



Shire of Dardanup

APPENDICES

**CORPORATE
& GOVERNANCE
DIRECTORATE**

**ORDINARY COUNCIL
MEETING**

To Be Held

Wednesday, 14th of December 2022
Commencing at 5.00pm

At

Shire of Dardanup - Administration Centre Eaton
1 Council Drive – EATON

[Appendix ORD: 12.4.1A]

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		2021/22 Annual Report						
RISK THEME PROFILE:		3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory) 4 - Document Management Processes						
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Risk of Council breaching the Local Government Act 1995 – Risk that the 2018/19 Annual Report is not received by Council.	Minor (2)	Rare (1)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Loss of reputation through non-compliance or mismanagement of funds	Minor (2)	Rare (1)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Dardanup

To the Councillors of the Shire of Dardanup

Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and 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
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 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

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.

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

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

My independence and quality 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 Dardanup 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.

Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 December 2022



**Item 12.4.1 - 2021/22
Annual Report**

Appendix ORD: 12.4.1C

**Please see
Under Separate Cover
Document**

[Appendix ORD: 12.4.2]

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		Motor Vehicle Variation to Policy & Vehicle Changeover						
RISK THEME PROFILE:		3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)			4 - Document Management Processes			
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Potential risk of the financial whole-of-life cost of fleet management exceeding expectations.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Risk of Council breaching the Local Government Act 1995 – Breach of Procurement Policy.	Moderate (3)	Rare (1)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Loss of reputation through non-compliance or mismanagement of funds.	Moderate (3)	Rare (1)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

[Appendix ORD: 12.4.3]

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		New Loans for 2022/23						
RISK THEME PROFILE:		3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)			1 - Asset Sustainability Practices			
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	The financial impact of loans and cash flow is significant to the sound financial management and health of Council's operations.	Major (4)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	The purpose and process of raising Council loans is governed by legislation and the WATC Master Lending Agreement.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.



Dardanup Sporting and Community Clubs Inc.

C/_ Post Office Dardanup 6236

Ms Aly Smith
Building Property Management Officer
Shire of Dardanup
13 October 2022

Dear Aly, the DSCC held its meeting on 21 September 2022 which included a discussion regarding the proposed lease for the Well Recreation Park.

The discussion was broken into two parts, the first focussing on the lease document and associated conditions/obligations and the second on the proposed lease fee.

Throughout discussions relating to the lease document, concerns were raised by members regarding the potential cost implications for the DSCC members relating to clauses in the lease should these be pursued by the Lessor. It was felt that any clauses not applicable to the Wells Recreation Reserve should be removed from the document and clauses requiring works in addition to what is already undertaken by the DSCC be modified to reflect the current situation.

Discussion around the application of the lease fee also raised serious concerns about the ability of the eight member clubs ability to pay the additional fees if it was applied as proposed. This situation would be exacerbated if any of the current clubs left the DSCC as their portion would be applied to the remaining members bringing into question the viability of the DSCC.

The DSCC is made up solely of small, not for profit local clubs who interact well to ensure maximum use of the facility throughout the year. The DSCC members each make an annual contribution of \$500 which is used to assist in the maintenance and upkeep of the facilities and also manage bookings for the facility to ensure its available to other smaller groups within the community that would otherwise not have a venue in which they could meet.

While the DSCC recognise the importance of the lease agreement to ensure the protection of the interests of both the DSCC and the Shire it is the opinion of the DSCC that further discussions are required ensure the interests of the DSCC, Shire and the Dardanup community are satisfied.

Yours faithfully

J Cross

Secretary
Dardanup Sporting and Community Clubs



Dardanup Sporting and Community Clubs Inc.

C/_ Post Office Dardanup 6236

10 November 2022

**Mr Andre Schonfeldt
Chief Executive Officer**

Shire of Dardanup

1 Council Dve

Eaton 6232

Dear Andre,

Re; Proposed Lease and Fee for the Dardanup Sporting and Community Clubs Inc.

The DSCC is completely opposed to the application of a lease fee and would like to go back to the former lease agreement which wasn't a commercial lease and better suited to our community groups use.

The DSCC ensures a community building is maintained in good condition and its use is well managed throughout the year for member clubs and other community groups wanting to use the facility. The DSCC manage the usage of 7 member Clubs - Eaton/ Dardanup Football Club, Dardanup Junior and Senior Cricket, F.V. Mountain Bike Club, Dardanup Tennis Club, SW Rose Soc, SW Veteran Car Club and Dardanup Bull and Barrel Festival. This takes considerable organising and relieves the Shire of work if the Shire had to perform this function.

The above Clubs already pay an annual membership fee to the DSCC of \$500.00 which is used for cleaning, insurance and maintenance costs. On top of this these Clubs already have their own costs incurred in running their Clubs so a lease fee will place another burden on Clubs that already give so much volunteer time, support the social fabric of our community and in some cases totally unaffordable for those Clubs.

Over the last 10 years the DSCC has upgraded the Clubrooms with new carpet, new urn, new pie warmer, air conditioning, CCTV, alarm system, veranda re painted, new cutlery and crockery, blinds and large storage shed. The Shire has assisted with this some grant funding to purchase this equipment and capital upgrades but majority of funding and volunteer labour has been provided by the DSCC. Currently the DSCC are upgrading the canteen so this can be used by Clubs since the Shire has not permitted this area to be used for food preparation. The canteen is a Shire building, included in the proposed lease matrix but unable to be satisfactorily used leaving it up to the DSCC to upgrade. Much of this upgrading is being done by volunteers.

The DSCC manage the bookings and usage of the Clubrooms for the Dardanup Seniors, Mens Welfare Group and Dardanup Sewing Club. Other community Groups such as the Art



Dardanup Sporting and Community Clubs Inc.

C/_ Post Office Dardanup 6236

Spectacular and Dardanup Res Assoc also meet at the Clubrooms occasionally. The DSCC manages the bookings of these Clubs on behalf of the Council and provides a low cost usage option for these Clubs and therefore service to the community. The Clubrooms are also hired to community members for social events and business meetings which are all managed by the DSCC.

With reference to the specifics of the lease fee matrix, the Shire has rated the DSCC as a community group when in fact we are a not for profit group as set out in our Rules and all the groups that are members Clubs of the DSCC are also not for profit groups as defined by their Rules.

Over the last 12 months the Shire have been requested to attend to a light that was blown and that's about the only time the Shire are required to do any maintenance on the Clubrooms.

The DSCC is a shining example of multiple clubs and community groups sharing a single facility without any disputes or complication for Council or the staff. Whether Council realises it or not what will happen if you persist with this lease agreement and fee it will destroy what little "community vibe and pride" we have left as I am not sure all the clubs would remain based in Dardanup as costs would force them to find other venues.

Yours faithfully

Jill Cross

Secretary

Dardanup Sporting and Community Clubs Inc

[Appendix ORD: 12.4.4C]

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		Wells Recreation Reserve Lease Fee						
RISK THEME PROFILE:		10 - Management of Facilities, Venues and Events 15 - Supplier and Contract Management						
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Reducing the lease fee will decrease the contribution from the club toward the building costs.	Moderate (3)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	The current agreement is not in line with Council's adopted terms and lease fee.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Council may be viewed in a negative light if we weren't seen to be applying the same terms and fees to all user groups.	Moderate (3)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.



**Item 12.4.5 - Annual Review
of Delegations 2022**

Appendix ORD: 12.4.5A

**Please see
Under Separate Cover
Document**

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		Annual Review of Delegations 2022						
RISK THEME PROFILE:		3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)			4 - Document Management Processes			
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Local Government Act 1995 compliance requirement to review delegations annually	Major (4)	Rare (1)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Notification from Dept. Local Government Non Compliance.	Moderate (3)	Rare (1)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Monthly Statement of Financial Activity for the Period Ended on the 30th of November 2022

RISK THEME PROFILE:

3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with the legislative requirements that results in a qualified audit.	Minor (2)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Non-compliance that results in a qualified audit can lead stakeholders to question the Council's ability to manage finances effectively.	Insignificant (1)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.



Monthly Financial Report

For the Period

1 July 2022 to 30 November 2022

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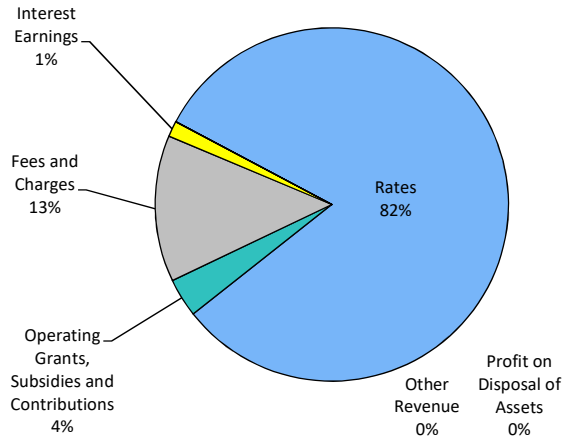
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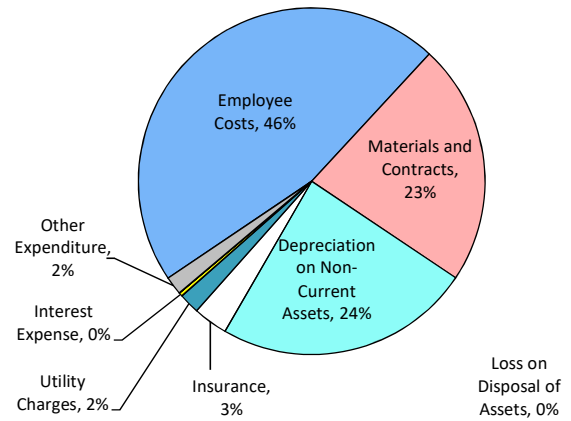
Monthly Financial Report
For the Period Ended 30 November 2022

SUMMARY GRAPHS

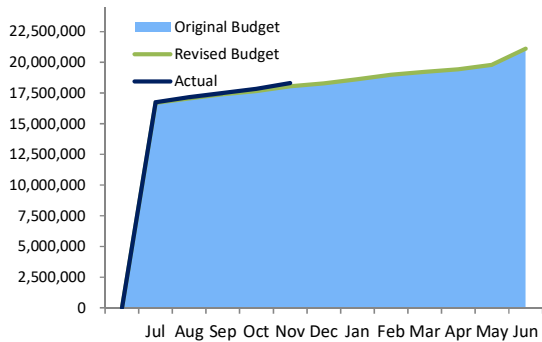
OPERATING REVENUE - ACTUAL YTD



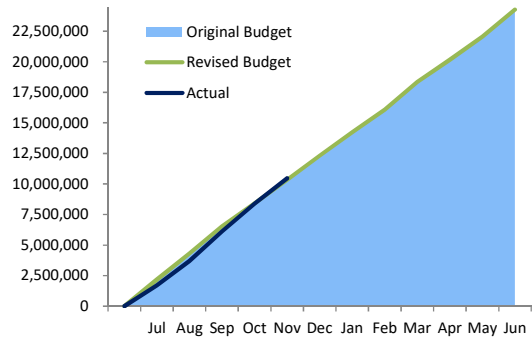
OPERATING EXPENSES - ACTUAL YTD



Total Operating Revenue - Budget - v Actual (excludes profit on disposal of assets)



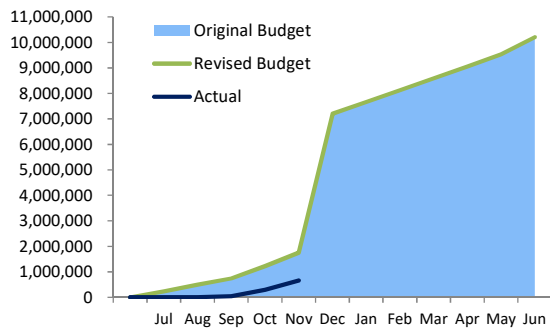
Total Operating Expenses - Budget - v Actual (excludes loss on disposal of assets)



CAPITAL REVENUE

(Non-operating grants, subsidies and contributions; sale of assets)

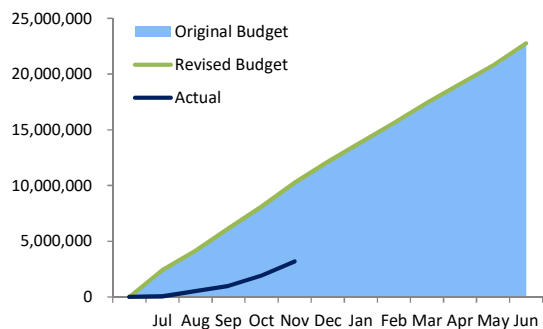
Capital Revenue - Budget - v - Actual



CAPITAL EXPENSES

(Acquisition of assets)

Capital Expenses - Budget - v - Actual



This information is to be read in conjunction with the accompanying Financial Statements and Notes

[Appendix ORD: 12.4.6B]



Statement of Financial Activity by Nature and Type For the Period Ended 30 November 2022 (Covering 5 months or 42% of the year)

	2022/23 Adopted Budget \$	2022/23 Revised Budget \$	2022/23 Y-T-D Revised Budget \$	2022/23 Y-T-D Actual \$	Variance Y-T-D		2022/23 Forecast \$	2021/22 Last Year Actual \$
					Actual to Revised Budget \$	Actual to Revised Budget %		
OPERATING ACTIVITIES								
Operating revenue								
Rates	15,021,963	15,021,963	14,959,154	14,943,791	(15,363)	(0.1%)	15,010,295	14,307,664
Operating grants, subsidies & contributions	2,457,135	2,652,505	664,674	652,752	(11,922)	(1.8%)	2,703,948	2,984,793
Fees and charges	3,331,234	3,331,234	2,256,709	2,454,335	197,626	8.8% ▲	3,446,570	3,409,896
Interest earnings	269,350	269,350	154,792	265,052	110,260	71.2% ▲	269,350	190,871
Other revenue	29,226	29,226	7,306	2,411	(4,895)	(67.0%)	29,226	23,436
Profit on asset disposal	2,942,186	2,942,186	805	0	(805)	(100.0%)	2,942,186	22,505
Total Operating Revenue	24,051,094	24,246,464	18,043,440	18,318,341	274,901	1.5%	24,401,575	20,939,165
Operating expenses								
Employee costs	(11,453,887)	(11,453,887)	(4,763,491)	(4,850,932)	(87,441)	(1.8%)	(11,289,068)	(10,564,139)
Materials and contracts	(5,279,133)	(5,554,903)	(2,292,478)	(2,358,433)	(65,955)	(2.9%)	(5,768,423)	(6,550,688)
Utility charges	(571,758)	(571,758)	(211,619)	(203,066)	8,553	4.0%	(572,108)	(573,880)
Depreciation on non-current assets	(6,017,969)	(6,017,969)	(2,507,445)	(2,507,485)	(40)	(0.0%)	(6,017,969)	(5,619,217)
Interest expenses	(204,976)	(204,976)	(61,446)	(36,683)	24,763	40.3%	(199,137)	(108,244)
Insurance expenses	(339,527)	(339,527)	(254,779)	(336,273)	(81,494)	(32.0%) ▼	(346,576)	(318,720)
Other expenses	(392,196)	(402,196)	(242,154)	(179,345)	62,809	25.9% ▲	(402,196)	(416,236)
Loss on asset disposals	0	0	0	0	0	0.0%	0	(59,741)
Total operating expenditure	(24,259,447)	(24,545,217)	(10,333,412)	(10,472,217)	(138,805)	(1.3%)	(24,595,478)	(24,210,865)
Adjustments of non cash items								
(Profit)/Loss on Asset Disposals	(2,942,186)	(2,942,186)	(805)	0	805	100.0%	(2,942,186)	37,236
Accruals	0	0	0	0	0	0.0%	(44,827)	(1,874)
Movement in non-current assets and liabilities	0	0	0	6,231	6,231	100.0%		
Movement in contract liabilities associated with restricted cash	0	0	0	1,330	1,330	100.0%	0	(47,033)
Depreciation on Assets	6,017,969	6,017,969	2,507,445	2,507,485	40	0.0%	6,017,969	5,619,217
Non-cash amounts excluded from operating activities	3,075,783	3,075,783	2,506,640	2,515,046	8,406	0.3%	3,030,957	5,607,546
Adjusted net operating activities	2,867,430	2,777,030	10,216,668	10,361,170	144,502	1.4%	2,837,054	2,335,846
INVESTING ACTIVITIES								
Non-operating grants, subsidies & contributions	5,179,259	4,061,858	1,307,421	649,012	(658,409)	(50.4%) ▼	4,023,933	7,438,890
Proceeds from disposal of assets	5,025,000	5,025,000	25,000	10,989	(14,011)	(56.0%)	5,025,000	243,274
Payments for land and buildings	(17,314,573)	(16,327,295)	(4,245,290)	(1,931,378)	2,313,913	54.5% ▲	(12,184,987)	(6,032,993)
Payments for transport infrastructure	(4,217,151)	(4,621,912)	(3,038,408)	(985,059)	2,053,349	67.6% ▲	(4,621,911)	(3,270,707)
Payments for parks and reserves infrastructure	(845,258)	(1,051,097)	(832,998)	(239,944)	593,054	71.2% ▲	(1,051,097)	(746,543)
Payments for motor vehicles	(80,000)	(80,000)	(80,000)	(40,946)	39,054	48.8% ▲	(80,000)	(829,094)
Payments for plant & equipment	0	0	0	0	0	0.0%	0	(398,755)
Payments for furniture & fittings	(168,382)	(168,382)	(70,150)	0	70,150	100.0% ▲	(168,382)	(58,483)
Amount attributable to investing activities	(12,421,105)	(13,161,828)	(6,934,425)	(2,537,325)	4,397,100	63.4%	(9,057,444)	(3,654,411)
Non-cash amounts excluded from investing activities								
Movement in non-current developer contributions	0	0	0	0	0	0.0%	0	(251,763)
Movement in non-operating grants and contributions associated with restricted cash	0	0	0	465,144	465,144	100.0% ▲	0	(1,799,589)
Adjusted amount attributable to investing activities	(12,421,105)	(13,161,828)	(6,934,425)	(2,072,181)	4,862,244	70.1%	(9,057,444)	(5,705,763)
FINANCING ACTIVITIES								
Proceeds from new debentures	7,000,000	6,700,000	0	0	0	0.0%	6,700,000	320,000
Transfers from reserves	13,715,412	14,853,730	6,795,107	4,242,819	(2,552,288)	(37.6%) ▼	11,006,674	13,956,121
Repayment of debentures	(529,714)	(529,714)	(205,244)	(158,682)	46,562	22.7% ▲	(392,533)	(333,977)
Principal portion of lease liabilities	(238,834)	(238,834)	(104,382)	(75,762)	28,620	27.4% ▲	(237,219)	(188,701)
Transfers to reserves	(10,440,476)	(10,457,671)	0	(1,362,644)	(1,362,644)	(100.0%) ▼	(10,838,240)	(11,169,323)
Amount attributable to financing activities	9,506,389	10,327,512	6,485,481	2,645,731	(3,839,750)	(59.2%)	6,238,683	2,584,120
FUNDING SOURCES								
Surplus/(Deficit) July 1 B/Fwd	184,453	184,453	184,453	175,393	(9,060)	(4.9%)	175,393	961,190
CLOSING FUNDS (A+B+C+D)	137,167	127,167	9,952,177	11,110,114	1,157,937	11.6%	193,686	175,393

KEY INFORMATION

▲ ▼ Indicates a significant variance between Year-to-Date (YTD) Revised Budget and YTD Actual data as per the adopted materiality threshold.

▲ indicates a positive impact on the surplus/deficit position. ▼ indicates a negative impact on the surplus/deficit position.

Refer to Note 2 for an explanation of the reasons for the variance.

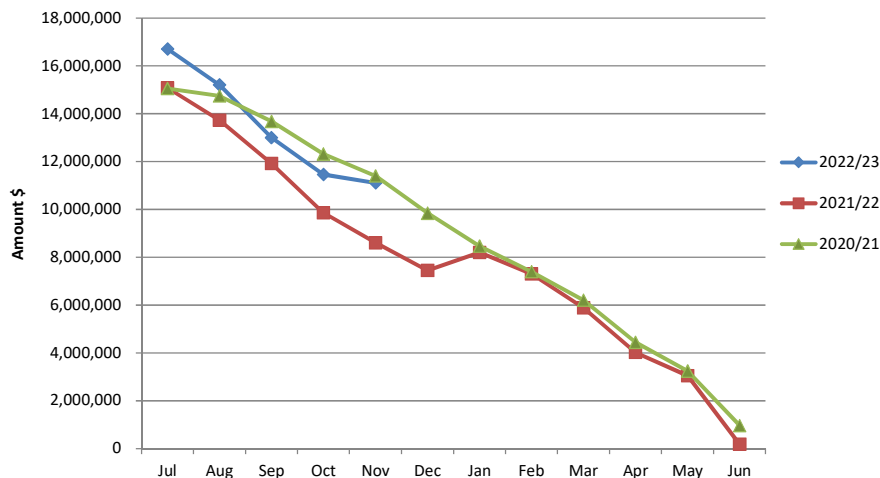
This statement to be read in conjunction with the accompanying Financial Statements and Notes



**Statement of Financial Activity by Nature and Type
For the Period Ended 30 November 2022
NET CURRENT ASSETS**

Note	Year to Date Actual 30-Nov-2022 \$	Same Time Last Year Actual 30-Nov-2021	Last Year Closing 30-Jun-2022 \$
Represented By:			
CURRENT ASSETS			
Cash and Cash Equivalents	26,095,867	27,735,310	22,165,701
Rates Debtors Outstanding	4,428,791	4,058,409	465,832
Pensioner Rates Rebate	9,814	21,513	19,104
Sundry Debtors	67,799	1,048,278	394,055
Accrued Revenue	63,398	12,979	244,738
Prepaid Expenses	0	0	41,896
Goods & Services Tax / BAS Refund	244,003	516,300	378,414
Other Receivables	(1,286)	4,140	0
Inventories - Land Held for Resale	1	0	1
Inventories - Materials	7,122	6,318	7,122
Inventories- Trading Stock - Recreation Centre	7,159	5,842	7,159
Current Assets	30,922,668	33,409,089	23,724,022
LESS CURRENT LIABILITIES			
Payables:			
Sundry Creditors	0	(774,216)	(1,149,276)
Goods & Services Tax / BAS Payable	0	0	0
Other Payables	(661,355)	(527,122)	(11,040)
Municipal Bonded Liabilities	(531,191)	(596,269)	(573,692)
Contract Liabilities	(2,018,053)	(2,753,258)	(1,072,337)
Prepaid Revenue - Rates / PPL	(270,192)	(215,975)	(890,198)
Accrued Interest on Debentures	(28,572)	(30,331)	(28,572)
Accrued Salaries & Wages	0	0	(171,847)
Other Accrued Expenses	0	0	(6,565)
Borrowings - Debentures	(140,908)	(133,613)	(392,533)
Provisions:			
Staff Leave Provisions	(1,680,225)	(1,464,026)	(1,636,069)
Current Liabilities	(5,330,497)	(6,494,810)	(5,932,129)
Net Current Assets	25,592,171	26,914,279	17,791,893
Less: Restricted Assets / Reserve Funds	(16,171,917)	(20,370,704)	(19,052,092)
Add: Current - Borrowings	140,908	133,613	392,533
Add: Current - Contract Liabilities held in Reserve accounts	1,354,197	1,758,646	848,305
Add: Current - Contract Liabilities - Leases	194,754	167,441	194,754
CLOSING FUNDS / NET CURRENT ASSETS (per previous page)	11,110,113	8,603,276	175,393

Liquidity Over The Year



[Appendix ORD: 12.4.6B]



**Statement of Comprehensive Income by Program
For the Period Ended 30 November 2022
(Covering 5 months or 42% of the year)**

	2022/23	2022/23	2022/23	2022/23	Variance Y-T-D		2022/23	2021/22
	Adopted Budget \$	Revised Budget \$	Y-T-D Revised Budget \$	Y-T-D Actual \$	Actual to Revised Budget \$	Actual to Revised Budget %	Forecast \$	Last Year Actual \$
Revenue								
General Purpose Funding	16,606,755	16,606,755	15,113,888	15,153,367	39,479	0.3%	16,612,062	16,197,052
Governance	800	800	325	26,109	25,784	7933.5%	800	4,282
Law, Order, Public Safety	312,737	508,107	145,948	173,408	27,460	18.8%	508,107	504,600
Health	28,050	28,050	11,685	23,723	12,038	103.0%	28,050	23,504
Education and Welfare	6,000	6,000	415	5,700	5,285	(1273.5%)	6,000	2,550
Community Amenities	1,756,509	1,756,509	1,586,893	1,666,581	79,688	5.0%	1,868,143	1,732,986
Recreation and Culture	1,777,990	650,589	831,386	939,799	108,413	13.0%	1,811,120	1,849,379
Transport	196,957	196,957	161,255	151,131	(10,124)	(6.3%)	200,057	210,248
Economic Services	195,250	195,250	95,920	80,335	(15,585)	(16.2%)	181,250	169,233
Other Property and Services	229,800	229,800	95,725	98,188	2,463	2.6%	243,800	222,825
	<u>21,110,848</u>	<u>20,178,817</u>	<u>18,043,440</u>	<u>18,318,341</u>	<u>274,901</u>	<u>1.5%</u>	<u>21,459,389</u>	<u>20,916,659</u>
Expenses								
General Purpose Funding	(389,518)	(389,518)	(165,670)	(194,733)	(29,063)	(17.5%)	(389,518)	(532,978)
Governance	(1,303,217)	(1,303,217)	(552,389)	(507,174)	45,215	8.2%	(1,323,217)	(1,387,717)
Law, Order, Public Safety	(1,748,584)	(1,953,954)	(783,644)	(779,531)	4,113	0.5%	(1,896,408)	(1,717,806)
Health	(597,360)	(597,360)	(252,497)	(255,689)	(3,192)	(1.3%)	(592,784)	(531,650)
Education and Welfare	(976,940)	(966,940)	(423,530)	(338,188)	85,342	20.2%	(922,517)	(864,255)
Community Amenities	(3,513,422)	(3,583,822)	(1,385,387)	(1,436,358)	(50,971)	(3.7%)	(3,723,789)	(3,281,154)
Recreation & Culture	(8,359,365)	(8,369,365)	(3,529,493)	(3,654,656)	(125,163)	(3.5%)	(8,470,791)	(8,148,781)
Transport	(6,596,712)	(6,596,712)	(2,753,973)	(2,877,972)	(123,999)	(4.5%)	(6,626,249)	(6,746,647)
Economic Services	(474,369)	(484,369)	(250,153)	(259,618)	(9,465)	(3.8%)	(474,673)	(526,260)
Other Property and Services	(301,901)	(301,901)	(237,481)	(168,298)	69,183	29.1%	(175,531)	(413,875)
	<u>(24,261,387)</u>	<u>(24,547,157)</u>	<u>(10,334,217)</u>	<u>(10,472,217)</u>	<u>(138,000)</u>	<u>(1.3%)</u>	<u>(24,595,477)</u>	<u>(24,151,123)</u>
Operational Surplus / (Deficit)	(3,150,539)	(4,368,340)	7,709,223	7,846,124	136,901	(1.8%)	(3,136,088)	(3,234,464)
Grants & Contributions for the Development of Assets	5,179,259	4,061,858	1,307,421	649,012	(658,409)	(50.4%)	4,023,933	7,438,890
Profit on Asset Disposals	2,942,186	2,942,186	805	0	(805)	(100.0%)	2,942,186	0
Loss on Asset Disposals	0	0	0	0	0	0.0%	0	(37,236)
	<u>8,121,445</u>	<u>7,004,044</u>	<u>1,308,226</u>	<u>649,012</u>	<u>(659,214)</u>	<u>50.4%</u>	<u>6,966,119</u>	<u>7,401,654</u>
NET RESULT	4,970,906	2,635,704	9,017,449	8,495,137	(522,313)	(5.8%)	3,830,032	4,167,190
Other Comprehensive Income								
Changes on Revaluation of Non-Current Assets	0	0	0	0	0	0.0%	0	0
TOTAL COMPREHENSIVE INCOME	4,970,906	2,635,704	9,017,449	8,495,137	(522,313)	5.8%	3,830,032	4,167,190

[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity For the Period Ended 30 November 2022

1. PROGRAMS / ACTIVITIES

In order to discharge its responsibilities to the community, the Shire has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision and for each of its broad activities/programs.

COMMUNITY VISION

Provide effective leadership in encouraging balanced growth and development of the Shire while recognising the diverse needs of the community.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue.
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administration support available to Council for the provision of governance of the District. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious	Supervision and enforcement of various local-laws relating to the fire prevention, animal control and protection of the environment, and other aspects of public safety including emergency services.
HEALTH	To provide services to achieve community and environmental health.	Maternal and infant health facilities, immunisation, meat inspection services, inspection of food outlets, noise control and pest control services.
EDUCATION AND WELFARE	To provide services to children, youth, the elderly and disadvantaged persons.	Pre-school and other education services, child minding facilities, playgroups, senior citizens' centres.
COMMUNITY AMENITIES	To provide services required by the community.	Waste collection services, operation of refuse site, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemeteries and public conveniences.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resources which help the social well being of the community.	Maintenance of halls, civic buildings, river banks, recreation centre and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.
TRANSPORT	To promote safe, effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges, footpaths, cycle ways, parking facilities, traffic control and depot. Cleaning of streets and maintenance of street trees, street lighting, etc.
ECONOMIC SERVICES	To help promote the shire and its economic wellbeing.	Tourism and area promotion, building control, provision of rural services including weed control and vermin control, standpipes.
OTHER PROPERTY & SERVICES	To monitor and control Council's overheads operating accounts.	Private works operations, general administration overheads, plant repairs and operating costs, public works overheads.



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY

The material variances adopted by the Shire of Dardanup for reporting in the 2022/23 year is 5% or \$25,000, whichever is the greater. All variances are between Year-to-Date Actual and Year-to-Date Revised Budget values.

	2022/23 Y-T-D Revised Budget \$	2022/23 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
OPERATING ACTIVITIES						
Revenue						
Rates	14,959,154	14,943,791	(15,363)	(0.1%)		
Operating grants, subsidies & contributions	664,674	652,752	(11,922)	(1.8%)		
Fees and charges	2,256,709	2,454,335	197,626	8.8%	▲ Permanent / Timing	Permanent: higher than expected revenue from various fees and charges including \$60,000 charges for waste collection, \$40,000 planning application fees, \$11,000 DAMA application fees. Timing: more fees & charges received to date - \$72,000 Eaton Recreation Centre membership & activities, \$9,000 Health inspection (food premises).
Interest earnings	154,792	265,052	110,260	71.2%	▲ Permanent	Increase in interest received on bank accounts and term deposit investments due to higher than expected interest rates.
Other revenue	7,306	2,411	(4,895)	(67.0%)		
Profit on asset disposal	805	0	(805)	(100.0%)		
Total Operating Revenue	18,043,440	18,318,341	274,901	1.5%		
Operating Expenses						
Employee costs	(4,763,491)	(4,850,932)	(87,441)	(1.8%)		
Materials and contracts	(2,292,478)	(2,358,433)	(65,955)	(2.9%)		
Utility charges	(211,619)	(203,066)	8,553	4.0%		
Depreciation on non-current assets	(2,507,445)	(2,507,485)	(40)	(0.0%)		
Interest expenses	(61,446)	(36,683)	24,763	40.3%		
Insurance expenses	(254,779)	(336,273)	(81,494)	(32.0%)	▼ Timing	All annual insurances paid as at reporting date. Budget for buildings and bushfire brigade vehicles insurance costs is evenly spread over the year.
Other expenses	(242,154)	(179,345)	62,809	25.9%	▲ Timing	\$50,000 for less payments made to date for operating grants and subsidies to sporting, community and tourism groups, \$16,000 lower costs to date for elected members fees, allowances and expenses.
Total Operating Expenditure	(10,333,412)	(10,472,217)	(138,805)	1.3%		
Net Operating Activities	7,710,028	7,846,124	136,096	1.8%		

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY (continued)

	2022/23 Y-T-D Revised Budget \$	2022/23 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
ADJUSTMENTS OF NON CASH ITEMS						
(Profit)/Loss on Asset Disposals	(805)	0	805	100.0%		
Accruals	0	6,231	6,231	100.0%		
Fair value adjustment to financial assets	0	0	0	0.0%		
Movement in contract liabilities associated with restricted cash	0	1,330	1,330	100.0%		
Depreciation on Assets	2,507,445	2,507,485	40	0.0%		
Adjusted Net Operating Activities	10,216,668	10,361,170	144,502	1.4%		
INVESTING ACTIVITIES						
Revenue						
Non-operating grants, subsidies & contributions	1,307,421	649,012	(658,409)	(50.4%)	▼ Timing	Less grants recognised as revenue to date - linked to lower expenditure to date on related construction projects.
Proceeds from disposal of assets	25,000	10,989	(14,011)	(56.0%)		
Payments for land and buildings	(4,245,290)	(1,931,378)	2,313,913	54.5%	▲ Timing	Lower costs to date than budget estimates for building projects, including upgrade to community halls, Wells Recreation Reserve change rooms, Eaton Oval clubrooms, Eaton skate park, Dardanup toilet/dump point and new Administration Centre / Library.
Payments for transport infrastructure assets	(3,038,408)	(985,059)	2,053,349	67.6%	▲ Timing	Less activity than budget estimate to date on some major transport upgrade and renewal projects - Ferguson Road, Pratt Road, Glenhuon Boulevard intersection, Pile Road and several bridge renewals. Eaton Drive / Peninsula Lakes intersection is completed.
Payments for parks infrastructure assets	(832,998)	(239,944)	593,054	71.2%	▲ Timing	Most parks and reserves construction projects are at design and preliminaries stage. Dardanup Civic Precinct is at 40% completion.
Payments for motor vehicles	(80,000)	(40,946)	39,054	48.8%	▲ Timing	Extended delivery time for Parks & Gardens utility.
Payments for plant & equipment	0	0	0	0.0%		
Payments for furniture & fittings	(70,150)	0	70,150	100.0%	▲ Timing	Purchase of replacement IT equipment has not yet occurred.
Net investing activities	(6,934,425)	(2,537,325)	4,397,100	(63.4%)		
Non-cash amounts excluded from investing activities						
Movement in non-operating grants and contributions associated with restricted cash	0	465,144	465,144	100.0%	▲ Timing	Non-operating grants and contributions for acquisition of assets are held as contract liabilities and transferred to revenue when required for specific asset acquisition. These funds are also held in Reserve accounts. This adjustment is to offset the duplication of funding recognised as revenue as well as transfer from reserve.
Adjusted net investing activities	(6,934,425)	(2,072,181)	4,862,244	70.1%		

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY (continued)

	2022/23 Y-T-D Revised Budget \$	2022/23 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	
FINANCING ACTIVITIES						
Revenue						
Proceeds from new debentures	0	0	0	0.0%		
Transfers from reserves	6,795,107	4,242,819	(2,552,288)	(37.6%)	▼	Timing Less Reserve funds required to date for various asset acquisition and construction including major projects for the Administration/Library building, Eaton Oval clubrooms, Pratt Road modifications, Glenhuon Bvd/Eaton Dr traffic control.
Repayment of debentures	(205,244)	(158,682)	46,562	22.7%	▲	Timing Loan 70 repayment due date and payment made on 2nd December. Budget estimate was for payment in November.
Principal portion of lease liabilities	(104,382)	(75,762)	28,620	27.4%	▲	Timing Several IT equipment leases due quarterly but not yet paid for the December quarter. Budget is for even spread of payments throughout the year.
Transfers to Reserves	0	(1,362,644)	(1,362,644)	(100.0%)	▼	Timing Restricted grants and developer contributions received are transferred to reserves until required for related capital works. Budget did not include provision for these reserve transfers.
Total financing activities	6,485,481	2,645,731	(3,839,750)	(59.2%)		
FUNDING SOURCES						
Surplus/(Deficit) July 1 B/Fwd	184,453	175,393	(9,060)	4.9%		
CLOSING FUNDS (A+B+C+D)	9,952,177	10,644,970	1,157,937	11.6%		



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

3. TRUST FUNDS

Funds held at reporting date over which the Shire has no control and which are not included in the financial statements are as follows:

NAME	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
Ross & Deborah Bevan	40,000.00	0.00	0.00	0.00	0.00	40,000.00
Public Open Space	527,534.28	0.00	0.00	0.00	0.00	527,534.28
Dept Communities Grant - Auspicing for Goodstart Eaton Child Care Centre	25,000.00	0.00	0.00	0.00	0.00	25,000.00
Accrued Interest	65.31	0.00	3,798.88	0.00	0.00	3,864.19
Plus: Outstanding Creditors	0.00	0.00	0.00	0.00	0.00	0.00
Less: Outstanding Debtors	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	592,599.59	0.00	3,798.88	0.00	0.00	596,398.47

4. RESERVES - CASH BACKED

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

NAME	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
<i>Council Restricted</i>						
Executive & Compliance Vehicles Reserve	223,902.88	0.00	0.00	0.00	0.00	223,902.88
Plant & Engineering Equipment Reserve	585,646.52	0.00	0.00	0.00	0.00	585,646.52
Eaton Recreation Centre - Equipment Reserve	303,650.04	0.00	0.00	0.00	0.00	303,650.04
Building Maintenance Reserve	3,550,218.30	0.00	0.00	(1,280,131.37)	0.00	2,270,086.93
Employee Relief Reserve	265,625.85	0.00	0.00	0.00	0.00	265,625.85
Employee Leave Entitlements Reserve	48,755.58	0.00	0.00	0.00	0.00	48,755.58
Refuse Site Environmental Works Reserve	84,255.28	0.00	0.00	0.00	0.00	84,255.28
Information Technology Reserve	699,456.58	0.00	0.00	0.00	0.00	699,456.58
Roadwork Construction & Major Maintenance Reserve	801,283.59	0.00	0.00	(37,749.55)	0.00	763,534.04
Accrued Salaries Reserve	500,668.37	0.00	0.00	0.00	0.00	500,668.37
Tourism Reserve	11,777.32	0.00	0.00	0.00	0.00	11,777.32
Recycling Education Reserve	44,211.29	0.00	0.00	0.00	0.00	44,211.29
Road Safety Programs Reserve	26,778.71	0.00	0.00	0.00	0.00	26,778.71
Council Land Development Reserve	22,681.01	0.00	0.00	0.00	0.00	22,681.01
Carried Forward Projects Reserve	3,235,514.34	0.00	0.00	(559,149.48)	0.00	2,676,364.86
Election Expenses Reserve	11,650.71	0.00	0.00	0.00	0.00	11,650.71
Town Planning Consultancy Reserve	28,072.37	0.00	0.00	(7,000.00)	0.00	21,072.37
Parks & Reserves Upgrades Reserve	145,854.33	0.00	0.00	(37,133.55)	0.00	108,720.78
Strategic Planning Studies Reserve	109,507.55	0.00	0.00	0.00	0.00	109,507.55
Pathways Reserve	174,197.69	0.00	0.00	(767.99)	0.00	173,429.70
Asset / Rates Revaluation Reserve	184,810.63	0.00	0.00	0.00	0.00	184,810.63
Refuse & Recycling Bin Replacement Reserve	59,919.86	0.00	0.00	0.00	0.00	59,919.86
Sale of Land Reserve	2,341,667.14	0.00	0.00	0.00	0.00	2,341,667.14
Storm Water Reserve	183,642.31	0.00	0.00	(600.09)	0.00	183,042.22
	13,643,748.25	0.00	0.00	(1,922,532.03)	0.00	11,721,216.22
<i>Statute Restricted</i>						
Contribution to Works Reserve	921,807.33	7,899.82	0.00	(9,115.19)	0.00	920,591.96
Eaton Drive - Access Construction Reserve	0.00	16,523.03	0.00	0.00	0.00	16,523.03
Eaton Drive - Scheme Construction Reserve	0.00	12,692.55	0.00	0.00	0.00	12,692.55
Fire Control Reserve	11,593.54	0.00	0.00	0.00	0.00	11,593.54
Collie River (Eaton Drive) Bridge Construction Reserve	514,376.48	5,936.75	0.00	(247,996.94)	0.00	272,316.29
Unspent Grants Reserve	2,837,638.91	1,238,369.00	0.00	(1,985,299.12)	0.00	2,090,708.79
Swimming Pool Inspection Reserve	4,510.58	0.00	0.00	0.00	0.00	4,510.58
Burekup - Public Open Space	72,651.30	0.00	0.00	0.00	0.00	72,651.30
Unspent Specified Area Rate - Bulk Waste Collection Reserve	89,661.73	0.00	0.00	0.00	0.00	89,661.73
Unspent Specified Area Rate - Eaton Landscaping Reserve	239,564.73	0.00	0.00	0.00	0.00	239,564.73
Wanju Developer Contribution Plan Unspent Loan Reserve	716,539.19	0.00	0.00	(77,876.20)	0.00	638,662.99
Dardanup Expansion Developer Contribution Plan Reserve	0.00	0.00	0.00	0.00	0.00	0.00
	5,408,343.79	1,281,421.15	0.00	(2,320,287.45)	0.00	4,369,477.49
Interest	0.00	0.00	120,641.10	0.00	0.00	120,641.10
Less: Outstanding Debtors	0.00	(39,418.00)	0.00	0.00	0.00	(39,418.00)
TOTAL	19,052,092.04	1,242,003.15	120,641.10	(4,242,819.48)	0.00	16,171,916.81



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

5. MUNICIPAL LIABILITIES

Funds held at reporting date for bonds and deposits not required to be held in the Trust Fund and classified as restricted to recognise that they are owed to developers/hirers and others. These are now classified as Municipal Liabilities as follows:

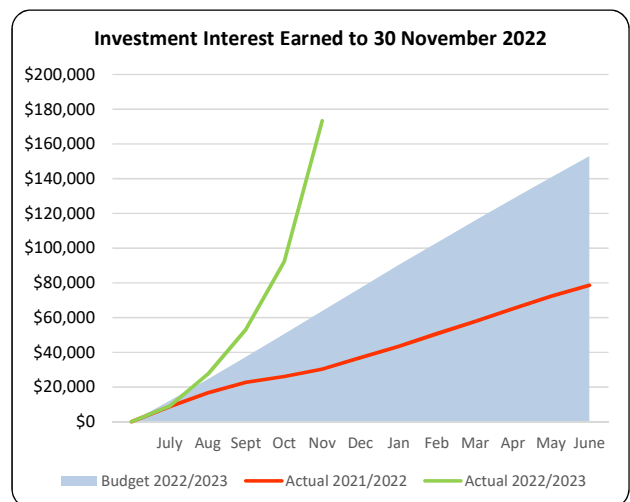
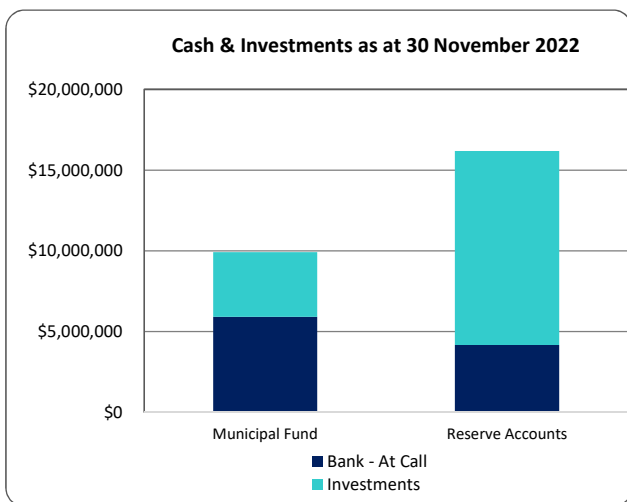
	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
Retention Bonds						
Parkridge Group	52,360.04	0.00	0.00	(32,505.63)	0.00	19,854.41
Little Meadows Pty Ltd	15,631.53	0.00	0.00	0.00	0.00	15,631.53
Winterfall Nominees Pty Ltd	36,007.60	0.00	0.00	(15,631.53)	0.00	20,376.07
Holland Loop Pty Ltd	19,370.00	2,540.00	0.00	0.00	0.00	21,910.00
T J Coman	8,384.63	0.00	0.00	0.00	0.00	8,384.63
Garvey Road Pty Ltd	25,953.17	0.00	0.00	(25,953.17)	0.00	0.00
Burekup Developments Pty Ltd	16,945.37	0.00	0.00	0.00	0.00	16,945.37
Garvey Road Pty Ltd	7,569.43	0.00	0.00	(7,569.43)	0.00	0.00
Thompson Surveying Consultants	21,993.00	0.00	0.00	0.00	0.00	21,993.00
Total - Retention Bonds	204,214.77	2,540.00	0.00	(81,659.76)	0.00	125,095.01
Construction Contract Retention						
Carbone Bros - Harris Road Upgrade	33,992.00	0.00	0.00	0.00	0.00	33,992.00
Advanteeing - Skate Park	23,899.55	0.00	0.00	0.00	0.00	23,899.55
	57,891.55	0.00	0.00	0.00	0.00	57,891.55
Extractive Industry Rehabilitation Bonds						
L G Davidson	1,290.20	0.00	0.00	0.00	0.00	1,290.20
M Denholm	845.24	0.00	0.00	0.00	0.00	845.24
S Catalano	1,340.36	0.00	0.00	0.00	0.00	1,340.36
Bunbury Agricultural Society	2,387.88	0.00	0.00	0.00	0.00	2,387.88
D Busher	1,282.84	0.00	0.00	0.00	0.00	1,282.84
Valli & Co	2,600.14	0.00	0.00	0.00	0.00	2,600.14
Charles Hull Contracting	7,603.41	0.00	0.00	0.00	0.00	7,603.41
J & P Group	135,809.01	0.00	0.00	0.00	0.00	135,809.01
Total - Extractive Industries Bonds	153,159.08	0.00	0.00	0.00	0.00	153,159.08
Specified Projects						
Dardanup Central Bushfire Station Refurbishment - Red Cross - A Poad Bequest	26,631.15	0.00	0.00	0.00	0.00	26,631.15
Total - Specified Projects	26,631.15	0.00	0.00	0.00	0.00	26,631.15
Sundry Deposits						
Unclaimed Monies	1,838.11	61.65	0.00	(70.11)	0.00	1,829.65
Bunbury Wellington Group of Councils (BunGeo Group of Councils - BGGC)	50,532.31	3,000.00	0.00	0.00	0.00	53,532.31
Total - Sundry Deposits	52,370.42	3,061.65	0.00	(70.11)	0.00	55,361.96
Election Deposits	0.00	0.00	0.00	0.00	0.00	0.00
Key Bonds	752.68	280.00	0.00	(80.00)	0.00	952.68
Hire Bonds	3,630.00	5,590.00	0.00	(3,170.00)	0.00	6,050.00
Kerb Bonds	75,041.91	0.00	0.00	0.00	0.00	75,041.91
Construction Training Fund	8,434.41	16,503.68	0.00	(22,303.67)	0.00	2,634.42
Building Services Levy	2,606.31	51,124.60	0.00	(25,357.64)	0.00	28,373.27
Development Assessment Panel	0.00	11,630.00	0.00	(11,630.00)	0.00	0.00
Less Outstanding Debtors	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	584,732.28	90,729.93	0.00	(144,271.18)	0.00	531,191.03



Notes to the Statement of Financial Activity
For the Period Ended 31 November 2022

6. STATEMENT OF INVESTMENTS

BANK	TYPE	AMOUNT	RATE	DAYS	COMMENCE	MATURITY	ESTIMATED INTEREST	INTEREST CREDITED 2022-2023
MUNICIPAL FUND								
CBA	Municipal Fund Bank Account	\$ 4,910,250.29	2.40%					\$29,293.08
CBA	Municipal - Business Online Saver	\$ 1,010,238.74	2.70%					\$8,909.54
CBA	Term Deposit	\$ 1,000,000.00	3.63%	88	10/2022	01/2023	\$8,751.78	
CBA	Term Deposit	\$ 1,000,000.00	3.73%	120	10/2022	02/2023	\$12,263.01	
NAB	Term Deposit	\$ 1,000,000.00	3.72%	120	10/2022	02/2023	\$12,230.14	
NAB	Term Deposit	\$ 1,000,000.00	3.60%	91	10/2022	01/2023	\$8,975.34	
		<u>\$ 9,920,489.03</u>					<u>\$42,220.27</u>	<u>\$38,202.62</u>
TRUST FUND								
CBA	Trust Fund Bank Account	\$ 596,398.47	2.40%					\$3,798.88
		<u>\$ 596,398.47</u>					<u>\$0.00</u>	<u>\$3,798.88</u>
RESERVE ACCOUNTS								
CBA	Reserve Bank Account	\$ 601,499.22	2.40%					\$21,727.23
CBA	Reserve - Business Online Saver	\$ 3,570,417.59	2.70%					\$66,388.36
CBA	Term Deposit	\$ 1,500,000.00	3.63%	89	10/2022	01/2023	\$13,276.85	
CBA	Term Deposit	\$ 1,050,000.00	3.73%	116	10/2022	02/2023	\$12,446.96	
CBA	Term Deposit	\$ 450,000.00	3.73%	116	10/2022	02/2023	\$5,334.41	
CBA	Term Deposit	\$ 1,500,000.00	3.85%	150	10/2022	03/2023	\$23,732.88	
CBA	Term Deposit	\$ 1,000,000.00	3.96%	180	10/2022	04/2023	\$19,528.77	
NAB	Term Deposit	\$ 1,500,000.00	3.60%	91	10/2022	01/2023	\$13,463.01	
NAB	Term Deposit	\$ 1,500,000.00	4.05%	182	10/2022	05/2023	\$30,291.78	
AMP	Term Deposit	\$ 1,000,000.00	4.50%	180	11/2022	05/2023	\$22,191.78	
BEYOND	Term Deposit	\$ 1,000,000.00	4.05%	151	11/2022	04/2023	\$16,754.79	
NAB	Term Deposit	\$ 1,500,000.00	3.70%	92	11/2022	03/2023	\$13,989.04	
	Interest received on matured deposits							\$32,525.51
		<u>\$ 16,171,916.81</u>					<u>\$171,010.27</u>	<u>\$120,641.10</u>
Total Interest Received								<u>\$162,642.60</u>





Notes to the Statement of Financial Activity
For the Period Ended 31 November 2022

6. STATEMENT OF INVESTMENTS (continued)

Total Funds Invested

Total Funds Invested as at Reporting Date -

Municipal Fund Investment Portfolio	\$ 4,000,000.00
Trust Fund Investment Portfolio	\$ -
Reserve Fund Investment Portfolio	\$ 12,000,000.00
	<u>\$ 16,000,000.00</u>

Investment Policy - Portfolio Risk Exposure

Council's investment policy provides a framework to manage the risks associated with financial investments.

Portfolio - Terms of Maturity

Limits are placed on the term to maturity thereby reducing the impact of any significant change in interest rate markets and to provide liquidity.

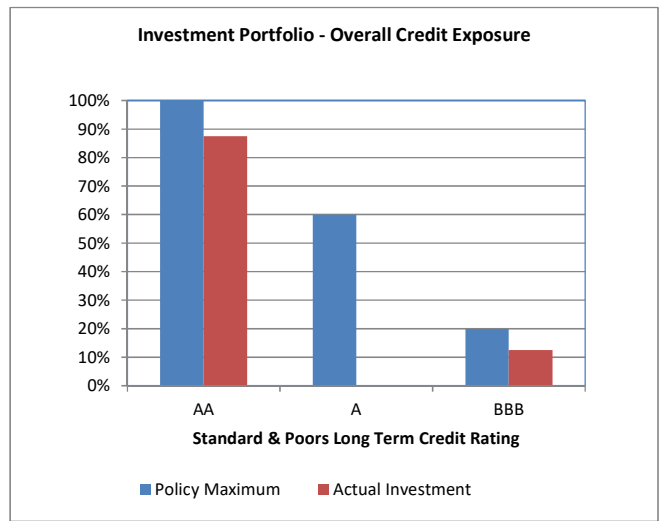
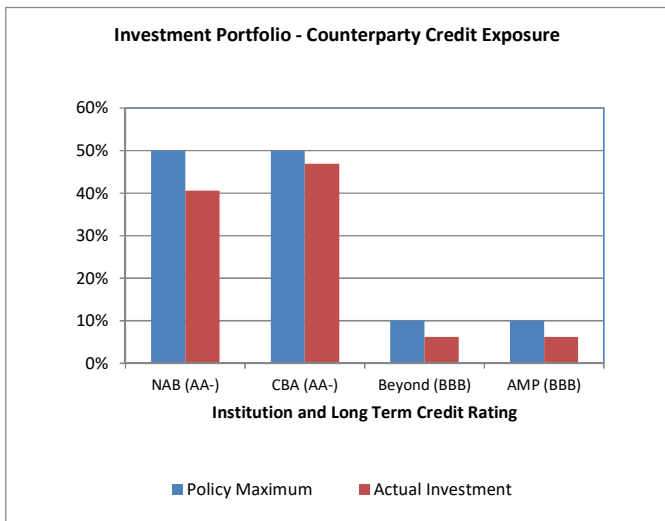
Counterparty Credit Exposure

Exposure to an individual authorised deposit-taking institution (ADI) counterparty will be restricted by their credit rating so that single entity exposure is limited.

Overall Credit Exposure

To control the credit quality on the entire portfolio, limits are placed on the percentage exposed to any particular credit rating category.

The following charts demonstrate the current portfolio diversity and risk compliance with the policy framework.





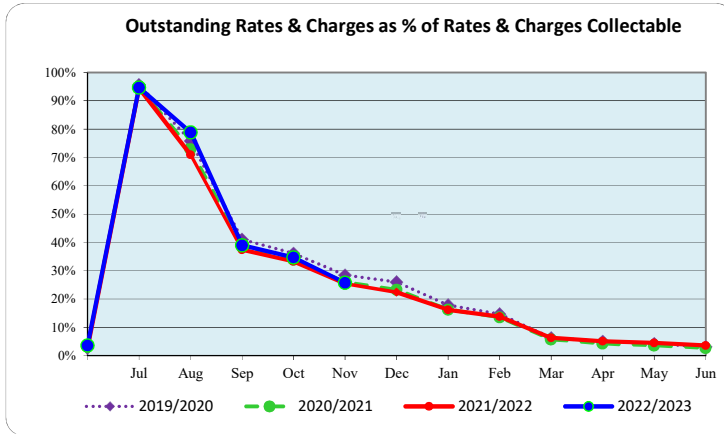
Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

7. Accounts Receivable as at 30 November 2022

Rates and Charges Outstanding

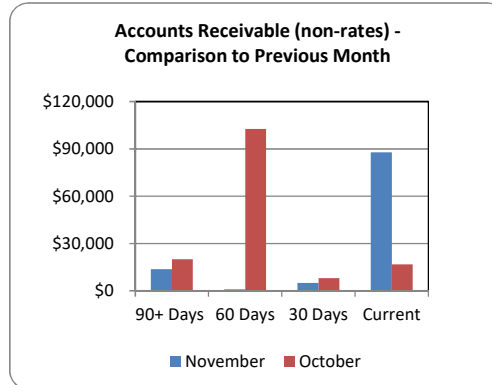
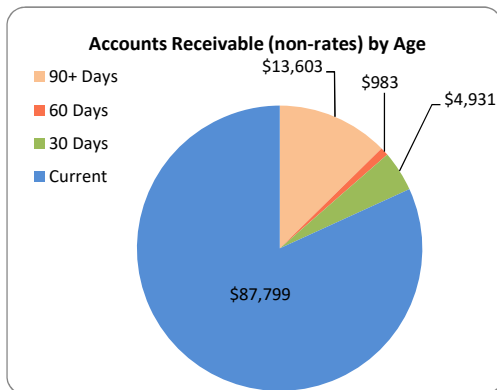
2022/23 annual rates were raised on 28 July 2022 and were due by 21 September 2022 for payment in full or for the first of four instalments. For the 1,600 ratepayers who have elected to pay by the four instalment option, the third instalment will be due by 25 January 2023.

As at the reporting date, total outstanding rates and charges (including pensioner deferred rates) is \$4,627,895. This equates to 25.7% of rates and charges collectable and is at a similar position to previous years. It is the objective of management to achieve less than 4% of rates and charges outstanding by 30 June.



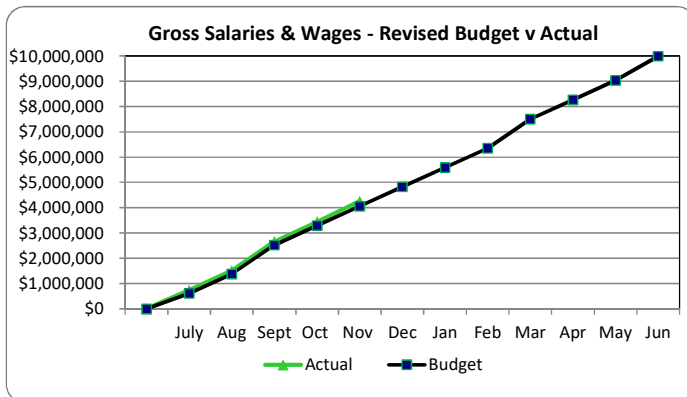
Sundry Debtors Outstanding (non-rates)

As at the reporting date, the total outstanding Sundry Debtors amount to \$107,316.



8. Salaries and Wages to 30 November 2022

At the reporting date, total salaries and wages expenditure is \$4,263,373 (42.7%) of the annual budget of \$9,989,148 for the 2022/23 financial year.





Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

RATING INFORMATION

RATE TYPE	Rate in	Number of properties	Rateable value	2022/23 Budget rate revenue	2022/23 Budget interim rates	2022/23 Budget back rates	2022/23 Budget total revenue	2022/23 Actual total revenue	2021/22 Actual total revenue	2021/22 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate										
Gross rental valuations										
General Rates - Residential	0.103260	4,069	75,050,605	7,749,725	0	0	7,749,725	7,749,977	6,391,857	6,391,857
General Rates - GRV: Commercial	0.103260	61	14,621,022	1,509,767	0	0	1,509,767	1,509,767	1,520,904	1,520,904
General Rates - GRV: Industrial	0.103260	65	8,975,470	926,807	0	0	926,807	926,807	830,417	830,417
General Rates - GRV: Small Holding	0.103260	369	8,638,608	892,023	0	0	892,023	892,023	817,475	817,475
General Rates - GRV: Interim and Back Rates	0.103260	0	0	0	111,668	0	111,668	51,602.38	99,081	92,600
Unimproved valuations										
General Rates - UV: Broad Acre Rural	0.006362	491	277,205,512	1,763,581	0	0	1,763,581	1,763,830	1,677,068	1,677,068
General Rates - UV: Mining	0.006362	0	0	0	0	0	0	0	0	0
General Rates - UV: Interim and Back Rates	0.006362	0	0	0	0	0	0	0	0	0
Sub-Totals		5,055	384,491,217	12,841,903	111,668	0	12,953,571	12,894,004	11,336,802	11,330,321
Minimum										
Minimum payment	\$									
Gross rental valuations										
General Rates - GRV: Residential	1,547.50	834	9,953,955	1,290,615	0	0	1,290,615	1,290,615	2,237,685	2,237,685
General Rates - GRV: Commercial	1,547.50	9	67,360	13,927	0	0	13,927	13,928	10,833	10,833
General Rates - GRV: Industrial	1,547.50	49	505,650	75,828	0	0	75,828	75,828	68,090	68,090
General Rates - GRV: Small Holding	1,547.50	65	531,830	100,588	0	0	100,588	100,588	122,253	122,253
General Rates - GRV: Interim and Back Rates	1,547.50	0	0	0	0	0	0	0	0	0
Unimproved valuations										
General Rates - UV: Broad Acre Rural	1,547.50	130	19,723,287	201,175	0	0	201,175	201,175	194,985	194,985
General Rates - UV: Mining	1,547.50	18	232,409	27,855	0	0	27,855	27,855	21,665	21,665
General Rates - UV: Interim and Back Rates	1,547.50	0	0	0	0	0	0	0	0	0
Sub-Totals		1,105	31,014,491	1,709,988	0	0	1,709,988	1,709,988	2,655,511	2,655,511
		6,160	415,505,708	14,551,891	111,668	0	14,663,559	14,603,992.00	13,992,313	13,985,832
Concession on general rates							(12,062)	(34,514)	(37,427)	(25,027)
Rates write-off							(4,000)	(1,165)	(1,747)	(4,000)
Total amount raised from general rates							14,647,497	14,568,313	13,953,139	13,956,805
Specified area rates - bulk waste collection			83,442,010	109,726			109,726	110,024	102,893	103,719
Specified area rates - Eaton landscaping			90,508,822	264,740			264,740	265,453	251,632	250,882
Total specified area and ex gratia rates							374,466	375,477	354,525	354,601
Total rates							15,021,963	14,943,790	14,307,664	14,311,406



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

10. INFORMATION ON BORROWINGS

Debenture Repayments

Particulars	Loan No.	Principal	New		Principal		Interest		Principal	
		Opening Balance 01 July 2022	Loans 2022/23	Adopted Budget	Repayments 2022/23	Adopted Budget	Repayments 2022/23	Adopted Budget	Outstanding 30 June 2023	Adopted Budget
		\$	Actual \$	\$	Actual \$	\$	Actual \$	\$	Actual \$	\$
Community Amenities										
Wanju/Waterloo Industrial Park										
Developer Contribution Plans	70	679,751	0	0	0	(66,588)	0	(26,738)	679,751	613,164
Waste Bins (3 Bin System)	71	320,000	0	0	(21,472)	(43,150)	(3,055)	(7,821)	298,528	276,850
Recreation and Culture										
Eaton Recreation Centre	59	99,117	0		(48,830)	(99,118)	(2,909)	(4,741)	50,287	0
Glen Huon Oval Club Rooms	69	881,525	0	0	(22,003)	(44,429)	(16,925)	(39,375)	859,522	837,096
Sport Lighting / Eaton Oval C/Rooms	New	0	0	1,000,000	0	(20,265)	0	(14,133)	0	979,735
Transport										
Depot Land	66	383,437	0	0	(31,454)	(63,548)	(7,803)	(17,510)	351,983	319,889
Economic Services										
Gravel Pit Land - Panizza Road	61	41,220	0	0	(13,317)	(27,052)	(1,276)	(2,350)	27,903	14,168
Other Property and Services										
Administration Building Extensions	65	43,972	0	0	(21,606)	(43,971)	(1,546)	(2,650)	22,366	0
Library / Administration Centre	New	0	0	6,000,000	0	(121,593)	0	(84,800)	0	5,878,407
		2,449,022	0	7,000,000	(158,682)	(529,714)	(33,514)	(200,118)	2,290,339	8,919,309

All debenture repayments are financed by general purpose revenue.



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

11. BUDGET AMENDMENTS

Amendments to the original budget since budget adoption. Surplus/(Deficit)

GL/JOB Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Revised Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus (Budgeted)				137,167
	Permanent Changes						
J12316	Bridge Renewals - Bridge 4930 Collie River Road (Krones)	27/07/22 - 190-22	Asset Acquisition			(125,000)	12,167
0341003	Transfer from Reserve - Unspent Grants	27/07/22 - 190-22	Transfer from Reserve		24,480		36,647
1241010	Transfer from Reserve - Carried Forward Projects Reserve	27/07/22 - 190-22	Transfer from Reserve		100,520		137,167
	Increase to Tourism and Events budget for Dardanup Bull & Barrel Festival						
1312501	and the Dardanup Arts Spectacular,	27/07/22 - 208-22	Operating Expense			(10,000)	127,167
J08714	Minor / Community Event Assistance	27/07/22 - 208-22	Operating Expense		10,000		137,167
J11653	Dardanup Civic Precinct	24/08/22 - 221-22	Asset Acquisition			(205,839)	(68,672)
J05026	Dardanup Central BFB Car Park	24/08/22 - 221-22	Asset Acquisition		205,839		137,167
0422501	SWDC Government Grant - Other Governance	28/09/22 - 232-22	Operating Grant		40,000		177,167
0412506	Consultants Special projects - Hydrogen Feasibility Study	28/09/22 - 232-22	Operating Expense			(40,000)	137,167
1121502	Contribution to Sports Lighting - Softball	28/09/22 - 233-22	Capital Contribution			(20,000)	117,167
1121501	LRCI Grant - Sports Lighting	28/09/22 - 233-22	Capital Grant		45,000		162,167
1221504	LRCI Grant - Bridge Maintenance	28/09/22 - 233-22	Capital Grant			(45,000)	117,167
J12307	Ironstone Road Bridge	28/09/22 - 233-22	Asset Acquisition		45,000		162,167
1121501	CSRFF Grant - Sports Lighting	28/09/22 - 233-22	Capital Grant			(144,328)	17,839
1143009	Loan - Sports Lighting	28/09/22 - 233-22	Borrowings			(300,000)	(282,161)
J11656	Sports Lighting	28/09/22 - 233-22	Asset Acquisition		419,328		137,167
0524501	AWARE grant - Internal Emergency Support	28/09/22 - 236-22	Operating Revenue		10,000		147,167
J05031	Emergency Response and Recovery	28/09/22 - 236-22	Operating Expense			(10,000)	137,167
0341003	Transfer from Unspent Grants Reserve - LGGC Bridge 3658	26/10/22 - 267-22	Transfer from Reserve		276,000		413,167
J12303	Bridge Renewal - Ferguson Road Bridge 3658	26/10/22 - 267-22	Asset Acquisition			(276,000)	137,167
J11639	Construction - Wells Recreation Reserve Clubrooms	23/11/22 - 292-22	Asset Acquisition		426,190		563,357
1241010	Transfer from Carried Fwd Projects Reserve for Wells Recreation Clubrooms	23/11/22 - 292-22	Asset Acquisition		659,746		1,223,103
1121501	Grant Revenue - Public Halls - Wells Recreation Clubrooms	23/11/22 - 292-22	Asset Acquisition			(1,008,741)	214,362
J05026	Dardanup Central BFB Car Park	23/11/22 - 293-22	Asset Acquisition			(60,000)	154,362
1131004	Transfer to Buildings Reserve - Remaining Funds Wells Recreation Clubrooms	23/11/22 - 293-22	Transfer to Reserve			(17,195)	137,167
1119002	Dardanup Centenary Celebrations	23/11/22 - 294-22	Operating Expense			(10,000)	127,167

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 30 November 2022

11. BUDGET AMENDMENTS (continued)

Amendments to the original budget since budget adoption. Surplus/(Deficit)

GL/JOB Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Revised Budget Running Balance
				\$	\$	\$	\$
	Balance brought forward from previous page						127,167
0531002	Vehicles - Fire prevention - DFES Provided	23/11/22 - 295-22		(499,000)			127,167
0522502	Grant Revenue - ESL Asset Acquisition - DFES provided	23/11/22 - 295-22		499,000			127,167
J05021	Grant Expenditure - Bushfire Mitigation Activity	23/11/22 - 296-22				(195,370)	(68,203)
0521502	Grant Revenue Fire Prevention - Mitigation Activity	23/11/22 - 296-22			195,370		127,167
J11576	Eaton Skate Park - CCTV and playground fencing	23/11/22 - 299-22				(3,411)	123,756
1241010	Transfer from Reserve - Carried Forward Projects Reserve	23/11/22 - 299-22			3,411		127,167
J12666	Collie River Foreshore - Heritage Walk Trail erosion mitigation	23/11/22 - 304-22				(3,761)	123,406
0341003	Transfer from Unspent Grants Reserve - RFR Heritage Walk Trail	23/11/22 - 304-22			3,761		127,167
1016506	Collie River Road realignment	23/11/22 - 313-22				(70,400)	56,767
1241002	Transfer from Reserve - Road Construction and Major Maintenance Reserve	23/11/22 - 313-22			70,400		127,167
					2,535,045	(2,545,045)	127,167

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Schedule of Paid Accounts as at the 24th of November 2022

RISK THEME PROFILE:

3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)

6 - Engagement Practices

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with the legislative requirements that results in a qualified audit.	Minor (2)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Non-compliance that results in a qualified audit can lead stakeholders to question the Council's ability to manage finances effectively.	Insignificant (1)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

