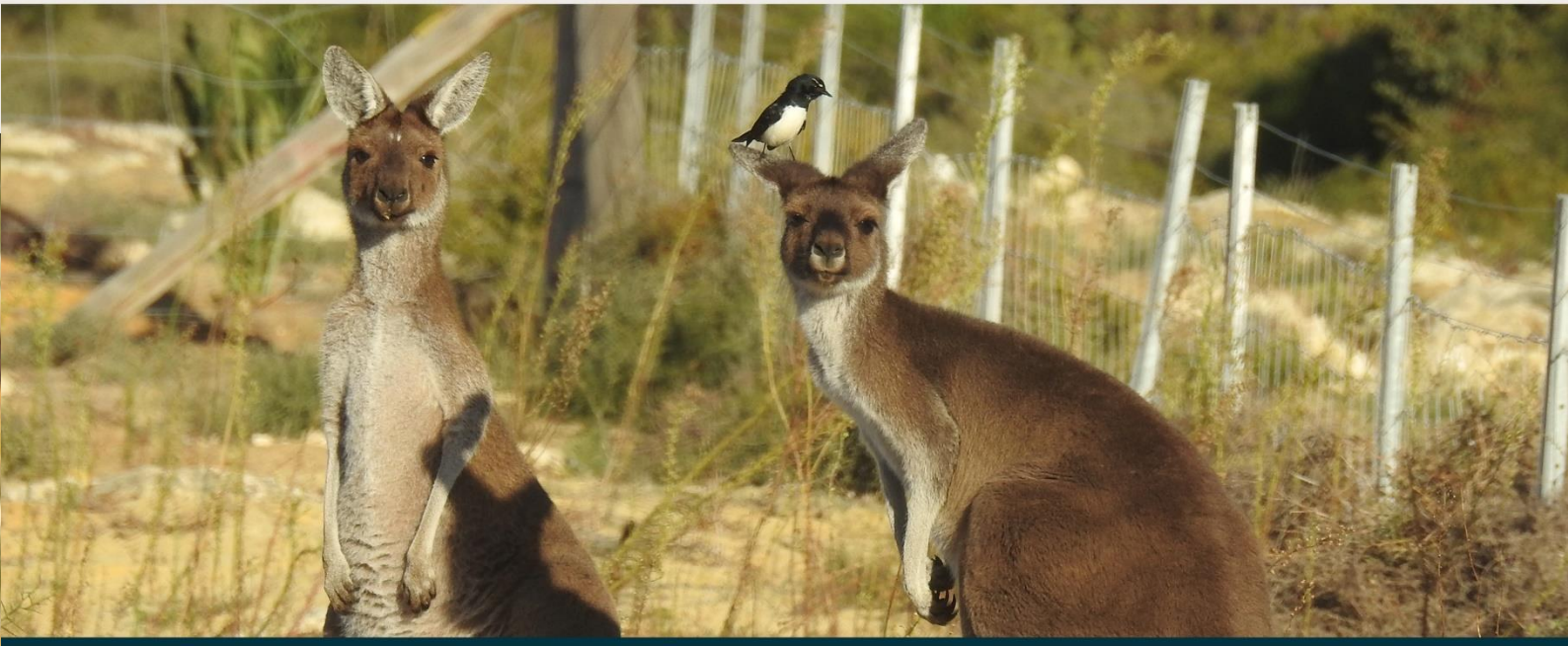
SHIRE OF GINGIN

HISTORY | BEAUTY | PROSPERITY



MINUTES

Special Council Meeting

7 February 2023

CONFIRMATION OF MINUTES

These Minutes have been CONFIRMED as the official record for the Shire of Gingin's Special Council Meeting held on 7 February 2023.

_____
Councillor C W Fewster
SHIRE PRESIDENT

DISCLAIMER

Members of the public are advised that Council agendas, recommendations, minutes and resolutions are subject to confirmation by Council and therefore, prior to relying on them, one should refer to the subsequent meeting of Council with respect to their accuracy.

No responsibility whatsoever is implied or accepted by the Shire of Gingin for any act, omission or statement or intimation occurring during Council meetings or during formal/informal conversations with staff.

The Shire of Gingin 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 meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

ACKNOWLEDGEMENT OF COUNTRY

The Shire of Gingin would like to acknowledge the Yued people who are the traditional custodians of this land. The Shire would like to pay respect to the Elders past, present and emerging of the Yued Nation and extend this respect to all Aboriginal people. The Shire also recognises the living culture of the Yued people and the unique contribution they have made to the Gingin region.

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ORDER OF BUSINESS

1 DECLARATION OF OPENING

The Shire President declared the meeting open at 3:13 pm and welcomed all in attendance.

2 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

2.1 ATTENDANCE

Councillors – C W Fewster (Shire President), A R Vis (Deputy Shire President), L Balcombe, F J Johnson, R Kestel, F J Peczka, J K Rule, and E Sorensen.

Staff – A Cook (Chief Executive Officer), L Crichton (Executive Manager Corporate and Community Services), R Kelly (Executive Manager Regulatory and Development Services), V Crispe (Executive Manager Operations and Assets), K Bacon (Coordinator Strategic Planning & Projects), and E Mackey (Governance Support Officer/Minute Officer)

Gallery – There were no members of the public present in the Gallery.

2.2 APOLOGIES

Nil

2.3 LEAVE OF ABSENCE

Nil

3 DISCLOSURES OF INTEREST

Nil

4 PUBLIC QUESTION TIME

4.1 RESPONSES TO PUBLIC QUESTIONS PREVIOUSLY TAKEN ON NOTICE

Nil

4.2 PUBLIC QUESTIONS

Nil

5 PETITIONS

Nil

6 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7 ANNOUNCEMENTS BY THE PRESIDING MEMBER

Nil

8 UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

Nil

9 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

10 REPORTS - OFFICE OF THE CEO

10.1 SHIRE OF GINGIN 2021/22 ANNUAL REPORT

File	COR/3
Author	Lee-Anne Burt - Coordinator Governance
Reporting Officer	Aaron Cook - Chief Executive Officer
Refer	Nil
Appendices	1. Annual Report 2021/22 [**10.1.1** - 84 pages]

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider and accept the Shire of Gingin 2021/22 Annual Report.

BACKGROUND

Section 5.53 of the *Local Government Act 1995* (the Act) requires all local governments to prepare an Annual Report for each financial year, which must contain the following elements:

a. A report from the President;
b. A report from the CEO;
c. An overview of the plan for the future of the district made in accordance with s.5.56 of the Act, including major initiatives that are proposed to commence or to continue in the next financial year;
d. The financial report for the financial year;
e. The auditor's report for the financial year;
f. Any matter on which a report must be made under s.29(2) of the *Disability Services Act 1993*;
g. Details of entries made under s.5.121 of the Act in the register of complaints;
h. Such information as may be prescribed in relation to payments made to employees; and
i. Such other information as may be prescribed (see requirements of Regulation 19B following).

In addition, Regulation 19B of the *Local Government (Administration) Regulations 1996* also requires the inclusion of the following in Annual Reports for financial years beginning on or after 1 July 2020:

a. The number of employees of the local government entitled to an annual salary of $130,000 or more;

b. The number of employees of the local government entitled to an annual salary that falls within each band of $10,000 over $130,000;
c. Any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year;
d. Any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year;
e. The remuneration paid or provided to the CEO during the financial year;
f. The number of council and committee meetings attended by each council member during the financial year;
g. If available, the gender, linguistic background and country of birth of council members;
h. If available, the number of council members who are aged:
    i. between 18 years and 24 years;
    ii. between 25 years and 34 years;
    iii. between 35 years and 44 years;
    iv. between 45 years and 54 years;
    v. between 55 years and 64 years; and
    vi. over the age of 64 years;
h. If available, the number of council members who identify as Aboriginal or Torres Strait Islander;
i. Details of any modification made to a local government's strategic community plan during the financial year; and
j. Details of any significant modification made to a local government's corporate business plan during the financial year.

Under s.5.54 of the Act, Council is required to accept the Annual Report by 31 December. In the event that this deadline cannot be met due to unavailability of the auditor's report, then the Annual Report must be accepted by the local government no later than two months after the auditor's report becomes available.

Council accepted the Financial Report and Independent Auditor's Report at its Ordinary Meeting on 20 December 2022. Obviously, this did not allow for preparation and acceptance of the Annual Report by Council prior to 31 December, however presentation of the Annual Report to Council at this Special Meeting is within the two month statutory timeframe.

COMMENT

The Act treats the Annual Report as a key accountability document.

The Shire of Gingin 2021/22 Annual Report **(see Appendix)** meets the reporting requirements of the Act.

In the event that the 2021/22 Annual Report is accepted by Council, then the CEO will give local public notice of its availability and publish the document on the Shire's official website in accordance with the requirements of s.5.55 and 5.55A of the Act.

STATUTORY/LOCAL LAW IMPLICATIONS

Local Government Act 1995
Part 5 – Administration
Division 5 – Annual reports and planning
Section 5.53 – Annual reports
Section 5.54 – Acceptance of annual reports
Section 5.55 – Notice of annual reports
Section 5.55A – Publication of annual reports

Local Government (Administration) Regulations 1996
Part 5 – Annual reports and planning
Division 1 – Preliminary
Regulation 19B – Information to be included in annual report (Act s. 5.53(2)(g) and (i))

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2022-2032

Aspiration	4. Excellence & Accountability - Deliver Quality Leadership and Business Expertise
Strategic Objective	4.2 Effective Governance - Apply systems of compliance which assists Council to make informed decisions within a transparent, accountable and principled environment

VOTING REQUIREMENTS - ABSOLUTE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Rule

That Council accept the Shire of Gingin 2021/22 Annual Report.

CARRIED BY ABSOLUTE MAJORITY
8 / 0

FOR: *Councillor Fewster, Councillor Kestel, Councillor Sorensen, Councillor Rule, Councillor Balcombe, Councillor Johnson, Councillor Peczka and Councillor Vis*
AGAINST: *Nil*

SHIRE OF GINGIN
HISTORY | BEAUTY | PROSPERITY

Annual Report

2021/2022

Shire of Gingin Councillors

Cr Wayne Fewster
Shire President
Term: 2023

Cr Kim Rule
Deputy Shire President
Term - 2025

Cr Linda Balcombe
Term: 2023

Cr Jan Court
Term – retired May 2022

Cr Frank Johnson
Term – 2025

Cr Robert Kestel
Term - 2025

Cr Frank Peczka
Term – 2023

Cr Erik Sorensen
Term – 2025

Cr Andrea Vis
Term: 2023

Shire of Gingin

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W: gingin.wa.gov.au

Lancelin Office
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LANCELIN WA 6044
T: (08) 9575 5155

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About the Shire of Gingin

Community Vision

"We are a welcoming and progressive community that celebrates its diversity and unique rural and coastal environment."

Home to one of WA's oldest towns, several historic shipwrecks, numerous popular coastal tourist destinations, and a thriving agricultural industry, the Shire of Gingin is located on the northern doorstep to the Perth metropolitan area and is one of the State's fastest growing country local governments.

In recent years the Shire has experienced considerable population growth and it is forecast to continue growing with numbers expected to reach 6,600 by 2025 and increase to 7,900 by 2031.

The Shire encompasses an area of 3,223km² and is home to a population of approximately 5,700 residents. There are five townships within the Shire: Gingin, Guilderton, Lancelin, Ledge Point, and Seabird and several substantial rural residential estates.

Geographically the Shire stretches from the coastline across the flat sandy soils of the Swan Coastal Plain in the west to the hinterland and foothills of the Darling Scarp in the east. It also embraces the lower reaches of Moore River together with a system of freshwater lakes, streams and swamps, and the watercourse of Gingin Brook.

Agriculture is the Shire's primary economic contributor. It accounts for 42% of local business and some 137,145 hectares of land. The Shire is continuing to widen its focus from traditional broad acre farming to intensive horticultural enterprises given ongoing peri-urban growth and associated pressure on market gardening.

Local industries within the Shire include cattle and sheep grazing, apiaries, irrigated horticulture, viticulture, olive groves, aquaculture, piggeries, poultry farms, wineries, abattoirs, feedlots, and cray fishing.

In addition to rural industries, the Shire's economy is also based around tourism with coastal areas consistently experiencing large influxes of people during holiday periods.

With its wide-open spaces, beautiful coastline and river systems, and passionate communities, the Shire of Gingin has much to offer and is an exceptional place to live and visit.

District Map

Shire President's Report

Welcome to the Shire of Gingin's Annual Report 2021-22. Despite continuing COVID-19 disruptions and challenges during this period, we managed to undertake and deliver a robust capital works program, a number of outstanding events, and all essential services for our community.

Economic Activity

Following a year of 0% rates increase in response to the pandemic, it was necessary to increase rates to 5% for 2021-22 in order to expedite important projects and asset replacement programs which had been sidelined or delayed in the previous financial year. This increase, along with State and Federal grant funding, enabled us to start making a dent in this list and I'm pleased to report the successful completion of numerous capital projects, including the upgrades of Cowalla, KW and Bookine Roads, all of which are outlined in the Planning for the Future section of this Annual Report.

Another impact of the pandemic this financial year was the continued increasing demand for Shire building, planning, and health related services as a result of metro to regional area migration. Given our proximity to Perth, the Shire of Gingin is one of a handful of country local governments experiencing this growth phenomenon. In addition, the Tonkin Highway extension has made regional/metro commuting a more attractive prospect for people wanting an alternative place to live and work outside Perth. However, this trend continues to put a great deal of pressure on the Shire's Building, Planning, and Health teams who are processing higher numbers of applications and permits.

While the last few years have been incredibly difficult for businesses and families, it appears there is a silver lining. As more people choose the Shire of Gingin to call home, there will invariably be more economic opportunities for new and existing business within our region. This is an exciting and encouraging trend and one our Council and staff are committed to support in the coming years.

In the meantime, the Shire will continue to do what it can with the resources available to us to advocate and pursue initiatives to support economic development in our region. In particular, to attract tourism, investment, business development, 'food bowl', and infrastructure opportunities – and continue to utilise local suppliers and services as frequently as possible.

Gingin 150th Anniversary Celebration Event

The highlight of the Shire's calendar in 2021-22 was without a doubt the Gingin 150th Anniversary Celebration event. Held on 9 October 2021 at Granville Park and Civic Centre during a reprieve from lockdowns, the event showcased the long and rich history of Gingin with historical displays, market stalls, food pavilions, lost trade demonstrations, live entertainment, competitions, billy cart racing, an epic rubber duck race, fireworks, and more.

The 150th attracted several thousand people into Gingin and its success was all credit to the project team - which consisted of Shire staff, councillors and community members - who organised and delivered an outstanding event, and one that exceeded expectations. Despite the large number of visitors, the good will and community spirit shown on the day was extraordinary, and it was a proud moment for all of us here at the Shire.

GOAS Official Opening & PLA Award

After five years of planning and very hard work, the Gingin Outdoor Activity Space playground was officially declared open by Hon. Martin Aldridge MLC, Member for the Agricultural Region during the Gingin 150th Anniversary event in October 2021.

The GOAS project was also nominated for the Parks & Leisure Australia Awards of Excellence Play Space Award in the >$0.5 million category. The GOAS was up against some large, high-profile local governments and competition was tough, but at the awards ceremony in May 2022 it received the Commendation Award, narrowly missing out by only one point to Boddington. This is an outstanding achievement and I congratulate the GOAS Community Working Group and Shire staff for the success of this project.

Gingin Emergency Services Centre

At the time of this report construction of the new Gingin Emergency Services Centre is nearing completion. The Centre is being built by local builder, Midwest Building WA, and funding for the $2.8 million facility has been provided by DFES and the Emergency Services Levy, with the Shire of Gingin providing the land.

The Centre will consist of co-located fire station facilities for Gingin South Volunteer Bush Fire Brigade and Gingin Volunteer Fire & Rescue, as well as a state-of-the-art Level 3 Incident Control Centre containing the latest communications and IT technology. It will also contain offices for incident management functions, planning, operations, communications, and other emergency service agencies when required.

The Red Gully bushfire would still be fresh in the minds of many Gingin Shire locals who had to evacuate their homes in early 2021, so the completion of the new Emergency Services Centre will be providing enormous peace of mind to the community and will enable our brigades to spring into action when bushfires or other emergencies threaten lives and livelihoods in our region.

Each year Council is faced with a unique set of challenges, and difficult decisions often have to be made. While this year was no exception, I'm very grateful for the support of my fellow Councillors and thank them sincerely for their advice, contribution, and commitment to the Shire.

These past 12 months have been particularly busy for our Shire staff – they delivered the essential projects, programs and services despite budget and resource limitations, and COVID-19 disruptions, and I'd like to express my appreciation for their dedication and hard work. When reviewing the Planning for the Future activities they are entrusted with, I am amazed at what they get done for our communities.

Lastly, thank you to all the community groups and volunteers who make the Shire a safe, vibrant place to live, work and visit. You add so much value to our region, and I am very grateful for the contribution you make and the support you provide to the Shire of Gingin.

Cr Wayne Fewster

CEO's Report

The 2021-22 financial year continued to be unpredictable for the Shire Administration with the pandemic still posing challenges to 'business-as-usual' services as well as project and event planning – however it didn't stop us from achieving some outstanding milestones with the support of our communities.

Strategic Community Plan 2022-2032

In 2021-22 the Shire undertook a major review of its Strategic Community Plan (SCP) which is the over-arching document setting out the aspirational priorities of the Shire's communities (the 'what') and informs the funding allocations for the Annual Budget and the Corporate Business Plan (the 'how').

The review included community feedback via workshops in Gingin, Guilderton and Lancelin, and a survey that asked: "How do you imagine our future?"

Results from this feedback indicated that we are continuing to do well with weekly rubbish collections and waste management, and we are improving with communication and the maintenance of unsealed roads, verges and streetscapes. Areas for improvement included management of coastal erosion and inundation, building and planning permits, and decisions made in the best interest of the community.

This feedback was incorporated into a draft plan which was made available for public comment in February 2022. In March 2022 the finalised Strategic Community Plan was adopted by Council and made available to the public in both print and electronic formats.

Coastal Hazard Risk Management Adaptation Plan (CHRMAP) and Inundation Study Integration

Coastal issue specialists from Shape Urban were contracted by the Shire to undertake a community and stakeholder engagement and research project as part of the integration of the Shire's current CHRMAP and Inundation Study, including completion of the Guilderton CHRMAP.

In July and August 2021, Shape Urban conducted an online Community Values Survey and face-to-face community workshops in Guilderton and Lancelin. The purpose of these activities was to help fill information gaps in the Shire's CHRMAP around risk assessment and adaptation options for the Shire's four coastal towns of Guilderton, Seabird, Ledge Point and Lancelin. These workshops followed-on from previous public consultation that informed our initial CHRMAP and inundation studies back in 2019 and 2020.

With the preparation of the Guilderton CHRMAP completed, the next phase involves CHRMAP integration content and preparing the public CHRMAP which incorporates further community feedback. This will involve targeted and deliberate engagement with affected landowners and communities about management options, thorough a Community Panel process. It will give us a more accurate and comprehensive understanding of how our coastline is changing and will be impacted in the future, and how we can plan for and manage these changes. The final phase, expected to be completed in the first half of 2023, will be to seek further community feedback on the integrated report prior to adoption by Council.

Financial System Implementation

The 2021-22 financial year was the Shire's first full year operating with Altus Financials, our new financial management system. Implemented in May 2021, the system replaced the Shire's 20+ year old Synergysoft platform, and being a cloud-based system, Altus Financials have enabled the Shire to leverage the capabilities of a modern digital platform.

In addition to providing staff access anywhere and anytime, a reduction in staff involvement with system maintenance and security, improved integration with other applications, and streamlined 'paperless' procurement processes, the reporting enhancements provide greater financial information which has enabled better performance, monitoring, and decision-making.

Early Rates Incentive Scheme

2021-22 was the 8th year the Shire conducted an Early Rates Incentive competition and I'm pleased to report that 67% of rates per paid on or before 31st October – which was well over half the total expected revenue and an excellent result.

Once again we were able to offer 10 prize packages which ranged from $850 - $4,600 and worth a total combined value of over $13,000. These prizes were made possible through the generous sponsorship of local and regional businesses in return for a range of promotional opportunities, which was a phenomenal effort given the hardships of the pandemic.

Community Events

We were incredibly fortunate during the year to bring back a number of community events which had been previously cancelled or postponed due to COVID. In 2021-22 Shire staff were able to deliver:

- Groovie Movie by the Pool, Gingin – January 2022
- Music in the Park, Guilderton – January 2022
- Lancelin Triathlon – February 2022
- Mixtape Zone for Youth Week, Gingin & Lancelin – April 2022
- Festival of Small Halls Music Appreciation Concert for Volunteers' Week, Guilderton – May 2022
- Seniors' Movie Matinee, Guilderton - May 2022

In addition to the above, our Community Services staff coordinated and oversaw the delivery of the Gingin 150th Anniversary event in October 2021.

Local Government Elections October 2021

In October 2021 Local Government Elections were held with four councillor positions up for re-election. Congratulations to Councillors Kim Rule and Frank Johnson who were re-elected to office, and to Councillor Erik Sorensen for being newly elected and Councillor Robert Kestel who returned to office, having served as a councillor in previous years. Our thanks to outgoing councillors James Morton and Jacqui Lobb for their service to Council and the Shire for the past four years.

Congratulations to Cr Wayne Fewster who was re-elected as Shire President and Cr Kim Rule who was also re-elected as Deputy Shire President.

After 11 years of dedicated service to the Shire of Gingin Council, we said farewell to Cr Jan Court who attended her last Council meeting in May 2022 after announcing her retirement. During her time as a councillor, which commenced back in 2011, Jan was committed to improving health outcomes and resources for Shire residents, passionately advocated arts and culture for our region, and was instrumental in the development of the Wangaree Community Centre which is home to the Lancelin hub for DADAA.

Jan's retirement has left a vacant position on Council which will be filled at the next Local Government election in October 2023.

The 2021-22 was both a challenging and rewarding year for Shire Administration, and I'd like to thank Council and the Executive Management Team for their leadership, direction, and support during this period. I'd also like to extend my heartfelt appreciation to the Shire staff who are dedicated to their roles in service to the community and who do a wonderful job.

Aaron Cook

Planning for the Future

What We Got Done in 2021-2022

Community Wellbeing

Natural Environment

Infrastructure & Development

Economic Development

Governance

Planning for the Future

What We Got Done in 2021-2022

This is the third and final financial year that the **Shire's Strategic Community Plan 2019-2029** has been used as the over-arching Planning for the Future document for the Shire of Gingin Administration to carry out the priorities and wishes of its communities. Next financial year (2022-23) the Shire's strategic direction will be based on the new Strategic Community Plan 2022-2032, which was adopted by Council on March 2022, and was produced following a major review of the 2019-2029 Strategic Community Plan.

The Shire's five focus areas of Community Wellbeing, Natural Environment, Infrastructure and Development, Economic Development, and Governance provide the structure for the Shire to effectively deliver on projects, services, and programs to meet Council objectives for the community.

In addition, the **Shire's Corporate Business Plan** is reviewed annually and updated with projects in line with the current budget for that year and planned future deliverables for the following three financial years.

Projects, programs, and services for the current financial year are reported to Council via monthly and quarterly updates. The Annual Report provides a combined summary of deliverables and their progress for the relevant financial year.

Aligning with the Strategic Community Plan's Focus Areas, the following pages summarise the projects, programs, and services the Shire delivered for 2021-2022 to meet outcomes defined by community aspirations.

Planning for the Future

Community Wellbeing

Objective 1: To support the Shire of Gingin community to be inclusive, vibrant, healthy, and safe through the Shire's service delivery.

Project	Program	Service	Status
Priority 1.1.1 Support aging in place through the implementation and monitoring of the Age Friendly Community Plan.			
Gingin Eco Lifestyle Village commitment to purchase x 2 community housing units for rent.			
Age Friendly Plan deliverable.			On track for completion 2022/23.
		Management of social housing in Gingin and Lancelin.	Ongoing.
	Senior's Day event, Guilderton – movie matinee "Gentlemen Prefer Blondes".		Completed.
Priority 1.1.2 Encourage programs and facilities that engage and support children and young people to stay in the Shire.			
	Youth Event – 'Mixtape Zone' at Gingin and Lancelin as part of Youth Week.		Completed.
Junior Off-Road Vehicle Area, Ledge Point – Dept of Local Government, Sport, and Cultural Industries funding received, civil consultancy and design services undertaken.			Ongoing, project scheduled for completion in 2022/23.
			Ongoing, project scheduled for completion in 2022/23.
	Student Council mentoring and support, includes quarterly meetings in Council Chambers with Shire staff and GDHS teachers.		Ongoing.
	Support for Gingin District High School chaplaincy program (Community Funding Program).		Ongoing.
Priority 1.1.3 Provide leadership on the standards required by the Reconciliation Action Plan.			
	Reconciliation Action Plan review – commenced.		Delayed pending Yued Corporation representatives.
	Welcome to Country - performed at major Shire events.		Ongoing.

Planning for the Future

Project	Program	Service	Status
Priority 1.1.4 Implement the Disability Access & Inclusion Plan.			
		Implement outcomes of the DAIP.	Ongoing.
Priority 1.2.1 Provide practical support and encouragement for community groups and volunteers.			
	Volunteers 'Thank You' event – Festival of Small Halls Music Appreciation Concert, Guilderton.		Completed.
	Support for Community Car Program in Gingin and Lancelin.		Ongoing.
	Annual Community Grants Program.		Completed.
	Support with updating community group/club constitutions.		Ongoing.
		Community service – publication of monthly "Vollie Hub" news-letter.	Ongoing.
Priority 1.2.3 Support and promote local regional events that offer clear economic and social benefits to the community.			
	Gingin 150th Anniversary Celebration Event, 9 October 2021.		Completed.
	Summer Suite of Events: • Music in the Park, Guilderton. • Australia Day Breakfast & Citizenships Awards, Neergabby. • Lancelin Triathlon.		Completed.
	Annual Community Grants Program.		Ongoing.
		Approval of third-party events.	Ongoing.
		Community-run event support.	Ongoing.
		Promotion of community events on the Shire's website, social media, and monthly print and electronic newsletters.	Ongoing.
Priority 1.2.4 Development, identification, and sharing of Shire resources on a sub-regional basis.			
	Resource sharing with Shire of Chittering – Human Resources support.		Completed.
Priority 1.3.1 Develop improved access to medical services and allied health services in each sub regional area.			
		Advocacy and support for Gingin Medical Centre.	Ongoing.
		EOI for medical services in lower coastal area.	Delayed, no traction to date.
Priority 1.3.2 Develop and resource an approach to Local Health Planning that addresses population and Shire growth.			
		Delivery of the Shire's Local Health Plan initiatives.	Ongoing.

Planning for the Future

Project	Program	Service	Status
Other items contributing to the Community Wellbeing.			
Gingin Emergency Services Facility. ***Operational Management Plan deliverable.***	Fire mitigation projects.		Nearing completion.
	Police accommodation contribution for extra policing in Lower Coastal Area during busy season.		Completed.
	Contribution towards new ambulances in the Shire.		Completed.
		Local Emergency Services.	Ongoing.
		Ranger Services.	Ongoing.
		Environmental Health Services.	Ongoing.

Planning for the Future

Natural Environment

Objective 2: To develop the Shire's capacity to support the conservation of natural assets and undertake sustainable resource management.

Project	Program	Service	Status
Priority 2.1.1 Develop a Coastal Management Policy and implement a Coastal Management Plan to protect and enhance our coast.			
	Sand renourishment.		Completed.
	Coastal monitoring.		Completed.
	Guilderton and Ledge Point Groyne's assessment and maintenance.		Completed.
	Coastal Hazard Risk Management Plan & Inundation Study Integration.		On track for completion 2022/23.
	Coastal Management Strategy.		On track for completion 2022/23.
Priority 2.1.2 Implement Master Trails Plan			
Gingin Heritage Trail realign and upgrade.			Scheduled for 2023/24.
Priority 2.1.3 Advocate to ensure the Shire is not disadvantaged by environmental offsets from urban areas.			
		Advocacy.	Ongoing.
Priority 2.2.1 Maintain quality waste services that support the Western Australian Waste Strategy.			
	Waste Management Plan including Transfer Station planning.		On track for completion 2022/23.
		Delivery of Waste Services.	Ongoing.
Priority 2.2.2 Continue to investigate alternative energy sources and cost saving technologies for Shire buildings and assets.			
	Facilitate installation of electrical charging stations with providers.		Completed/ongoing.
Other items contributing to Natural Environment outcomes.			
		Administration/management of the Lancelin off-road vehicle area.	Ongoing.
	Environmental allocation to groups (Community Funding Program).		Completed.

Planning for the Future

Infrastructure & Development

Objective 3: To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.

Project	Program	Service	Status
Priority 3.1.1 Support strategies that facilitate commercial development.			
	Review of Local Planning Scheme/ Strategy.		On track for completion 2022/23.
		Planning permits – support and facilitate commercial development consistent with the Shire's objectives.	Ongoing.
Priority 3.1.2 Support strategies that facilitate greater investment in housing and housing diversity.			
		Advocacy –facilitate investment in housing diversity in the Shire.	Ongoing.
Priority 3.1.3 Continue to invest in the Guilderton Caravan Park.			
Upgrade and maintain caravan park annually as planned and prioritised.			Ongoing.
Replacement of waste water infrastructure, including design and construction.			On track for completion 2022/23.
Drainage and roadworks.			Completed.
Priority 3.2.1 Develop and plan community infrastructure to improve use and financial sustainability.			
		Major Projects Group – develop and plan strategies and programs for best possible outcomes.	Ongoing.
		Upper Coastal Sporting Facilities Master Plan.	Ongoing.
Priority 3.2.2 Improve the provision of age-friendly infrastructure including Disability Access & Inclusion Plan.			
		Implementation of Age Friendly and Access & Inclusion planning within existing resources and facilities.	Ongoing.
Priority 3.2.3 Rationalise and consolidate older community infrastructure.			
		Formation of the Upper Coastal Facilities Working Group.	Ongoing.

Planning for the Future

Project	Program	Service	Status
Priority 3.3.1 Undertake and implement effective integrated transport network planning.			
	Asset planning.		Ongoing.
Priority 3.3.2 Continue the focus on upgrading existing roads, verges, streetscapes, and trails.			
KW Road			Completed.
Nabaroo Road			Cancelled.
Weld Street			Completed.
Cockram Road			Completed.
Moore River Drive			Completed
Jones Street, Guilderton			Completed.
Edwards Street, Guilderton			Completed.
Mullins Way			Completed.
Timothy Street			Completed.
Tanner Avenue			Completed.
Hamersley Road			Completed.
Brockman Street			Completed.
Mimegarra Road			Completed.
Bookine Road			Completed.
Whitfield Street, Guilderton			Completed.
Beermullah Road West			Delayed.
Cheriton Road			Completed.
Cowalla Road			Completed.
Gingin Brook Road			Delayed.
Orange Springs Road			Completed.
Street lighting costs			Completed.
Pathways expansion			Delayed.
Bridge maintenance program			Completed.
3.3.3 Advocate for appropriate road networks to support increased agri-business and extractive enterprises.			
		Advocacy – support appropriate road delivery (funding received)	Ongoing.
3.3.4 Investigate partnerships for the provision of community assisted transport			
		Investigate and facilitate partnerships.	Ongoing.
		Continued support of Community Car program for Gingin and Lancelin.	Ongoing.

Planning for the Future

Project	Program	Service	Status
Other items contributing to Infrastructure & Development outcomes.			
Granville Dam upgrades.			On track for completion 2022/23.
Drainage construction.			Ongoing.
Drainage Plan for Lancelin Plaza.			Completed.
Lancelin Sporting Complex – concrete rust repair.			Completed.
Guilderton Country Club – ceiling replacement.			Completed.
Guilderton Foreshore Ablution block - maintenance works.			Completed.
Jim Gordon VC Trail – maintenance works.			Completed.
Wangaree Park – water/drink fountain.			Completed.
Gingin Bowling Club – Contribution towards bowling green replacement.			Completed.
Gingin Recreation Grounds – Light football oval.			Completed.
Sovereign House repairs.			Delayed into 2022/23.
Ocean Farm playground.			Cancelled.
Gingin hockey pitch bunkers.			Cancelled.
Gingin Lions/Men's Shed premises - resurface carpark.			Scheduled for 2022/23.
		Building Permits	Ongoing.
		Planning Permits	Ongoing.

Planning for the Future

Economic Development

Objective 4: To support economic development through the Shire's service delivery.

Project	Program	Service	Status
Priority 4.1.1 Support the development of the Shire as a premier destination in alignment with the Northern Growth Alliance Tourism Strategy.			
Ledge Point–Lancelin Road development planning.			Ongoing.
Information Bay – Ledge Point.			On track for completion 2022/23.
Lancelin Foreshore development – Cunliffe Street carpark.			On track for completion 2023/24.
Moore River Boardwalk replacement.			Deferred.
Gingin Entry Statement.			Completed.
Redfield Park Entry Statement.			Delayed into 2022/23.
		Continue the partnership with the Northern Growth Alliance to progress the Tourism Strategy.	Ongoing.
Priority 4.1.2 Advocate for the proposed marina and actively seek political support.			
Progress proposed Ledge Point Marina/ boat ramp with Department of Transport representatives and political entities.			Ongoing.
Priority 4.1.3 Source funding for the Gingin Outdoor Activity Space (GOAS)			
Installation of the GOAS.			Completed.
Priority 4.2.1 Update the Shire's Town Planning Scheme to recognize the development of an Agri-Industry Hub (Special Areas).			
		Location considered via the Shire's development approval process	Ongoing.
Priority 4.2.2 Food Bowl			
	Central Coast Wheatbelt Food & Capability Guide officially launched 29 October 2021.	Advocacy for agri-industry and seafood processing.	Ongoing.
Priority 4.2.3 Continue advocacy to Department of Water for water allocation issues on behalf of key stakeholders.			
		Advocacy continuing.	Ongoing.

Planning for the Future

Project	Program	Service	Status
Priority 4.3.1 Continue to develop policies that encourage small commercial enterprises.			
		Considered via the Shire's development approval process.	Ongoing.
Priority 4.3.2 Promote and advocate local economic development support programs and initiatives.			
Gingin Resource Centre – tourism initiative (Community Funding Program)	Support Community Resource Centres and Chamber of Commerce to deliver education and training programs opportunities that support economic development.		Completed.
Lancelin Resource Centre – tourism initiative (Community Funding Program)			Completed.
	Early Rates Incentive Scheme – annual local business sponsorship, Shire promotion and networking initiative.		Ongoing.
Priority 4.3.3 Advocate for improved access to telecommunications infrastructure			
		Advocate for improved continuous telecommunications access – new tower to be located in Breera.	Ongoing.

Planning for the Future

Governance

Objective 5: To demonstrate effective leadership, governance, and advocacy on behalf of community.

Project	Program	Service	Status
Priority 5.1.1 Develop the skills and capabilities of elected members and staff.			
	TRACK Leadership initiative (Teamwork, Respect, Accountability, Commitment and Knowledge).		Ongoing.
	Elected Members training and development.		Ongoing.
	Staff training and development.		Ongoing.
Priority 5.1.2 Increase the focus on future financial sustainability to cater for anticipated growth.			
	Annual review and quarterly reporting on the Corporate Business Plan 2021-2025.		Completed.
	Review and implementation of the Shire's Strategic Community Plan.		Completed.
	Annual review of the Long Term Financial Plan.		Completed.
	Annual review of the Workforce Plan.		Completed.
Gingin Administration Centre – replace carpets.			Completed.
Gingin Administration Centre – resurface overflow carpark.			Completed.
Gingin rural industrial park depot – firefighting tank roof replacement.			Completed.
Plant replacement program.			Delayed into 2022/23.
		Consideration in 22/23 for an additional 1 FTE – Compliance Officer.	Subject to budget.
		Consideration in 22/23 for an additional 0.4 FTE Communications & Marketing Assistant.	Completed.
		Consideration in 22/23 for an additional 0.6 FTE Tourism/Economic Development Officer.	Cancelled.
		Consideration in 22/23 for an additional 0.6 FTE Child Safety/Public Health Officer.	Cancelled.
		Consideration in 22/23 for an additional 0.6 FTE Gingin Town Maintenance Officer.	Completed.

Planning for the Future

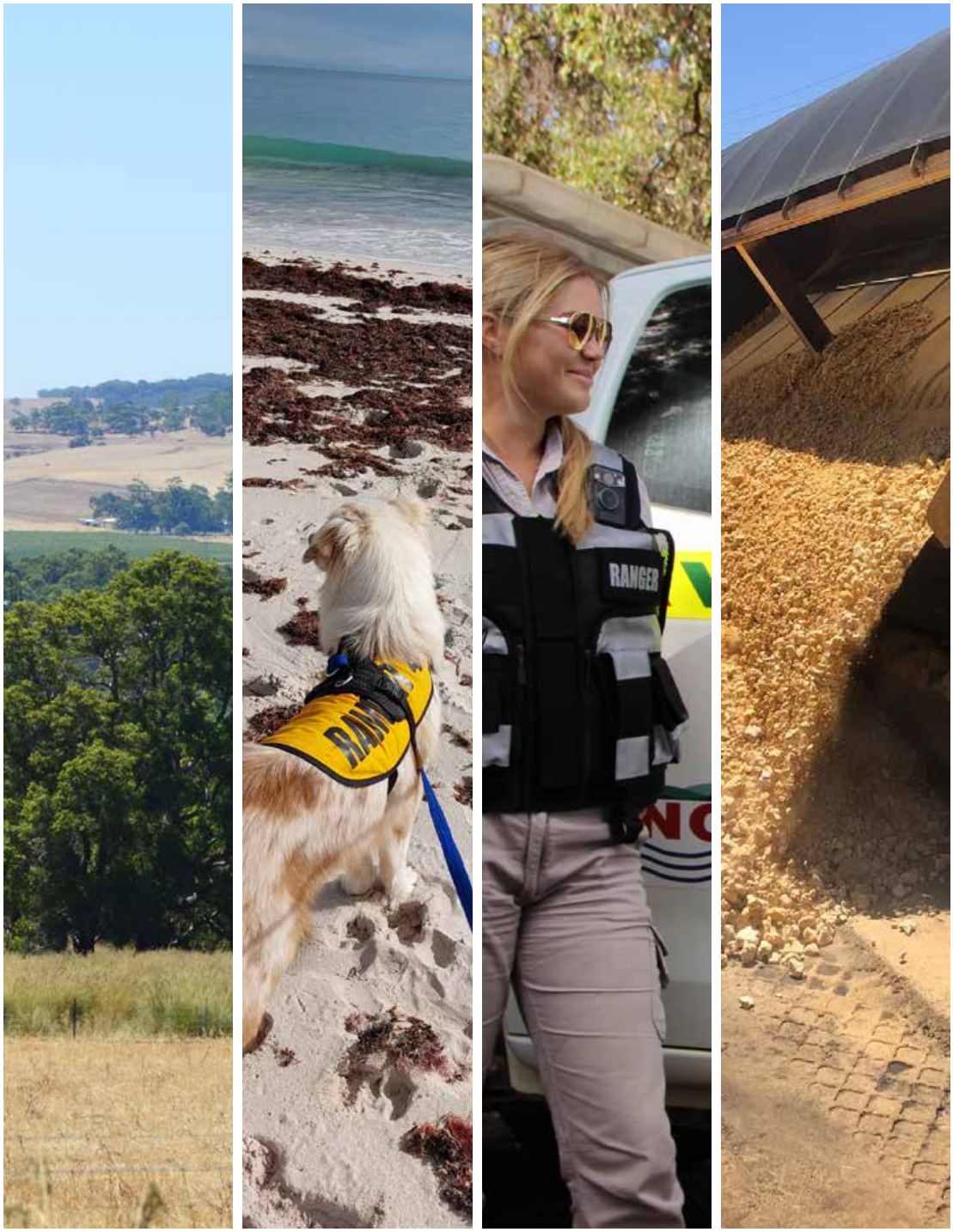
Project	Program	Service	Status
Priority 5.2.1 Implement a Community Engagement Policy to continue improving the Shire's communication and engagement.			
	Adopt policy.		Delivered 2020/21.
Priority 5.2.2 Utilise new technologies to reduce cost and improve service delivery.			
Computers and equipment upgrade.			Ongoing.
Server lease arrangement.			Completed.
ITV Platinum service support subscription.			Completed.
	Implement ICT Strategic Plan.		Ongoing.
	Undertake periodic reviews of Council Policies and Local Laws.		Ongoing.
	LGIS Regional Risk Coordinator Program.		Ongoing.
	Audit 17 – Internal Controls/Legislative Compliance.		Completed.
		Deliver key service area - Customer Service.	Ongoing.
		Deliver key service area – Human Resources.	Ongoing.
	Implement Employee Recognition Program.		Ongoing.
	Workplace Structural Review.		Completed.
Priority 5.3.1 Formalise and strengthen the advocacy of the Shire.			
		Deliver key service area – Continue to work with the Northern Growth Alliance on regional projects.	Ongoing.
Priority 5.3.2 Encourage the Water Advisory Group to work collaboratively with stakeholders to address priority water issues.			
		Deliver key service area - Addressing priority water issues with Water Advisory Group and stakeholders.	Delayed.
Other items contributing to Governance outcomes.			
	Annual audit compliance.		Completed.

Planning for the Future

Major projects 2022/23

Projects Carried Forward from 2021/22 Corporate Business Plan	New Projects 2022/23
Lancelin Cunliffe Street carpark.	Gingin Fire Shed – repair termite damage, strengthen mezzanine level and replace asbestos fence.
Guilderton Boardwalk.	Ledge Point Off-Road Area construction.
Gingin Brook Road.	Guilderton Foreshore – installation of CCTV.
Beermullah Road West.	New firefighting units.
Coastal Hazard Risk Management Adaption Plan.	Kendall Road.
Coastal Management Strategy.	Hopkins Street.
Granville Park dam.	KW Road.
Sovereign House.	KW Road/Sappers Road intersection.
Harold Park beach shelter (contribution).	Bootine Road.
Information Bay Ledge Point.	Wannamal Road West.
Redfield Park entry statement.	Hoy Road.
Road Asset revalue.	Moore River Drive.
Land and building, plant and furniture/equipment asset revalue.	Mooliabeenee Road.
Plant replacement program.	Bridge Maintenance Program.
Resident Perception Survey.	Drainage Construction.
Guilderton waste water.	Drainage Construction – flood damage.
Gingin – Eco Lifestyle - purchase units.	Lancelin CBD - upgrade solar lighting.
Gingin Pistol Club – upgraded premises (contribution).	Lancelin Sporting Complex – 2nd netball/basketball courts (subject to funding).
	Lancelin Sporting Complex - concrete/rust repairs.
	Lancelin Sporting Complex – replace, upgrade, and undergrounding of 415v 3 phase power line and upgrade switchboard in football pavilion.
	Lancelin – Wangaree Community Centre - replace air conditioner.
	Ledge Point Recreation Complex – replace and upgrade switchboard.
	Ledge Point – De Burgh Street ablution bock plumbing and fixture replacement.

Statutory Reporting



Statutory Reporting

Annual Salaries

In accordance with Regulation 19B of the ***Local Government (Administration) Regulations 1996***, the Shire of Gingin is required to disclose, in bands of $10,000, the number of employees entitled to an annual salary package of $130,000 or more.

For the period 1 June 2021 to 30 June 2022, the number of Shire of Gingin employees receiving salary packages within these bands are as follows:

Salary Band $	Number of Officers
130,000 – 139,000	
140,000 – 149,000	1
150,000 – 159,000	1
160,000 – 169,000	
170,000 – 179,000	1
180,000 – 189,000	
190,000 – 199,000	
200,000 – 209,000	
210,000 – 219,000	1

The remuneration paid or provided to the CEO (Mr Aaron Cook) during the financial year was $214,963.87. This includes salaries, allowances, benefits (including superannuation benefits) and emoluments.

Building Permits & Approvals

The Shire is required to provide information pertaining to building permits and approvals for inclusion in its Annual Report in accordance with Section 132 of the ***Building Act 2011*** and Regulation 14 of the ***Building Regulations 2012***.

The Shire experienced another year of high numbers of building applications received due to the very robust building and construction industry, and 325 Building/Demolition/Occupancy Permits were issued in the 2021-2022 reporting period. These statistics comprised of:

- **38** Commercial/Industrial/Occupancy Permits
- **141** Outbuildings/Swimming Pools or Spas/Retaining Walls
- **5** Outbuilding Additions
- **73** Dwellings
- **58** Dwelling Additions
- **10** Demolitions

Total value of works - **$40,637,294**

- **20** Building Permits were issued in this period for swimming pools.

Statutory Reporting

Council Meeting Attendance

In accordance with Regulation 19B of the ***Local Government (Administration) Regulations 1996***, the Shire of Gingin is required to report the number of council and committee meetings attended by each council member during the financial year.

Councillor	Ordinary Council Meetings (12)	Special Council Meetings (4)	Committee Meetings*
Fewster	10	2	15
Rule	12	4	7
Balcombe	12	4	7
Court (to 18/05/2022)	10	2	9
Johnson	11	4	11
Kestel (from 16/10/2021)	9	2	6
Lobb (to 16/10/2021)	3	1	0
Morton (to 16/10/2021)	2	2	1
Peczka	11	3	5
Sorensen (from 16/10/2021)	9	1	9
Vis	10	2	7

*** Note:**

1. Committee attendances listed only relate to committees of council that individual councillors are appointed to, either as members or deputy members. Deputy member attendances are only included where the deputy attends in place of the appointed member.
2. There was no Annual Meeting of Electors held in 2021-22 due to delays in the audit process for the preceding financial year. The Annual Meeting of Electors for 2020-21 was held on 6 September 2022 and will be included in the 2022-23 Annual Report.

Statutory Reporting

Disability Access & Inclusion

In accordance with Section 5.53 of the ***Local Government Act 1996*** the Shire of Gingin is required to include in its Annual Report any matter on which a report must be made under Section 29 of the ***Disability Services Act 1993*** which specifies that local governments must:

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

The Shire's DAIP is a key strategic document which outlines the Shire's approach to working towards a more accessible and inclusive community. While it is a statutory requirement for the Shire to maintain and implement a DAIP, all community members benefit from the Shire's commitment to access and inclusion.

The Shire's DAIP can be found on the Shire's website **gingin.wa.gov.au**.

During the 2021/2022 reporting period, as per DAIP Outcome 2 – Access to Buildings and Facilities, work was carried out in the following locations:

- Dual use footpath installed on Beacon Road, Lancelin from intersection North Street to intersection Desert Road – approximately 200m.
- Removed old footpath and installed dual use footpath on Mullins Street, Guilderton from intersection of Gordon Street to Mortimer Street – approximately 275m.
- Dual use footpath installed on Brockman Street, Gingin from intersection Robinson Street to intersection Cheriton Road – approximately 210m.
- Dual use footpath installed on Cheriton Road, Gingin from intersection Brockman Street to intersection Cairn Crescent – approximately 360m.

In addition, compliant accessible kerb ramps were installed at the following locations:

- Beacon Road/Desert Road, Lancelin.
- Beacon Road/Hinchcliffe Road, Lancelin x 2.
- Gordon Street/Mullins Street, Guilderton.
- Mullins Street/Wedge Street, Guilderton.
- Mullins Street, Guilderton.
- Cheriton Road/Cairn Crescent, Gingin.
- Cheriton Road/Brockman Street, Gingin.
- Brockman Street/Robinson Street, Gingin.

Freedom of Information

In accordance with Part 5 Sections 94, 96 and 97 of the ***Freedom of Information Act 1992***, the Shire is required to publish an Information Statement which details the process for applying for information under the Act, and provide an up-to-date version every 12 months.

The Shire's Information Statement was reviewed in July 2022 and is available for public access on its website gingin.wa.gov.au.

During 2021/22 the following number of Freedom of Information requests were received and actioned:

- Number of FOI applications made 7
- Number of successful applications 6
- Number of cancelled applications 0

Record Keeping Statement

The ***State Records Act 2000*** requires all local governments to include in the Annual Report a statement on their compliance with their Record Keeping Plan.

All Shire of Gingin employees are legally required to comply with the conditions of the Record Keeping Plan and ongoing training is available to all officers, is included as part of new staff onboarding induction process, and is continually provided on an as-needed basis.

A review of the Shire's Record Keeping Plan is required to be undertaken once every five years. The last review of the Shire's record keeping procedures was undertaken during 2017/18. This review confirmed the Shire's procedures were compliant and approval was received from the State Records Office on 24 October 2017. The next review is due to be carried out in July 2022.

Statutory Reporting

Register of Complaints

All complaints against the Shire of Gingin's elected members that result in a finding by a standards panel (under Section 5.110(2)(a) of the ***Local Government Act 1995***) and where a minor breach has occurred must be recorded in a Register of Complaints.

Section 5.121(3) requires the CEO to publish an up-to-date version of the register of complaints on the Shire's official website.

There have been no such findings made in relation to elected members of the Shire of Gingin for the 2021-22 financial year.

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Shire of Gingin Financial Report for the Year Ended 30 June 2022

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Statement By Chief Executive Officer

SHIRE OF GINGIN
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 Gingin 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 Gingin 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 12 day of 12 2022

Chief Executive Officer

Aaron Cook

Name of Chief Executive Officer

Statement of Comprehensive Income
By Nature or Type

For the Year Ended 30 June 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		$	$	$
Revenue				
Rates	26(a),2(a)	8,889,160	8,882,052	8,394,694
Operating grants, subsidies and contributions	2(a)	4,032,448	2,165,791	3,469,153
Fees and charges	25(c),2(a)	3,925,738	3,828,800	4,088,852
Interest earnings	2(a)	69,274	137,444	147,713
Other revenue	2(a)	562,162	196,287	677,161
		17,478,782	15,210,374	16,777,573
Expenses				
Employee costs		(5,873,096)	(6,390,737)	(5,856,207)
Materials and contracts		(6,321,670)	(5,709,570)	(5,281,648)
Utility charges		(462,885)	(445,615)	(434,451)
Depreciation	10(a)	(6,310,701)	(4,922,951)	(6,291,548)
Finance costs	2(b)	(102,467)	(105,341)	(108,584)
Insurance		(368,772)	(341,215)	(450,686)
Other expenditure	2(b)	(437,338)	(606,109)	(544,209)
		(19,876,929)	(18,521,538)	(18,967,333)
		(2,398,147)	(3,311,164)	(2,189,760)
Non-operating grants, subsidies and contributions	2(a)	4,482,933	8,602,360	8,352,488
Profit on asset disposals	10(c)	-	-	73,706
Loss on asset disposals	10(c)	(4,040)	-	(73,266)
Fair value adjustments to financial assets at fair value through profit or loss		3,997	-	2,586
		4,482,890	8,602,360	8,355,514
Net result for the period	25(b)	**2,084,743**	**5,291,196**	**6,165,754**
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit or loss				
Changes in asset revaluation surplus	16	-	-	12,638,926
Total other comprehensive income for the period		**-**	**-**	**12,638,926**
Total comprehensive income for the period		**2,084,743**	**5,291,196**	**18,804,680**

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

Statement of Financial Position

For the Year Ended 30 June 2022

	NOTE	2022	2021
		$	$
CURRENT ASSETS			
Cash and cash equivalents	3	13,598,004	9,438,399
Trade and other receivables	5	1,975,769	2,921,497
Other financial assets	4(a)	4,207	7,977
Inventories	6	48,891	34,392
Other assets	7	19,325	17,785
TOTAL CURRENT ASSETS		15,646,196	12,420,050
NON-CURRENT ASSETS			
Trade and other receivables	5	153,311	142,800
Other financial assets	4(b)	100,620	90,830
Property, plant and equipment	8	51,210,036	50,366,413
Infrastructure	9	151,247,484	151,590,018
Right-of-use assets	11(a)	76,741	109,100
TOTAL NON-CURRENT ASSETS		202,788,192	202,299,161
TOTAL ASSETS		218,434,388	214,719,211
CURRENT LIABILITIES			
Trade and other payables	12	3,407,473	2,289,417
Other liabilities	13	1,410,754	721,357
Lease liabilities	11(b)	31,608	24,023
Borrowings	14	250,521	259,387
Employee related provisions	15	930,057	1,004,339
TOTAL CURRENT LIABILITIES		6,030,413	4,298,523
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	45,789	85,369
Borrowings	14	1,592,664	1,843,185
Employee related provisions	15	254,868	66,223
TOTAL NON-CURRENT LIABILITIES		1,893,321	1,994,777
TOTAL LIABILITIES		7,923,734	6,293,300
NET ASSETS		210,510,654	208,425,911
EQUITY			
Retained surplus		47,351,695	46,559,741
Reserve accounts	29	7,745,214	6,452,425
Revaluation surplus	16	155,413,745	155,413,745
TOTAL EQUITY		210,510,654	208,425,911

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

Statement of Changes in Equity

For the Year Ended 30 June 2022

	NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		$	$	$	$
Balance as at 1 July 2020		**41,293,202**	**5,553,210**	**142,774,819**	**189,621,231**
Comprehensive income for the period					
Net result for the period		6,165,754	-	-	6,165,754
Other comprehensive income for the period	16	-	-	12,638,926	12,638,926
Total comprehensive income for the period		6,165,754	-	12,638,926	18,804,680
Transfers from reserves	29	1,564,253	(1,564,253)	-	-
Transfers to reserves	29	(2,463,468)	2,463,468	-	-
Balance as at 30 June 2021		**46,559,741**	**6,452,425**	**155,413,745**	**208,425,911**
Comprehensive income for the period					
Net result for the period		2,084,743	-	-	2,084,743
Total comprehensive income for the period		2,084,743	-	-	2,084,743
Transfers from reserves	29	85,482	(85,482)	-	-
Transfers to reserves	29	(1,378,270)	1,378,270	-	-
Balance as at 30 June 2022		**47,351,695**	**7,745,214**	**155,413,745**	**210,510,654**

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

Statement of Cash Flows

For the Year Ended 30 June 2022

	NOTE	2022 Actual $	2022 Budget $	2021 Actual $
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		9,340,165	8,893,855	8,696,678
Operating grants, subsidies and contributions		5,227,435	1,732,841	1,132,552
Fees and charges		3,924,714	3,828,800	4,095,639
Interest received		69,274	137,444	147,713
Goods and services tax received		23,077	-	-
Other revenue		562,162	196,287	677,161
		19,146,827	14,789,227	14,749,743
Payments				
Employee costs		(5,740,429)	(6,390,737)	(5,871,535)
Materials and contracts		(5,256,631)	(5,709,570)	(4,542,101)
Utility charges		(462,885)	(445,615)	(434,451)
Finance costs		(102,467)	(105,341)	(108,584)
Insurance paid		(368,772)	(341,215)	(450,686)
Goods and services tax paid		(24,757)	-	(39,045)
Other expenditure		(437,338)	(606,109)	(544,209)
		(12,393,279)	(13,598,587)	(11,990,611)
Net cash provided by (used in) operating activities	17(b)	6,753,548	1,190,640	2,759,132
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	8(a)	(2,381,466)	(5,700,954)	(1,909,436)
Payments for construction of infrastructure	9(a)	(4,402,396)	(7,364,664)	(9,593,537)
Non-operating grants, subsidies and contributions		4,482,933	8,602,360	8,352,488
Proceeds from financial assets at amortised cost		(2,021)	13,553	13,163
Proceeds from sale of property, plant & equipment	10(c)	-	164,000	253,274
Net cash provided by (used in) investing activities		(2,302,950)	(4,285,705)	(2,884,048)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	28(a)	(259,387)	(259,386)	(222,197)
Payments for principal portion of lease liabilities	28(c)	(31,606)	(31,995)	(24,023)
Proceeds from new borrowings	28(a)	-	350,000	334,743
Net cash provided by (used In) financing activities		(290,993)	58,619	88,523
Net increase (decrease) in cash held		4,159,605	(3,036,446)	(36,393)
Cash at beginning of year		9,438,399	9,437,846	9,474,792
Cash and cash equivalents at the end of the year	17(a)	13,598,004	6,401,400	9,438,399

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

Rate Setting Statement

For the Year Ended 30 June 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		$	$	$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	27(b)	1,944,534	2,074,256	1,612,521
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	26(a)	5,777	5,197	5,197
Operating grants, subsidies and contributions		4,032,448	2,165,791	3,469,153
Fees and charges		3,925,738	3,828,800	4,088,852
Interest earnings		69,274	137,444	147,713
Other revenue		562,162	196,287	677,161
Profit on asset disposals	10(c)	-	-	73,706
Fair value adjustments to financial assets at fair value through profit or loss		3,997	-	2,586
		8,599,396	6,333,519	8,464,368
Expenditure from operating activities				
Employee costs		(5,873,096)	(6,390,737)	(5,856,207)
Materials and contracts		(6,321,670)	(5,709,570)	(5,281,648)
Utility charges		(462,885)	(445,615)	(434,451)
Depreciation		(6,310,701)	(4,922,951)	(6,291,548)
Finance costs		(102,467)	(105,341)	(108,584)
Insurance		(368,772)	(341,215)	(450,686)
Other expenditure		(437,338)	(606,109)	(544,209)
Loss on asset disposals	10(c)	(4,040)	-	(73,266)
		(19,880,969)	(18,521,538)	(19,040,599)
Non-cash amounts excluded from operating activities	27(a)	6,488,878	4,922,951	6,213,487
Amount attributable to operating activities		(4,792,695)	(7,265,068)	(4,362,744)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		4,482,933	8,602,360	8,352,488
Proceeds from disposal of assets	10(c)	-	164,000	253,274
Proceeds from financial assets at amortised cost		7,979	13,553	13,163
New advances		(10,000)	-	-
Purchase of property, plant and equipment	8(a)	(2,381,466)	(5,700,954)	(1,909,436)
Purchase and construction of infrastructure	9(a)	(4,402,396)	(7,364,664)	(9,593,537)
		(2,302,950)	(4,285,705)	(2,884,048)
Amount attributable to investing activities		(2,302,950)	(4,285,705)	(2,884,048)
FINANCING ACTIVITIES				
Repayment of borrowings	28(a)	(259,387)	(259,386)	(222,197)
Proceeds from borrowings	28(b)	-	350,000	334,743
Payments for principal portion of lease liabilities	28(c)	(31,606)	(31,995)	(24,023)
Transfers to reserves (restricted assets)	29	(1,378,270)	(451,439)	(2,463,468)
Transfers from reserves (restricted assets)	29	85,482	992,482	1,564,253
Amount attributable to financing activities		(1,583,781)	599,662	(810,692)
Surplus/(deficit) before imposition of general rates		(6,734,892)	(8,876,855)	(6,444,963)
Total amount raised from general rates	26(a)	8,883,383	8,876,855	8,389,497
Surplus/(deficit) after imposition of general rates	27(b)	**2,148,491**	**-**	**1,944,534**

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

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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* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *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.
- estimation uncertainties made in relation to lease accounting

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 with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at the gate or normal trading terms if credit is provided	None	On entry to facility
Fees and charges - sale of stock	Kiosk stock	Single point in time	In full in advance	Refund for faulty goods	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 completed

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	Non-operating grant/contributions	Statutory Requirements	Other	Total
	$	$	$	$	$
Rates	-	-	8,889,160	-	8,889,160
Operating grants, subsidies and contributions	4,032,448	-	-	-	4,032,448
Fees and charges	3,925,738	-	-	-	3,925,738
Interest earnings	-	-	69,274	-	69,274
Other revenue	198,505	-	-	363,657	562,162
Non-operating grants, subsidies and contributions	-	4,482,933	-	-	4,482,933
Total	8,156,691	4,482,933	8,958,434	363,657	21,961,715

For the year ended 30 June 2021

Nature or type	Contracts with customers	Non-operating grant/contributions	Statutory Requirements	Other	Total
	$	$	$	$	$
Rates	-	-	8,394,694	-	8,394,694
Operating grants, subsidies and contributions	3,469,153	-	-	-	3,469,153
Fees and charges	4,088,852	-	-	-	4,088,852
Interest earnings	-	-	147,713	-	147,713
Other revenue	410,650	-	-	266,511	677,161
Non-operating grants, subsidies and contributions	-	8,352,488	-	-	8,352,488
Total	7,968,655	8,352,488	8,542,407	266,511	25,130,061

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
Interest earnings				
Financial assets at amortised cost - self supporting loans		404	404	451
Interest on reserve funds		-	10,000	20,418
Rates instalment and penalty interest (refer Note 26(d))		68,692	122,444	123,328
Other interest earnings		178	4,596	3,516
		69,274	137,444	147,713
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		37,000	62,200	18,754
- Other services		1,800	3,840	3,350
		38,800	66,040	22,104
Finance costs				
Borrowings	28(a)	101,273	104,146	107,538
Lease liabilities	28(c)	1,194	1,195	1,046
		102,467	105,341	108,584
Other expenditure				
Impairment losses on trade and other receivables		9,930	-	10,954
Sundry expenses		427,408	606,109	533,255
		437,338	606,109	544,209

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		13,598,004	9,438,399
Total cash and cash equivalents	17(a)	13,598,004	9,438,399
Held as			
- Unrestricted cash and cash equivalents		5,852,790	2,985,974
- Restricted cash and cash equivalents	17(a)	7,745,214	6,452,425
		13,598,004	9,438,399

SIGNIFICANT ACCOUNTING POLICIES

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

Restricted 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.

Details of restrictions on financial assets can be found at Note 17.

4. OTHER FINANCIAL ASSETS

	2022	2021
	$	$
(a) Current assets		
Financial assets at amortised cost	4,207	7,977
	4,207	7,977
Financial assets at amortised cost		
Financial assets at amortised cost - self supporting loans	2,278	2,230
Financial assets at amortised cost - loan advances	1,929	5,747
	4,207	7,977
Held as		
- Unrestricted other financial assets at amortised cost	4,207	7,977
	4,207	7,977
(b) Non-current assets		
Financial assets at amortised cost	22,816	17,023
Financial assets at fair value through profit and loss	77,804	73,807
	100,620	90,830
Financial assets at amortised cost		
Financial assets at amortised cost - self supporting loans	14,745	17,023
Financial assets at amortised cost - loan advances	8,071	-
	22,816	17,023
Financial assets at fair value through profit and loss		
Units in Local Government House Trust	77,804	73,807
	77,804	73,807

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 28(a) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost
The Shire classifies financial assets at amortised cost if both of the following criteria are met:
- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

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 hierachy (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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

5. TRADE AND OTHER RECEIVABLES

	Note	2022	2021
		$	$
Current			
Rates receivable		399,663	817,748
Trade and other receivables		1,351,120	1,727,666
GST receivable		61,491	84,568
Allowance for credit losses of trade and other receivables	22(b)	(9,930)	(10,954)
Legal Costs - recovery of rates		133,099	245,514
Rubbish Fees		40,326	56,955
		1,975,769	2,921,497
Non-current			
Pensioner's rates and ESL deferred		153,311	142,800
		153,311	142,800

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

6. INVENTORIES

	Note	2022	2021
Current		$	$
Fuel and materials		34,026	16,227
History books		14,865	18,165
		48,891	34,392
The following movements in inventories occurred during the year:			
Balance at beginning of year		34,392	30,607
Additions to inventory		14,499	3,785
Balance at end of year		48,891	34,392

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

7. OTHER ASSETS

	2022	2021
	$	$
Other assets - current		
Prepayments	19,325	17,785
	19,325	17,785

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.

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 - non-specialised	Buildings - specialised	Total land and buildings	Land and buildings - Work in Progress	Furniture and equipment	Plant and equipment	Vehicles	Tools	Total property, plant and equipment
		$	$	$	$	$	$	$	$	$	$
Balance at 1 July 2020		12,831,909	1,550,401	21,209,235	35,591,545	-	195,893	4,922,499	-	4,666	40,714,603
Additions		25,000	875	545,913	571,788	418,921	-	918,727	-	-	1,909,436
Disposals		-	-	-	-	-	-	(252,833)	-	-	(252,833)
Revaluation increments / (decrements) transferred to revaluation surplus		(47,807)	214,843	8,839,215	9,006,251	-	-	-	-	-	9,006,251
Depreciation	10(a)	-	(52,419)	(775,543)	(827,962)	-	(38,375)	(667,481)	-	(1,026)	(1,534,844)
Transfers		-	-	523,800	523,800	-	-			-	523,800
Balance at 30 June 2021		12,809,102	1,713,700	30,342,620	44,865,422	418,921	157,518	4,920,912	-	3,640	50,366,413
Comprises:											
Gross balance amount at 30 June 2021		12,809,102	1,713,700	30,342,620	44,865,422	418,921	343,462	8,073,739	-	12,900	53,714,444
Accumulated depreciation at 30 June 2021		-	-	-	-	-	(185,944)	(3,152,827)	-	(9,260)	(3,348,031)
Balance at 30 June 2021		12,809,102	1,713,700	30,342,620	44,865,422	418,921	157,518	4,920,912	-	3,640	50,366,413
Additions		-	-	228,813	228,813	2,152,653	-	-	-	-	2,381,466
Depreciation	10(a)	-	(33,646)	(738,673)	(772,319)	-	(42,539)	(469,060)	(253,024)	(901)	(1,537,843)
Transfers		-	-	-	-	-	-	(1,046,050)	1,046,050	-	-
Balance at 30 June 2022		12,809,102	1,680,054	29,832,760	44,321,916	2,571,574	114,979	3,405,802	793,026	2,739	51,210,036
Comprises:											
Gross balance amount at 30 June 2022		12,809,102	1,713,700	30,571,433	45,094,235	2,571,574	343,462	6,048,745	2,024,995	12,900	56,095,911
Accumulated depreciation at 30 June 2022		-	(33,646)	(738,673)	(772,319)	-	(228,483)	(2,642,943)	(1,231,969)	(10,161)	(4,885,875)
Balance at 30 June 2022		12,809,102	1,680,054	29,832,760	44,321,916	2,571,574	114,979	3,405,802	793,026	2,739	51,210,036

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

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2021	Price per hectare
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties / income approach using discounted cashflow methodology	Independent valuer and Management valuation	June 2021	Price per square meter / market borrowing rate
Buildings - specialised	3	Cost approach using current replacement cost	Independent registered valuers	June 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

During the period, there were no changes in the valuation techniques used 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	3	Cost model	N/A	June 2016	Purchase costs
Plant and equipment	3	Cost model	N/A	June 2016	Purchase costs

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 - parks & ovals	Infrastructure - other	Infrastructure - bridges	Work in Progress - infrastructure	Total Infrastructure
		$	$	$	$	$	$	$
Balance at 1 July 2020		123,890,909	264,654	12,087,907	5,032,925	2,343,640	-	143,620,035
Additions		8,346,460	8,450	1,231,277	7,350	-	-	9,593,537
Revaluation increments / (decrements) transferred to revaluation surplus		-	-	231,920	3,400,754	-	-	3,632,674
Depreciation	10(a)	(3,237,557)	(10,924)	(783,683)	(574,930)	(125,336)	-	(4,732,430)
Transfers		-	-	(2,276,099)	1,752,301	-	-	(523,798)
Balance at 30 June 2021		128,999,812	262,180	10,491,322	9,618,400	2,218,304	-	151,590,018
Comprises:								
Gross balance at 30 June 2021		137,934,405	295,251	12,409,881	9,618,400	2,585,269	-	162,843,206
Accumulated depreciation at 30 June 2021		(8,934,593)	(33,071)	(1,918,559)	-	(366,965)	-	(11,253,188)
Balance at 30 June 2021		128,999,812	262,180	10,491,322	9,618,400	2,218,304	-	151,590,018
Additions		3,534,697	379,459	14,000	140,356	309,325	24,559	4,402,396
Impairment (losses) / reversals		-	-	(4,040)	-	-	-	(4,040)
Depreciation	10(a)	(3,259,262)	(25,666)	(832,352)	(481,454)	(142,156)	-	(4,740,890)
Transfers		-	-	(318,789)	13,850	-	304,939	-
Balance at 30 June 2022		129,275,247	615,973	9,350,141	9,291,152	2,385,473	329,498	151,247,484
Comprises:								
Gross balance at 30 June 2022		141,469,102	674,710	12,099,840	9,772,606	2,894,594	329,498	167,240,350
Accumulated depreciation at 30 June 2022		(12,193,855)	(58,737)	(2,749,699)	(481,454)	(509,121)	-	(15,992,866)
Balance at 30 June 2022		129,275,247	615,973	9,350,141	9,291,152	2,385,473	329,498	151,247,484

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using current replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - footpaths	3	Cost approach using current replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - parks & ovals	3	Cost approach using current replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - other	3	Cost approach using current replacement cost	Independent registered valuers	June 2021	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - bridges	3	Cost approach using current replacement cost	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments

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.

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)	33,646	40,784	52,419
Buildings - specialised	8(a)	738,673	1,019,655	775,543
Furniture and equipment	8(a)	42,539	51,880	38,375
Plant and equipment	8(a)	469,060	739,960	667,481
Vehicles	8(a)	253,024	-	-
Tools	8(a)	901	1,790	1,026
Infrastructure - roads	9(a)	3,259,262	1,788,880	3,237,557
Infrastructure - footpaths	9(a)	25,666	11,120	10,924
Infrastructure - parks & ovals	9(a)	832,352	773,337	783,683
Infrastructure - other	9(a)	481,454	355,480	574,930
Infrastructure - bridges	9(a)	142,156	116,228	125,336
Right-of-Use Assets - Land and Buildings	11(a)	6,958	-	8,267
Right-of-Use Assets - Furniture & Equipment	11(a)	25,010	23,837	16,007
		6,310,701	4,922,951	6,291,548

Depreciation rates

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

Asset Class	Useful life	Asset Class	Useful life
Buildings - non specialised	25 to 50 years	Seal	
Buildings - specialised	25 to 33 years	- bituminous seals	20 years
Furniture and equipment	3 to 50 years	- asphalt surfaces	20 years
Plant and equipment Large Plant	5 to 20 years	Gravel roads	
Plant and equipment Small Plant	1 to 5 years	- formation	not depreciated
Plant and equipment - Sundry	1 to 35 years	- pavement	50 years
Tools	4 to 10 years	Footpaths - slab	25 years
		Formed roads - unsealed	
Infrastructure - Footpaths	25 years	(reducing balance)	
Infrastructure - Parks & ovals	13 years	- formation	not depreciated
Infrastructure - Bridges	25 years	- pavement	50 years
Infrastructure - Other	10 years	Sewerage piping	80 years
		Water supply piping and	
Infrastructure - Car parks (sealed)	40 years	drainage systems	85 years
Sealed roads and streets		Right-of-use (buildings)	Based on the remaining lease
		Right-of-use (plant and	
- formation	not depreciated	equipment)	Based on the remaining lease
- pavement	50 years		

(b) Fully Depreciated Assets in Use

	2022 Actual	2021 Actual
The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.	$	$
Furniture and equipment	-	4,950
Plant and equipment	134,783	326,919
Vehicles	89,917	-
Infrastructure - parks & ovals	9,098	940
Infrastructure - other	13,850	-
	247,648	332,809

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

10. FIXED ASSETS (Continued)

(c) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	$	$	$	$	$	$	$	$	$	$	$	$
Furniture and equipment	-	-	-	-	-	-	-	-	-	109	109	-
Plant and equipment	-	-	-	-	8,000	8,000	-	-	252,834	253,165	73,597	(73,266)
Vehicles	-	-	-	-	156,000	156,000	-	-	-	-	-	-
Infrastructure - parks & ovals	4,040	-	-	(4,040)	-	-	-	-	-	-	-	-
	4,040	-	-	(4,040)	164,000	164,000	-	-	252,834	253,274	73,706	(73,266)

The following assets were disposed of during the year.

Parks & Ovals	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Economic services				
Ledge Point Lookout	4,040	-	-	(4,040)
	4,040	-	-	(4,040)

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

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 as follows:

(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.

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.

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 - Land and Buildings	Right-of-Use Assets - Furniture & Equipment	Right-of-use assets Total
		$	$	$
Balance at 1 July 2020		-	2,638	2,638
Additions		20,855	109,881	130,736
Depreciation		(8,267)	(16,007)	(24,274)
Balance at 30 June 2021		12,588	96,512	109,100
Lease modification		-	(391)	(391)
Depreciation	10(a)	(6,958)	(25,010)	(31,968)
Balance at 30 June 2022		5,630	71,111	76,741

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:		2022 Actual	2021 Actual
		$	$
Depreciation on right-of-use assets		(31,968)	(24,274)
Interest expense on lease liabilities	28(c)	(1,194)	(1,046)
Low-value asset lease payments recognised as expense		(31,608)	(24,023)
Total amount recognised in the statement of comprehensive income		(64,770)	(49,343)
Total cash outflow from leases		(32,800)	(25,069)

(b) Lease Liabilities

Current		31,608	24,023
Non-current		45,789	85,369
	28(c)	77,397	109,392

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

12. TRADE AND OTHER PAYABLES

	2022	2021
	$	$
Current		
Sundry creditors	2,326,986	1,289,826
Prepaid rates	195,270	151,839
Accrued payroll liabilities	138,647	120,343
ATO liabilities	20,766	45,523
Bonds and deposits held	664,309	590,840
Accrued interest on long term borrowings	19,425	22,298
Income received in advance	5,070	68,748
Accrued expenses	37,000	-
	3,407,473	2,289,417

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.

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

13. OTHER LIABILITIES

	2022	2021
	$	$
Current		
Contract liabilities	1,410,754	721,357
	1,410,754	721,357
Reconciliation of changes in contract liabilities		
Opening balance	721,357	1,950,161
Change during the year	689,397	(1,228,804)
	1,410,754	721,357

The Shire expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period to be satisfied within the next 12 months.

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 hierachy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

14. BORROWINGS

	Note	2022 Current	2022 Non-current	2022 Total	2021 Current	2021 Non-current	2021 Total
Secured		$	$	$	$	$	$
Loans		250,521	1,592,664	1,843,185	259,387	1,843,185	2,102,572
Total secured borrowings	28(a)	250,521	1,592,664	1,843,185	259,387	1,843,185	2,102,572

Secured liabilities and assets pledged as security
Bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Gingin.

The Shire of Gingin has complied with the financial covenants 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 materiallly 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 hierachy (see Note 24(i)) due to 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 in Note 28(a).

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
	$	$
Current provisions		
Employee benefit provisions		
Annual Leave & Other Entitlements	660,483	597,223
Long Service Leave	269,574	407,116
	930,057	1,004,339
Non-current provisions		
Long Service Leave	254,868	66,223
	254,868	66,223
	1,184,925	1,070,562

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:

	Note	2022	2021
		$	$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		466,303	522,099
More than 12 months from reporting date		718,622	548,463
		1,184,925	1,070,562
Expected reimbursements of employee related provisions from other WA local governments included in provisions		79,478	104,847

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

16. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation (Decrement)	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	$	$	$	$	$	$	$	$
Land - freehold land	5,726,807	-	5,726,807	5,774,614	-	(47,807)	(47,807)	5,726,807
Buildings	24,915,799	-	24,915,799	15,861,740	9,054,059	-	9,054,059	24,915,799
Plant and equipment	2,491,906	-	2,491,906	2,491,906	-	-	-	2,491,906
Infrastructure - roads	107,822,769	-	107,822,769	107,822,769	-	-	-	107,822,769
Infrastructure - footpaths	385,798	-	385,798	385,798	-	-	-	385,798
Infrastructure - parks & ovals	7,925,912	-	7,925,912	7,693,992	231,920	-	231,920	7,925,912
Infrastructure - other	3,400,754	-	3,400,754	-	3,400,754	-	3,400,754	3,400,754
Infrastructure - bridges	2,744,000	-	2,744,000	2,744,000	-	-	-	2,744,000
	155,413,745	-	155,413,745	142,774,819	12,686,733	(47,807)	12,638,926	155,413,745

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

17. 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	13,598,004	6,401,400	9,438,399
Restrictions				
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	7,745,214	5,648,774	6,452,425
		7,745,214	5,648,774	6,452,425
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted reserve accounts	29	7,745,214	5,648,774	6,452,425
Total restricted financial assets		7,745,214	5,648,774	6,452,425

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

Net result		2,084,743	5,291,196	6,165,754
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(3,997)	-	(2,586)
Depreciation/amortisation		6,310,701	4,922,951	6,291,548
(Profit)/loss on sale of asset		4,040	-	(440)
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		910,460	-	(883,091)
(Increase)/decrease in other assets		(1,540)	-	757
(Increase)/decrease in inventories		(14,499)	-	(3,785)
Increase/(decrease) in trade and other payables		1,142,813	-	822,988
Increase/(decrease) in employee related provisions		114,363	-	(50,721)
Increase/(decrease) in other liabilities		689,397	(421,147)	(1,228,804)
Non-operating grants, subsidies and contributions		(4,482,933)	(8,602,360)	(8,352,488)
Net cash provided by/(used in) operating activities		6,753,548	1,190,640	2,759,132

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements	2022 Actual	2021 Actual
	$	$
Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	-	-
Credit card limit	27,000	24,000
Credit card balance at balance date	(1,127)	(6,201)
Total amount of credit unused	525,873	517,799
Loan facilities		
Loan facilities - current	250,521	259,387
Loan facilities - non-current	1,592,664	1,843,185
Total facilities in use at balance date	1,843,185	2,102,572
Unused loan facilities at balance date	-	-

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

18. CONTINGENT LIABILITIES

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

- Gingin Waste Facility - Lot 10 Cockram Road, Gingin DWER L6900/1700/13

- Lancelin Waste Facility - Lot 11089 Lancelin Road, Lancelin DWER L6911/1997/10

- Seabird Waste Facility - Lot 8544 Seabird Road, Seabird DWER L6897/1997/13

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

19. CAPITAL COMMITMENTS

	2022 Actual $	2021 Actual $
Contracted for:		
- capital expenditure projects	221,571	668,487
- plant & equipment purchases	-	-
	221,571	668,487
Payable:		
- not later than one year	221,571	668,487

The 2022 capital commitments relate to the following projects:
- Gingin Weir Project $10,472
- Level 3 Incident Control Centre - Gingin $211,099

The 2021 capital commitments related to the following projects:
- Gingin Outdoor Activity Space $32,003
- Lancelin Skate Park $92,474
- Guilderton Foreshore Ablutions $46,022
- Gingin Hotspot Coastal Monitoring Project $21,675
- Cowalla Road Reconstruction & Final Seal $76,313
- Level 3 Incident Control Centre - Gingin $400,000

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration	Note	2022 Actual $	2022 Budget $	2021 Actual $
Cr Fewster - Shire President				
President's annual allowance		16,000	16,000	14,000
Meeting attendance fees		15,000	15,000	13,125
Annual allowance for ICT expenses		2,000	2,000	1,770
Travel and accommodation expenses		763	1,420	-
		33,763	34,420	28,895
Cr Rule - Deputy President				
Deputy President's annual allowance		4,000	4,000	3,500
Meeting attendance fees		8,000	8,000	7,000
Annual allowance for ICT expenses		2,000	2,000	1,770
Travel and accommodation expenses		-	1,415	-
		14,000	15,415	12,270
Cr Johnson - Councillor				
Meeting attendance fees		8,000	8,000	7,000
Annual allowance for ICT expenses		2,000	2,000	1,770
Travel and accommodation expenses		3,736	1,415	2,856
		13,736	11,415	11,626
Cr Vis - Councillor				
Meeting attendance fees		8,000	8,000	7,000
Annual allowance for ICT expenses		2,000	2,000	1,770
Travel and accommodation expenses		-	1,415	-
		10,000	11,415	8,770
Cr Peczka - Councillor				
Meeting attendance fees		8,000	8,000	7,000
Annual allowance for ICT expenses		2,000	2,000	1,770
Travel and accommodation expenses		3,076	1,415	2,592
		13,076	11,415	11,362
Cr Court - Councillor				
Meeting attendance fees		7,033	8,000	7,000
Annual allowance for ICT expenses		1,758	2,000	1,770
Travel and accommodation expenses		2,017	1,415	2,267
		10,808	11,415	11,037
Cr Lobb - Councillor				
Meeting attendance fees		2,826	2,826	7,000
Annual allowance for ICT expenses		82	2,000	1,770
Travel and accommodation expenses		1,223	1,415	2,675
		4,131	6,241	11,445
Cr Morton - Councillor				
Meeting attendance fees		2,326	2,326	7,000
Annual allowance for ICT expenses		582	2,000	1,770
Travel and accommodation expenses		-	1,415	-
		2,908	5,741	8,770
Cr Balcombe - Councillor				
Meeting attendance fees		8,000	8,000	7,000
Annual allowance for ICT expenses		2,000	2,000	1,770
Travel and accommodation expenses		534	1,415	-
		10,534	11,415	8,770
Cr Sorenson - Councillor				
Meeting attendance fees		5,674	3848	-
Annual allowance for ICT expenses		1,418	180	-
Travel and accommodation expenses		2,374	-	-
		9,466	4,028	-
		122,422	122,920	112,945

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

20. RELATED PARTY TRANSACTIONS (Continued)

Fees, expenses and allowances to be paid or reimbursed to elected council members.		2022 Actual	2022 Budget	2021 Actual
		$	$	$
President's annual allowance		16,000	16,000	14,000
Deputy President's annual allowance		4,000	4,000	3,500
Meeting attendance fees		72,859	72,000	69,125
Annual allowance for ICT expenses		15,840	18,180	15,930
Travel and accommodation expenses		13,723	12,740	10,390
	20(b)	122,422	122,920	112,945

(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		622,767	602,438
Post-employment benefits		76,225	69,388
Employee - other long-term benefits		62,127	52,596
Employee - termination benefits		5,895	37,523
Council member costs	20(a)	122,422	112,945
		889,436	874,890

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

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

(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	3,173	12,390
Purchase of goods and services	35,874	14,596

(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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

21. JOINT ARRANGEMENTS

Share of joint operations

The Shire has two separate joint agreements with the Department of Communities for the provision of housing at 2 Atkinson Way Lancelin.

For accounting purposes, these joint arrangements constitutes joint operations. The assets are land and 11 x 2 bedroom units. The ownership of the assets is determined by agreements which includes the percentage of each parties equitable interest. The assets are included in the Land and Buildings as follows;

Statement of Financial Position	2022 Actual	2021 Actual
	$	$
Land Lot 84 Atkinson Way Lancelin	20,000	20,000
Atkinson Way Lancelin (5 x 2 bedroom units) Units 1-5 @ 36.10%	336,714	342,950
Atkinson Way Lancelin (6 x 2 bedroom units) Units 6-11 @ 39.37%	425,730	433,070
Total assets	782,444	796,020
	782,444	796,020
Total equity	782,444	796,020
Statement of Comprehensive Income		
Other revenue	85,007	81,181
Other expenditure	(37,351)	(52,917)
Net result for the period	47,656	28,264
Other comprehensive income	-	91,974
Total comprehensive income for the period	47,656	120,238

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with another party to the joint arrangement. All parties to joint arrangementhave rights to the assets, and obligations for the liabilities relating to the arrangement.

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

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 and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	$	$	$	$
2022					
Cash and cash equivalents	0.00%	13,598,004	-	-	13,598,004
2021					
Cash and cash equivalents	0.25%	9,438,399	-	9,435,599	2,800

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*	0	94,356

* 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).

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 also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment.

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

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

The expected loss rates are based on the payment profiles of 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
30 June 2022						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	318,292	125,756	85,124	43,917	573,088	
Loss allowance	-	-	-	-	-	
30 June 2021						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	339,330	228,619	218,777	333,491	1,120,217	
Loss allowance	-	-	-	-	-	

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	
30 June 2022						
Trade and other receivables						
Expected credit loss	0.00%	0.01%	0.00%	71.29%		
Gross carrying amount	1,331,401	4,276	1,514	13,929	1,351,120	
Loss allowance	-	-	-	9,930	9,930	5
30 June 2021						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	33.51%		
Gross carrying amount	1,541,498	118,826	34,652	32,690	1,727,666	
Loss allowance	-	-	-	10,954	10,954	5

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

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	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual
	$	$	$	$
Opening loss allowance as at 1 July	-	-	10,954	10,954
Receivables written off during the year as uncollectible	-	-	(1,609)	-
Unused amount reversed	-	-	585	-
Closing loss allowance at 30 June	-	-	9,930	10,954

Trade receivables 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 are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(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 17(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
2022	$	$	$	$	$
Trade and other payables	3,191,752	-	-	3,191,752	3,191,752
Borrowings	342,153	1,404,696	453,647	2,200,496	1,843,185
Lease liabilities	31,608	45,789	-	77,397	77,397
	3,565,513	1,450,485	453,647	5,469,645	5,112,334
2021					
Trade and other payables	2,243,894	-	-	2,243,894	2,289,417
Borrowings	363,502	1,309,383	1,218,136	2,891,021	2,102,572
Lease liabilities	24,023	85,369	-	109,392	109,392
	2,631,419	1,394,752	1,218,136	5,244,307	4,501,381

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There has been no material events after the reporting period which would affect the financial report for the Shire of Gingin for the year ended 30 June 2022 or which would require additional disclosures.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

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. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

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

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

h) Interest 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 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*
- *AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

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

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.

Objective	Description
Governance To provide a decision making process for the efficient allocation of scarce resources	Includes the activities of members of Council and the administrative support available to the 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.
General purpose funding To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
Health To provide an operational framework for environmental and community health	Inspection of food outlets and their control, noise control and waste disposal compliance.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth	Maintenance of playgroup centre, aged care housing and Wangaree Community Centre. Provision and maintenance of youth services.
Housing To provide and maintain staff and other housing	Provision and maintenance of staff and other housing.
Community amenities To provide services required by the community	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
Recreation and culture To establish and effectively manage infrastructure and resource which will help the social well being of the community	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.
Transport To provide safe, effective and efficient transport services to the community	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. 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 including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes.
Other property and services To monitor and control Shire's overheads operating accounts	Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services.

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
	$	$	$
Income excluding grants, subsidies and contributions			
Governance	2,934	-	-
General purpose funding	9,069,256	9,014,092	8,615,362
Law, order, public safety	158,411	124,412	115,218
Health	65,520	50,500	376,159
Education and welfare	4,927	9,500	12,628
Housing	115,102	112,764	192,926
Community amenities	1,796,098	1,697,864	1,731,815
Recreation and culture	121,109	120,604	118,601
Transport	181,260	195,000	275,499
Economic services	1,664,979	1,627,796	1,675,151
Other property and services	270,735	92,051	271,353
	13,450,331	13,044,583	13,384,712
Grants, subsidies and contributions			
Governance	-	5,000	16,225
General purpose funding	2,479,936	1,025,367	1,760,668
Law, order, public safety	3,323,778	4,698,757	1,518,078
Health	1,100	5,350	1,060
Education and welfare	3,200	-	20,677
Community amenities	73,100	223,697	185,098
Recreation and culture	107,621	840,307	885,594
Transport	2,480,934	3,869,137	7,379,749
Economic services	45,712	36,636	11,340
Other property and services	-	63,900	43,152
	8,515,381	10,768,151	11,821,641
Total Income	21,965,712	23,812,734	25,206,353
Expenses			
Governance	(2,164,081)	(1,547,686)	(1,819,099)
General purpose funding	(510,721)	(536,863)	(421,221)
Law, order, public safety	(1,988,277)	(1,611,046)	(2,236,597)
Health	(495,744)	(655,014)	(918,351)
Education and welfare	(168,708)	(256,382)	(250,013)
Housing	(102,419)	(86,484)	(41,752)
Community amenities	(2,150,766)	(3,149,681)	(1,119,366)
Recreation and culture	(3,488,565)	(3,997,105)	(2,260,275)
Transport	(5,231,803)	(4,030,718)	(6,655,249)
Economic services	(1,569,376)	(1,562,148)	(2,912,677)
Other property and services	(2,010,509)	(1,088,411)	(405,999)
Total expenses	(19,880,969)	(18,521,538)	(19,040,599)
Net result for the period	2,084,743	5,291,196	6,165,754

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

25. FUNCTION AND ACTIVITY (Continued)

(c) Fees and Charges	2022 Actual $	2022 Budget $	2021 Actual $
General purpose funding	15,965	-	2,820
Law, order, public safety	108,906	104,450	86,890
Health	53,354	50,000	282,478
Education and welfare	4,927	9,500	10,030
Housing	116,933	112,764	111,969
Community amenities	1,792,553	1,679,290	1,688,621
Recreation and culture	115,225	110,000	107,803
Transport	107,968	135,000	125,327
Economic services	1,560,367	1,612,796	1,617,028
Other property and services	49,540	15,000	55,886
	3,925,738	3,828,800	4,088,852

(d) Total Assets	2022 $	2021 $
Governance	-	245,514
General purpose funding	727,481	971,132
Law, order, public safety	6,748,650	4,174,263
Health	2,632,176	904,578
Education and welfare	890,651	3,307,100
Housing	2,174,373	1,634
Community amenities	2,597,923	2,473,186
Recreation and culture	32,583,209	7,946,288
Transport	134,159,587	133,033,087
Economic services	4,761,197	34,917,135
Other property and services	17,486,870	20,607,149
Unallocated	13,672,271	6,138,145
	218,434,388	214,719,211

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 in $	Number of Properties	2021/22 Actual Rateable Value *	2021/22 Actual Rate Revenue	2021/22 Actual Interim Rates	2021/22 Actual Back Rates	2021/22 Actual Total Revenue	2021/22 Budget Rate Revenue	2021/22 Budget Interim Rate	2021/22 Budget Back Rate	2021/22 Budget Total Revenue	2020/21 Actual Total Revenue
				$	$	$	$	$	$	$	$	$	$
GRV- Townsites		9.1887	1,559	2,636,244	2,422,365	(1,874)	(1,005)	2,419,486	2,422,366	10,000	2,000	2,434,366	2,328,903
GRV- Other		9.1887	918	1,504,056	1,382,032	(12,224)	212	1,370,020	1,382,032	-	-	1,382,032	1,302,836
UV- Rural		0.5119	380	256,884,000	1,314,989	9,949	(3,260)	1,321,678	1,314,989	-	-	1,314,989	1,314,917
UV- Other		0.5119	3	199,300	10,202	-	-	10,202	10,202	-	-	10,202	9,294
UV-Intensive/Mining		0.7614	99	64,181	488,674	3,192	(74)	491,792	488,674	-	-	488,674	669,329
UV-Exploration Mining		0.5119	5	-	-	6,444	169	6,613	-	-	-	-	-
Sub-Total			2,964	261,287,781	5,618,262	5,487	(3,958)	5,619,791	5,618,263	10,000	2,000	5,630,263	5,625,279
Minimum payment		**Minimum $**											
GRV- Townsites		1,166	1,068	2,422,365	1,245,288	-	-	1,245,288	1,245,288	-	-	1,245,288	1,201,020
GRV- Other		1,166	805	1,382,032	952,614	-	-	952,614	884,994	-	-	884,994	853,590
UV- Rural		1,470	423	1,314,989	623,015	-	-	623,015	620,340	-	-	620,340	529,200
UV- Other		1,470	1	10,202	1,470	-	-	1,470	69,090	-	-	69,090	2,800
UV-Intensive/Mining		2,675	149	488,674	398,575	-	-	398,575	401,250	-	-	401,250	272,636
UV-Exploration Mining		1,470	29	-	42,630	-	-	42,630	42,630	-	-	42,630	42,000
Sub-Total			2,475	5,618,262	3,263,592	-	-	3,263,592	3,263,592	-	-	3,263,592	2,901,246
			5,439	266,906,043	8,881,854	5,487	(3,958)	8,883,383	8,881,855	10,000	2,000	8,893,855	8,526,525
Prepaid Rates								-				(17,000)	-
Concessions on general rates (Refer Note 26 (d))								-				-	(137,028)
Total amount raised from general rates								8,883,383				8,876,855	8,389,497

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

(b) Rates (excluding general rates)

27(c)	Rate in											
Ex-gratia Rates												
Ex-gratia rates		-	-	5,777	-	-	5,777	5,197	-	-	5,197	5,197
Sub-Total		-	-	5,777	-	-	5,777	5,197	-	-	5,197	5,197
Total amount raised from rates (excluding general rates)							5,777				5,197	5,197

(c) Total Rates

							8,889,160				8,882,052	8,394,694

SIGNIFICANT ACCOUNTING POLICIES

Rates

'The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 Income for not-for-profit entities.

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

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 been refunded.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

26. RATING INFORMATION (Continued)

d) Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Waiver/ Concession	Discount %	Discount $	2022 Actual $	2022 Budget $	2021 Actual $
General and minimum rates for properties that are classified within the UV Intensive Differential Rating Category that have a mix of non-intensive and intensive use on a property.	Concession		Based on the area of land on the property used for non-intensive purposes.	Based on the area of land on the property used for non-intensive purposes.	-	-	137,028
					-	-	137,028
Total discounts/concessions (Note 26(a))					-	-	137,028

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
General and minimum rates for properties that are classified within the UV Intensive Differential Rating Category that have a mix of non-intensive and intensive use on a property.	A concession is granted based on the area of land used for non-intensive rural purposes. The rates concession is calculated by determining the percentage of the property used for intensive purposes, the balance being non-intensive.	To ensure that the rates paid for a property appropriately reflect the use of the property. The concession is provided for split use differentially rated rural properties where there is a mixed use of nonintensive and intensive use on that property and where less than 75% of the property is classified as 'Intensive Use'.	Property owners within the Shire carry on a variety of mixed uses on their land, with some using less than 75% of their land for non-intensive rural uses. The concession provides for these situations by ensuring the property owner only pays the relevant rates applicable to the use of the land.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

26. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		$	%	%
Option One				
Single full payment	6/10/2021	-	5.50%	7.00%
Option Two				
First instalment	6/10/2021	-	5.50%	7.00%
Second instalment	7/02/2022	-	5.50%	7.00%
Option Three				
First instalment	6/10/2021	-	5.50%	7.00%
Second instalment	6/12/2021	-	5.50%	7.00%
Third instalment	7/02/2022	-	5.50%	7.00%
Fourth instalment	7/04/2022	-	5.50%	7.00%

	2022 Actual	2022 Budget	2021 Actual
	$	$	$
Interest on unpaid rates	43,590	93,404	96,236
Interest on instalment plan	25,102	26,000	26,052
Charges on instalment plan	-	2,000	-
Deferred pensioner rates interest	-	1,040	1,040
	68,692	122,444	123,328

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

27. RATE SETTING STATEMENT INFORMATION

	Note	2021/22 (30 June 2022 Carried Forward)	2021/22 Budget (30 June 2022 Carried Forward)	2020/21 (30 June 2021 Carried Forward
		$	$	$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32.*				
Adjustments to operating activities				
Less: Profit on asset disposals	10(c)	-	-	(73,706)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(3,997)	-	(2,586)
Add: Loss on disposal of assets	10(c)	4,040	-	73,266
Add: Depreciation	10(a)	6,310,701	4,922,951	6,291,548
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		(10,511)	-	(1,521)
Employee benefit provisions		188,645	-	(73,514)
Non-cash amounts excluded from operating activities		6,488,878	4,922,951	6,213,487
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	29	(7,745,214)	(5,648,774)	(6,452,425)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(2,278)	-	(2,230)
Less: Financial assets at amortised cost - loan advances	4(a)	(1,929)	-	(5,747)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	250,521	-	259,386
- Current portion of lease liabilities	11(b)	31,608	-	24,023
Total adjustments to net current assets		(7,467,292)	(5,648,774)	(6,176,993)
Net current assets used in the Rate Setting Statement				
Total current assets		15,646,196	9,004,540	12,420,050
Less: Total current liabilities		(6,030,413)	(3,355,766)	(4,298,523)
Less: Total adjustments to net current assets		(7,467,292)	(5,648,774)	(6,176,993)
Net current assets used in the Rate Setting Statement		2,148,491	-	1,944,534

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

28. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal at 1 July 2020	New Loans During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		$	$	$	$	$	$	$	$	$	$	$
Gingin Medical Centre		131,258	-	(29,686)	101,572	-	(31,681)	69,891	101,572	-	(31,681)	69,891
Wanneroo West Road - Tip Rationalisation		435,111	-	(18,822)	416,289	-	(20,063)	396,226	416,289	-	(20,063)	396,226
Seabird Sea Wall		145,500	-	(20,829)	124,671	-	(21,335)	103,336	124,671	-	(21,335)	103,336
Guilderton Country Club		370,175	-	(35,734)	334,441	-	(38,331)	296,110	334,441	-	(38,331)	296,110
Cunliffe Street Redevelopment		-	-	-	-	250,000	-	250,000	-	250,000	-	250,000
Regional Hardcourt Facility		264,331	-	(22,260)	242,071	-	(23,772)	218,299	242,071	-	(23,772)	218,299
Regional Hardcourt Facility		254,467	-	(21,028)	233,441	-	(21,903)	211,538	233,441	-	(21,903)	211,538
Swimming Pool Tiling		95,471	-	(14,714)	80,757	-	(15,173)	65,584	80,757	-	(15,173)	65,584
Gingin Outdoor Activity Space		-	177,000	-	177,000	-	(16,586)	160,414	177,000	-	(16,585)	160,415
Lancelin Caravan Park Assets		103,130	-	(40,479)	62,651	-	(41,505)	21,146	62,651	-	(41,505)	21,146
Guilderton Caravan Park Waste Water		-	-	-	-	100,000	-	100,000	-	100,000	-	100,000
Lot 44 Weld Street Gingin		169,628	-	(16,485)	153,143	-	(17,652)	135,491	153,143	-	(17,652)	135,491
Altus Financials Suite Software Upgrade		-	157,743	-	157,743	-	(9,156)	148,587	157,743	350,000	(9,156)	148,587
Total		1,968,891	334,743	(220,015)	2,083,319	-	(257,156)	1,826,162	2,083,319	350,000	(257,156)	2,176,163
Self Supporting Loans												
Ledge Point Country Club Cool Room		21,435	-	(2,182)	19,253	-	(2,230)	17,023	19,253	-	(2,230)	17,023
Total SelfSupportingLoans		21,435	-	(2,182)	19,253	-	(2,230)	17,023	19,253	-	(2,230)	17,023
Total Borrowings	14	1,990,026	334,743	(222,197)	2,102,572	-	(259,387)	1,843,185	2,102,572	350,000	(259,386)	2,193,186

* 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 2021
						$	$	$
Gingin Medical Centre		Health	L100	WATC*	6.51%	(6,239)	(6,105)	(7,264)
Wanneroo West Road - Tip Rationalisation		Community amenities	L111	WATC*	6.49%	(26,288)	(25,697)	(27,460)
Seabird Sea Wall		Community amenities	L127	WATC*	2.51%	(2,755)	(2,985)	(3,285)
Guilderton Country Club		Recreation and culture	L114	WATC*	7.14%	(22,695)	(23,207)	(25,513)
Regional Hardcourt Facility		Recreation and culture	L120	WATC*	6.68%	(15,728)	(15,780)	(17,243)
Regional Hardcourt Facility		Recreation and culture	L124A	WATC*	4.13%	(9,350)	(9,417)	(10,231)
Swimming Pool Tiling		Recreation and culture	L126	WATC*	3.10%	(2,194)	(2,387)	(2,658)
Gingin Outdoor Activity Space		Recreation and culture	L132	WATC*	1.43%	(2,467)	(2,475)	(90)
Lancelin Caravan Park Assets		Economic services	L128	WATC*	2.52%	(929)	(1,319)	(1,963)
Lot 44 Weld Street Gingin		Other property and services	L123	WATC*	6.96%	(10,102)	(10,357)	(11,286)
Altus Financials Suite Software Upgrade		Other property and services	L131	WATC*	1.94%	(3,007)	(3,013)	(109)
Total						(100,874)	(103,742)	(107,092)
Self Supporting Loans Interest Repayments								
Ledge Point Country Club Cool Room		Recreation and culture	L130	WATC*	2.16%	(399)	(404)	(446)
Total Self Supporting Loans Interest Repayments						(399)	(404)	(446)
Total Interest Repayments	2(b)					(101,273)	(104,146)	(107,538)

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

28. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed 2022 Actual	Amount Borrowed 2022 Budget	Amount (Used) 2022 Actual	Amount (Used) 2022 Budget	Total Interest & Charges	Actual Balance Unspent
				%	$	$	$	$	$	$
Cunliffe Street Redevelopment	*WATC	N/A	N/A	N/A	-	250,000	-	250,000	-	-
Guilderton Caravan Park Waste Water	*WATC	N/A	N/A	N/A	-	100,000	-	100,000	-	-
					-	350,000	-	350,000	-	-

* WA Treasury Corporation

(c) Lease Liabilities

		Actual							Budget				
Purpose	Note	Principal at 1 July 2020	New Leases During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		$	$	$	$	$	$	$	$	$	$	$
Lancelin administration office		-	20,855	(6,862)	13,994	-	(6,951)	7,043	13,992	-	(6,951)	7,041
Postal franking machine		2,678	-	(2,290)	388	-	-	-	389	-	(389)	-
Photocopier - Ineo 958		-	22,702	(4,982)	17,720	-	(7,539)	10,181	17,720	-	(7,539)	10,181
IT Server		-	87,179	(9,889)	77,290	-	(17,116)	60,173	77,290	-	(17,116)	60,174
Total Lease Liabilities	11(b)	2,678	130,736	(24,023)	109,392	-	(31,606)	77,397	109,391	-	(31,995)	77,396

Lease Interest Repayments

Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021	Lease Term
						$	$	$	
Lancelin administration office		Other property and services	1	Lewis Hughes	2.10%	(140)	(140)	(228)	12
Postal franking machine		Other property and services	3	Advanced Office Solutions	3.10%	-	(1)	(50)	60
Photocopier - Ineo 958		Other property and services	4	OPC Group	1.10%	(156)	(156)	(148)	36
IT Server		Other property and services	5	Dell Financial Services	1.30%	(898)	(898)	(820)	60
Total Interest Repayments	2(b)					(1,194)	(1,195)	(1,046)	

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

29. RESERVE ACCOUNTS

		2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
		$	$	$	$	$	$	$	$	$	$	$	$
	Restricted by council												
1	LSL, Annual, Sick Leave and Staff Contingency	429,670	-	-	429,670	429,670	2,981	-	432,651	428,450	1,220	-	429,670
3	Plant and Equipment Reserve	1,593,153	-	-	1,593,153	1,354,067	9,000	(87,530)	1,275,537	1,832,540	505,698	(745,085)	1,593,153
5	Land and Buildings Reserve	916,406	-	-	916,406	916,407	4,976	(477,400)	443,983	1,103,923	3,144	(190,661)	916,406
6	Guilderton Caravan Park Reserve	34,018	-	-	34,018	34,018	246	-	34,264	35,587	101	(1,670)	34,018
7	Shire Recreation Development Reserve	75,135	418,644	(24,000)	469,779	75,135	518	(50,000)	25,653	74,922	213	-	75,135
8	Redfield Park Reserve	31,469	-	-	31,469	31,468	217	-	31,685	31,380	89	-	31,469
9	Ocean Farm Recreation Reserve	31,161	-	-	31,161	31,161	215	-	31,376	31,072	89	-	31,161
10	Tip Rationalisation Reserve	1,606,186	367,644	-	1,973,830	1,606,185	33,223	(50,000)	1,589,408	1,293,669	312,518	-	1,606,186
11	Lancelin Community Sport and Recreation Reserve	98,639	18,872	(13,999)	103,512	79,739	19,895	-	99,634	79,512	19,126	-	98,639
13	Community Infrastructure Reserve	15,730	20,800	-	36,530	15,731	22,400	-	38,131	2,123	13,606	-	15,730
14	Staff Housing	33,559	-	-	33,559	33,559	231	-	33,790	33,463	95	-	33,559
15	Future Infrastructure Reserve	567,840	-	(38,535)	529,305	567,840	3,507	-	571,347	889,137	39,806	(61,103)	567,840
16	Guilderton Country Club Reserve	19,157	8,080	-	27,237	14,535	8,143	-	22,678	14,494	4,663	-	19,157
17	Coastal Management Reserve - Coastal Inundation	192,391	100,000	-	292,391	192,391	100,000	(53,000)	239,391	-	192,391	-	192,391
20	Unspent Grants Reserve - Youth Services Website Grant	5,014	-	-	5,014	5,014	-	-	5,014	-	5,014	-	5,014
21	Seniors Housing Reserve	81,188	80,957	-	162,145	81,188	80,957	-	162,145	-	81,188	-	81,188
22	Gingin Railway Station Reserve	5,747	-	-	5,747	5,747	-	-	5,747	-	5,747	-	5,747
24	Contributions to Roads Reserve - Cullalla Road Intersection	45,128	-	-	45,128	45,128	-	-	45,128	-	45,128	-	45,128
28	Contribution to Roads Reserve - Cowalla Road Intersection	16,046	-	-	16,046	16,046	-	-	16,046	-	16,046	-	16,046
29	Contribution to Roads Reserve - Chitna Road	3,009	-	-	3,009	3,009	-	-	3,009	-	3,009	-	3,009
31	Contribution to Roads Reserve - Balance of Muni Funds	492,808	207,567	-	700,376	492,808	-	(274,552)	218,256	-	960,111	(467,303)	492,808
32	Community Infrastructure Reserve - Lower Coastal Fire Control	25,266	-	-	25,266	25,266	-	-	25,266	-	25,266	-	25,266
33	Community Infrastructure Reserve - Gingin Logo Plates	8,030	-	-	8,030	8,030	-	-	8,030	-	8,030	-	8,030
34	Community Infrastructure Reserve - Gingin Ambulance	42,120	6,000	-	48,120	42,120	6,000	-	48,120	-	42,120	-	42,120
36	Community Infrastructure - Lancelin Ambulance	12,937	18,000	-	30,937	12,937	18,000	-	30,937	-	12,937	-	12,937
38	Subdivision Reserve - Mallee Lane Subdivision Contribution towards DUP	14,672	-	-	14,672	14,672	-	-	14,672	-	14,672	-	14,672
40	Public Open Space Reserve	26,050	-	-	26,050	26,050	-	-	26,050	-	26,050	-	26,050
41	Guilderton Trailer Parking Reserve	29,896	5,797	(8,948)	26,745	29,896	12,739	-	42,635	-	29,896	-	29,896
42	Gingin Outdoor Activity Space	-	4,834	-	4,834	-	-	-	-	-	-	-	-
		6,452,425	1,378,270	(85,482)	7,745,214	6,189,817	451,439	(992,482)	5,648,774	5,553,210	2,463,468	(1,564,253)	6,452,425

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

29. RESERVE ACCOUNTS (Continued)

	Name of Reserve	Anticipated date of use	Purpose of the reserve
1	LSL, Annual, Sick Leave and Staff Contingency	As required	Used to fund annual leave, long service leave, sick leave, redundancy/retirement and staff contingency.
3	Plant and Equipment Reserve	As required	Used for the purchase of major plant and equipment.
5	Land and Buildings Reserve	As required	Used for the replacement and/or acquisition of land and buildings.
6	Guilderton Caravan Park Reserve	As required	Used for the development of Guilderton Caravan Park facilities.
7	Shire Recreation Development Reserve	As required	Used for the development of Shire Recreation facilities.
8	Redfield Park Reserve	As required	Used for the development of Public Open Space within the Redfield Park subdivision.
9	Ocean Farm Recreation Reserve	As required	Used for the development of recreation and community facilities within the Ocean Farm subdivision.
10	Tip Rationalisation Reserve	As required	Used for rationalisation of rubbish tip facilities within the Shire.
11	Lancelin Community Sport and Recreation Reserve	As required	Used in developing building and other associated infrastructure at the Lancelin Community Sporting Club and are to be spent upon request from the Club, and
13	Community Infrastructure Reserve	As required	Used to assist in the financing of community facilities.
14	Staff Housing	As required	To be used to fund Staff housing infrastructure additions and/or replacement.
15	Future Infrastructure Reserve	As required	To used to fund future infrastructure construction, purchase, additions and/or renewals.
16	Guilderton Country Club Reserve	As required	To be used to fund the development of the Guilderton Country Club and are to be spent upon request from the Club, and approval from Council.
17	Coastal Management Reserve - Coastal Inundation	As required	For the purpose of funding coastal erosion mitigation and inundation works.
20	Unspent Grants Reserve - Youth Services Website Grant	As required	For the purpose of isolating grant funds received and not used during a financial period.
21	Seniors Housing Reserve	As required	For the purpose of repairs, improvements, extensions or construction of seniors housing.
22	Gingin Railway Station Reserve	As required	For the purpose of improving and maintaining the Gingin Railway Station.
24	Contributions to Roads Reserve - Cullalla Road Intersection	As required	For the purpose of funding future road works
28	Contribution to Roads Reserve - Cowalla Road Intersection	As required	For the purpose of funding future road works.
29	Contribution to Roads Reserve - Chitna Road	As required	For the purpose of funding future road works.
31	Contribution to Roads Reserve - Balance of Muni Funds	As required	For the purpose of funding future road works.
32	Community Infrastructure Reserve - Lower Coastal Fire Control	As required	Used to assist in the financing of community facilities.
33	Community Infrastructure Reserve - Gingin Logo Plates	As required	Used to assist in the financing of community facilities.
34	Community Infrastructure Reserve - Gingin Ambulance	As required	Used to assist in the financing of community facilities.
36	Community Infrastructure - Lancelin Ambulance	As required	Used to assist in the financing of community facilities.
38	Subdivision Reserve - Mallee Lane Subdivision Contribution towards DUP	As required	For the purpose of isolating subdivision monies intended for future works.
40	Public Open Space Reserve	As required	For the purpose of funding development of public open space.
41	Guilderton Trailer Parking Reserve	As required	For the purpose of future trailer park bay maintenance at Guilderton Foreshore.
42	Gingin Outdoor Activity Space	As required	For the purpose of maintenance at the Gingin Outdoor Activity Space

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2022

30. TRUST FUNDS

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

	1 July 2021	Amounts Received	Amounts Paid	30 June 2022
	$	$	$	$
Public Open Space	11,326	-	-	11,326
	11,326	-	-	11,326

Auditor General

INDEPENDENT AUDITOR'S REPORT
2022
Shire of Gingin

To the Councillors of the Shire of Gingin

Opinion

I have audited the financial report of the Shire of Gingin (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, 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 Gingin 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
12 December 2022

Notes

10.2 DETERMINATION OF DATE FOR 2022/23 ANNUAL GENERAL MEETING OF ELECTORS

File	COR/31
Author	Lee-Anne Burt - Coordinator Governance
Reporting Officer	Aaron Cook - Chief Executive Officer
Refer	Nil
Appendices	Nil

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider setting a date for the 2022/23 Annual General Meeting (AGM) of Electors.

BACKGROUND

Section 5.27 of the *Local Government Act 1995* (the Act) requires each local government to conduct a general meeting of electors of the district once in each financial year, not more than 56 days after the local government accepts the annual report for the previous financial year.

Regulation 15 of the *Local Government (Administration) Regulations 1996* specifies that the matters to be discussed at a general electors' meeting are firstly the contents of the annual report for the previous financial year, and then any other general business.

COMMENT

The Act imposes a number of time-sensitive requirements on local governments with respect to the acceptance of the Annual Report and the subsequent holding of an AGM.

The Annual Report cannot be adopted by Council before it has received the audited Financial Statements and Auditor's Report, but must be adopted prior to the AGM being held. The meeting cannot be held more than 56 days after acceptance by Council of the Annual Report, and a minimum of 14 days' public notice of the meeting date must be given prior to the meeting taking place.

Acceptance of the 2021/22 Annual Report is the subject of a separate report for consideration at this meeting.

On the assumption that the Annual Report is adopted by Council (either as presented or with minor modification), it is proposed that the Annual General Meeting of Electors of the Shire of Gingin for the 2022/23 financial year be held on Tuesday, 7 March 2023 at 5.00pm in Council Chambers following the Briefing Session already scheduled for that date.

STATUTORY/LOCAL LAW IMPLICATIONS

Local Government Act 1995
Division 5 – Annual reports and planning
Subdivision 4 – Electors' meetings
Section 5.27 – Electors' general meetings
Section 5.29 – Convening electors' meetings

Local Government (Administration) Regulations 1996
Part 3 – Electors' meetings
Reg. 15 – Matters to be discussed at general meeting (Act s. 5.27(3))

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2022-2032

Aspiration	4. Excellence & Accountability - Deliver Quality Leadership and Business Expertise
Strategic Objective	4.2 Effective Governance - Apply systems of compliance which assists Council to make informed decisions within a transparent, accountable and principled environment

VOTING REQUIREMENTS - SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Kestel

That Council agree to conduct the Shire of Gingin's Annual General Meeting of Electors for the 2022/23 financial year at 5.00pm on 7 March 2023 in the Council Chambers at the Shire of Gingin Administration Centre, 7 Brockman Street, Gingin.

CARRIED UNANIMOUSLY
8 / 0

FOR: *Councillor Fewster, Councillor Kestel, Councillor Sorensen, Councillor Rule, Councillor Balcombe, Councillor Johnson, Councillor Peczka and Councillor Vis*
AGAINST: *Nil*

11 REPORTS - CORPORATE AND COMMUNITY SERVICES

Nil

12 REPORTS - REGULATORY AND DEVELOPMENT SERVICES

Nil

13 REPORTS - OPERATIONS AND ASSETS

Nil

14 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

15 COUNCILLORS' OFFICIAL REPORTS

Nil

16 NEW BUSINESS OF AN URGENT NATURE

Nil

17 MATTERS FOR WHICH MEETING IS TO BE CLOSED TO THE PUBLIC

Nil

18 CLOSURE

There being no further business, the Shire President declared the meeting closed at 3:21 pm.

The next Ordinary Council Meeting will be held in Council Chambers at the Shire of Gingin Administration Centre, 7 Brockman Street, Gingin on 21 February 2023, commencing at 3:00pm.