO) is responsible for preparing and the Council for overseeing, the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

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

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

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

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

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

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

#### **Auditor's responsibilities for the audit of the financial report**

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

Misstaterments 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](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

#### **My independence and quality control relating to the report on the financial report**

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

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

This auditor's report relates to the financial report of the Shire of East Pilbara for the year ended 30 June 2022 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Grant Robinson  
Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
17 May 2023



**7 GENERAL BUSINESS**

In accordance with Section 5.27 of the *Local Government Act 1995*, and Regulation 15 of the *Local Government (Administration) Regulations 1996*, electors present at the Annual General Meeting of Electors are invited to raise any items of general business for discussion.

**8 CLOSURE**