



# ANNUAL REPORT

1 July 2021 to 30 June 2022

## About this document

The Annual Report is the final component of the Shire's Integrated Planning & Reporting Framework, and is a mechanism of communicating with the community and key stakeholders in a transparent and accountable way.

This plan is available in alternative formats such as large print, electronic, audio or Braille, on request.



*“The Shire of Waroona stretches from sea to scarp between the Indian Ocean and the Darling Scarp, featuring pristine beaches, coastal lakes, fertile farmlands and peaceful jarrah forests. Covering a total area of 835km<sup>2</sup>, the Shire includes the localities of Waroona, Hamel, Lake Clifton and Preston Beach”.*

Document Control		
Date	Details	Author
22 November 2022	Adopted by Council	Kate Pisconeri

## Contents

Waroona – Past, Present & Into The Future.....	4
Shire President’s Message .....	5
Chief Executive Officer’s Message .....	7
About the Annual Report.....	10
Our Shire.....	11
Our Council .....	12
Our Staff.....	16
Service Areas.....	17
Vision, Mission & Values.....	21
Focus Areas & Aspirations to 2030.....	21
Our Community .....	23
Our Economy .....	31
Our Environment.....	34
Our Built Assets .....	37
Our Leadership .....	40
Five Year Key Summary of Statistics.....	45
Major Projects .....	46
Major Grant Funding .....	47
Statutory Reports .....	48
Risk Management .....	51
Financial Statements and Auditor’s Report.....	52



## Waroona – Past, Present & Into the Future

---

Waroona has provided a home for generations, from the days when Indigenous Australians roamed the coastal areas in spring and summer, and the hills in autumn and winter.

Settlers began to arrive in the area in the late 1830's, although Drakesbrook (later to be known as Waroona) did not come into its own until the Pinjarra to Picton railway line was opened in 1893. The town catered to the needs of the mill workers with a post office, general store, blacksmith, a number of hotels come boarding houses, churches, doctor and dentist.

The farms supplied butter, fruit and vegetables for the men of the mills, and chaff for the horse teams that hauled the logs. As is many of the small towns of the time, dances, picnics and football formed the core of social life within the community and to this day Waroona still proves to be a successful sporting and extremely social community.

Today, agriculture, mining, manufacturing and tourism are important contributors to the local economy.

Waroona is an evolving district that services the diverse, social and economic needs of a growing community. The strong agricultural heritage will continue to guide any future district developments, particularly in Waroona and Hamel, and its enviable location on the Indian Ocean and along with the Yalgorup National Park will, influence future considerations for Preston Beach and Lake Clifton.

The population is expected to grow over the next thirty years. With this growth comes challenges, but smart planning and a focus on broadening the economic base will open up significant opportunities for tourism, commercial investment, employment and education.

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

The Shire of Waroona is proud of its past and excited about its future.

## Shire President's Message

---



I am delighted and honoured to capture our Council's journey over the last year and to demonstrate our efforts in guiding the community through the commitments and opportunities and the challenges we manage.

The period covered in this Annual report has been dynamic for our Shire in terms of management and the complexities involved with diverse development. Our administration and executive have had significant renewal with the resumption of a dedicated CEO and a return to focused direction from the shared Director of Planning with the Shire of Murray. These initiatives certainly help steer our Council in a positive direction and laid the foundations for our current corporate team to carry on with forward momentum. I would like to acknowledge the energy and vision of our past CEO, Mr Dean Unsworth and thank him for the

contribution and direction he set us upon from his departure in October 2021.

Council is constantly in a cycle of engaging with the community on expectations and issues regarding development applications through to strategies regarding recreation and tourism. From time to time there can be issues that can cause concern and frustration between competing interests and neighbours and Council is obligated to be involved in finding a solution or middle ground. That process can sometimes be arduous and demanding on our Staff and Councillors. While striking the balance is invariably challenging, Council always maintains its impartiality in these matters and seeks to address a compromise between affected parties as best we can. This is where having capable staff is essential and we are fortunate that we have this resource.

As you read the report this year you will develop an understanding of the diversity of Local Government and that our Council is situated in a region that will have significant pressure from not only competing interests, but also from the diversity of uses that our Shire can support. From intensive horticulture and beef production through to mining activities and tourism attractions, we are well placed as far as social and natural assets are concerned. This past year has seen our Shire become a significant strategic area for future renewable energy enterprises and with the approval of two significant solar farms in our Shire, we need to be flexible and adaptive to what impacts that industry could bring. Council has subsequently invoked policies to address these developments and we hope through collaborative guidance, these developments will have positive outcomes for us and recognise our position in the State's energy sector.

Some of the more positive normality that has returned to us as we have emerged from disruption of the pandemic was the return of our beloved Waroona Show. The Waroona Agricultural Society's 90<sup>th</sup> Show was an outstanding success with record attendance and tremendous support from all the community groups involved. It certainly helped kickstart the desire for our residents to begin interaction again and events such as the Lions Christmas Gala and the Australia Day Celebrations are indications of a healthy community and one committed to coming together and enjoying festivities.

In September last year, Council invited suitable applicants to apply for the role of CEO of our organisation. We were extremely fortunate to have significant interest in this role and after interviewing a selected group of candidates, we offered the role to Mr Mark Goodlet and we were fortunate that he accepted. Mark has brought an enormous amount of experience and knowledge with him and embarked on a journey of recruitment. He has been equally successful in attracting high calibre executives and staff to our community and has established a capable streamlined corporate directorship. Directors Ashleigh Nuttall and Karen Oborn are responsible and consummate Local Government professionals and have developed a strong culture within their respective responsibilities. Without singling out all our dedicated Managers and Officers, Council thanks you for your continued diligence and customer centred service.

As with every passing year, we can never go without mentioning the outstanding dedication our volunteers give. From our emergency responders to our social groups and community event committees, please know our Shire recognises your contribution and appreciates your time and sacrifice in the service of others.

Lastly, to our Councillors who are elected to represent the interests and issues of our community, it is gratifying to know that you are all serving your community in an honourable and distinguished way. The challenges of adopting budgets and acknowledging change can provide significant hurdles at times as a Councillor and the relationship between administration and Council should always be a positive and respectful one. I am pleased to report that a collaborative and trusting relationship exists and that will only strengthen our journey into the future.

Please enjoy this Annual Report and be aware that your Shire is in capable hands with a firm understanding of a clear direction and having the community's interests and aspirations at the forefront of its decision making.

**Cr Mike Walmsley**  
**Shire President**

## Chief Executive Officer's Message

---

The 2021/22 year has been one of transition for the Shire. Previous focus has been on developing plans and strategies that the Shire would like to deliver. Dean Unsworth, the CEO until October 2021, undertook important, forward-thinking work with the Council to develop concrete projects and find financial partners, that aligned with the Shire's vision for economic prosperity and a united community.

Since I came on board as CEO at the Shire of Waroona in November 2021, developing those plans into deliverables has been a focus with the new Waroona Community Precinct being the centre piece of this work. This has meant a lot of consultation and behind the scenes translation of master plans into designs, ensuring we formalise grants and step through approvals as the plans are detailed.



The Executive team has been transitioning too. Karen Oborn has come on as Director, Infrastructure and Development Services, while Ashleigh Nuttall's position has expanded to include community services, as the Director Corporate and Community Services.

Picking up the reins on planning for the future of the Shire is an ongoing journey and has also been a key task. Consultation on sport and recreation master planning has continued and preparing to start the journey on a new town planning strategy has been quietly underway. The Shire is part of the larger Peel area and it partners with a number of organisations so that matters of regional significance are jointly considered and planned for. Water scarcity, well-being, tourism, environmental conservation, trails, emergency management and economic development are all important partner programs and strategies for the Shire.

Getting to know the community and Council has been part of the transition for me personally. It has been particularly pleasing to meet the various community groups and clubs and their leaders, as a way of developing relationships and coming to an understanding of community priorities and values.

The most inspiring part of getting to know the community has been to witness the self-reliance of the groups, the hard work of some very dedicated volunteers and partnerships with the Shire, which help make the groups work. Fostering and honouring these efforts will be part of the ongoing story of the Shire. A special day in my mind was Anzac Day this year, a beautiful dawn and moving service which reflected the community's desire to honour the dedication and service of its soldiers.



While these transitions have been occurring, all of the service delivery expected by the community has continued. Waste collection, a strong roads construction program, library services, the sport and recreation facility programs, licencing, the visitor centre, events and rangers to name just some programs, have been ongoing and delivered with a high level of customer focus.

All in all 2021/22 was a time of change, but also a time of continued quality service to the community, through Council's leadership and the hard work of the Shire organisation, to whom I am grateful.

**Mark Goodlet**  
**Chief Executive Officer**



## About the Annual Report

The Annual Report is the final component of the Shire's Integrated Planning & Reporting Framework and is a mechanism of communicating with the community and key stakeholders in a transparent and accountable way.

### Integrated Planning & Reporting Framework

<b>Strategic Community Plan</b>	Community vision, strategic direction, long and medium-term priorities and resourcing implications with a horizon of 10 years.
<b>Corporate Business Plan</b>	Four-year delivery program, aligned to the Strategic Community Plan and accompanied by four-year financial projections.
<b>Annual Budget</b>	Financial plan for the current year.

### Informing Strategies

<b>Long Term Financial Plan</b>	10-year financial plan.
<b>Asset Management Plan</b>	Approach to managing assets to deliver chosen service levels.
<b>Workforce Plan</b>	Shaping the workforce to deliver organisational objectives now and in the future.
<b>Place &amp; Area Specific Plans</b>	Any other informing strategies.



Figure 1: Elements of the Integrated Planning & Reporting Framework. Source: Department of Local Government, Sport & Cultural Industries.

## Our Shire

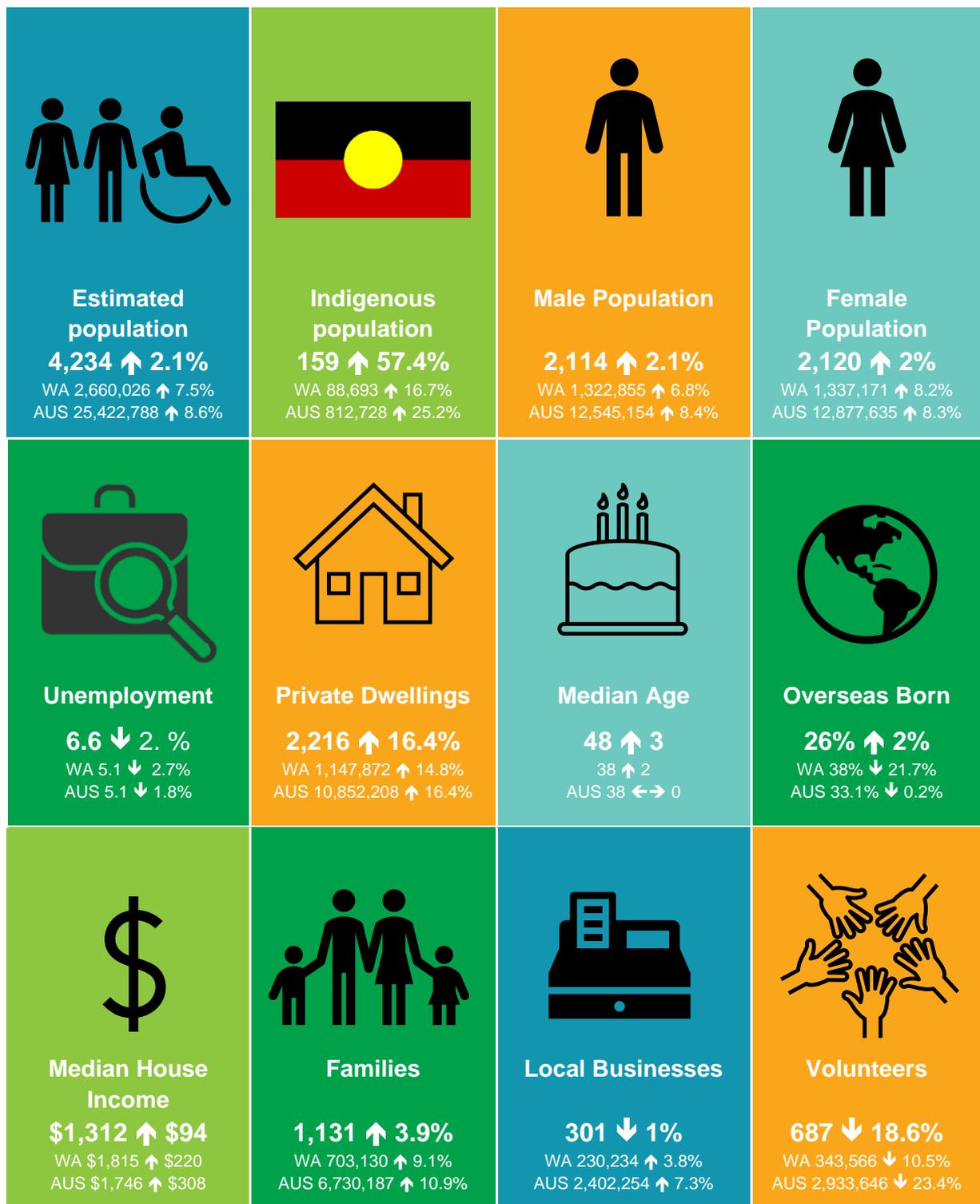


Figure 2: Shire of Waroona Statistics. Source: Australian Bureau of Statistics: 2021 Census; and Counts of Australian Business, including Entries and Exits, July 2017- June 2021.

## Our Council

---



**Cr Mike Walmsley**  
Shire President

Male | Speaks English | Born in Australia |  
Aged 55-64 years



**Cr Naomi Purcell**  
Deputy Shire President

Female | Speaks English | Born in Australia |  
Aged 45-54 years



**Cr John Mason**

Male | Speaks English | Born in  
Australia | Aged 55-64 years



**Cr Karen Odorisio**

Female | Speaks English & Italian |  
Born in Australia | Aged 55-64 years



**Cr Dion Pisconeri**

Male | Speaks English | Born in  
Australia | Aged 35 – 44 years



**Cr Laurie Snell**

Female | Speaks English | Born in USA |  
Aged over 64 years



**Cr Vince Vitale**

Male | Speaks English & Italian |  
Born in Australia | Aged 55-64 years

## Roles and Responsibilities

### Council

The role of the Council is prescribed in Section 2.7 of the Act and includes:

- **Governing the Shire's affairs** – This role encompasses strategic planning mechanisms to ensure the continued sustainability of the Shire.
- **Performance of the Shire's functions** – Council has ultimate responsibility for the performance of the Shire's functions and can exercise this responsibility through the development of appropriate delegations, making a determination on the provision of services and facilities, and regular reporting against objectives.
- **Overseeing the allocation of the Shire's finances and resources** - Council exercises this role by overseeing and adopting the Shire's Long-Term Financial Plan, Annual Budget, Workforce Plan and Asset Management Plan.
- **Determining the Shire's policies** – Council adopts and reviews policies that act as guiding principles for the Shire's administration to achieve the objectives of the Strategic Community Plan, and guide officers in their decision-making processes.

The Waroona Shire Council meets on the fourth Tuesday of each month in the Council Chambers, with all meetings open to the public. All meetings of Council and its committees are conducted in accordance with the *Local Government Act 1995*.

### President

Section 2.8 of the *Local Government Act 1995* states that the role of the President is to:

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

### Councillors

Section 2.10 of the *Local Government Act 1995* states that the role of a Councillor is to:

- Represent the interest of electors, ratepayers and residents of the district;
- Provide leadership and guidance to the community in the district;
- Facilitate communication between the community and the Council;
- Participate in the local government's decision making processes at Council and Committee meetings; and
- Perform such other functions as are given to a Councillor by the Local Government Act or any other written law.

### Committees

Under Section 5.8 of the Act, Council may establish committees of three or more people to assist Council and to exercise the powers and discharge the duties of the Shire that can be delegated to committees.

To assist Council in performing its role, the Shire has a number of statutory and advisory committees. Because Council is responsible for such a large number and broad range of activities and functions, committees play an important role in focusing attention and expertise in specific areas.

There are a number of different types of committees, each of which serves a particular purpose. There are also committees that make recommendations to Council on specific matters or projects.

## Representatives

### *Finance and Audit Committee*

All Councillors

### *Recreation Advisory Committee*

Cr Purcell, Cr Odoriso, Cr Pisconeri, Cr Vitale + 3 community members.

### *Australia Day Awards Committee*

Cr Purcell, Cr Odoriso, Cr Vitale

### *Waroona Visitor Centre Working Group*

Cr Purcell, Cr Pisconeri, Cr Snell

## External Committee Representatives

Councillors and appointed staff are also members of a number of external committees (statutory or otherwise) that assist other authorities and groups in performing their functions. To clarify the role and scope of each committee, there are usually a Terms of Reference in place to determine the committee's membership, responsibilities, extent of decision making and reporting requirements.

*Alcoa Wagerup Environmental Improvement Plan Stakeholder Reference Group* - Director Infrastructure & Development Services (DIDS)

*Alcoa Waroona Sustainability Fund* - Cr Walmsley and Cr Purcell

*Bush Fire Advisory Committee* - Cr Walmsley

*Coastswap* – Vacant

*Coolup Land Conservation District Committee* – Cr Snell

*Harvey River Taskforce* – Cr Snell

*Lake Clifton Heron Residents Association* – Cr Woodbury / Vacant

*Local Emergency Management Committee* – Cr Walmsley (Chair)

*Long Term Residue Management Committee* – Cr Walmsley

*Peel Biosecurity Group* – Cr Snell

*Peel Mosquito Management Group* – Cr Snell

*Peel Trails Group* – Cr Pisconeri

*Peel Zone – Western Australian Local Government Association* – Cr Walmsley and Cr Purcell

*Peron Naturaliste Partnership* – Cr Walmsley (Cr Mason proxy)

*Preston Beach Progress Association* – Cr Woodbury / Vacant

*Regional Joint Development Assessment Panel* - Cr Walmsley and Cr Purcell (Cr Mason and Cr Snell alternatives)

*Regional Road (Sub) Group (South West)* – Cr Mason (Cr Purcell proxy)

*Wagerup Community Consultative Network* – Cr Odorisio and Cr Snell

*Waroona Historical Society* – Cr Odorisio

*Waroona Interagency Group* – Cr Purcell

*Willowdale Mine Environmental Improvement Plan Stakeholder Reference Group* – DIDS

## Meeting Attendance

Council meetings were held on the fourth Tuesday of each month with the exception of there being no meeting in January, and special council meetings.

Councillor Name*	Ordinary Council Meetings	Special Council Meetings	Annual Electors' Meeting	Finance & Audit Committee	Australia Day Awards Committee
Cr Mike Walmsley	10	4	1	1	N/A
Cr Naomi Purcell	10	4	1	1	1
Cr Noel Dew	3	3	0	0	N/A
Cr John Mason	10	3	1	1	N/A
Cr Karen Odorisio	10	4	0	0	1
Cr Dion Pisconeri	7	1	1	1	N/A
Cr Larry Scott	2	1	0	0	N/A
Cr Laurie Snell	8	3	1	1	N/A
Cr Vince Vitale	10	4	1	0	1
Cr Ryan Woodbury	1	0	0	0	N/A

Cr Noel Dew term ended 16 October 2021

Cr Larry Scott term ended 16 October 2021

Cr Dion Pisconeri term commenced 16 October 2021

Cr Ryan Woodbury term commenced 16 October 2021, ended 23 February 2022

## Our Staff



**Mark Goodlet**  
Chief Executive Officer

- Elections
- Major Projects
- Council Services
- Business Improvement
- Leadership & organisational strategy
- Elected member liaison
- Employee management
- Communications & marketing
- Partnerships management
- Investment attraction
- Emergency management



**Ashleigh Nuttall**  
Director Corporate & Community Services

- Finance
- Human Resources
- Governance
- Risk Management
- Information Technology
- Customer Service
- Library Services
- Community Development
- Recreation Services
- Tourism



**Karen Oborn**  
Director Infrastructure & Development Services

- Technical Services
- Infrastructure Services
- Works & Services Operations
- Waste Management
- Community Safety
- Emergency Services
- Planning & Development Services
- Regulatory Services
- Building & Facility Services
- Environmental Management & Conservation

## Employee Annual Salary

The number of Shire employees entitled to an annual salary of \$130,000 or more is set out in bands of \$10,000. The publishing of this information is in accordance with r.19B(2)(a) of the *Local Government (Administration) Regulations 1996*.

Salary Range	2021/22
130,000 – 139,999	0
140,000 – 149,999	0
150,000 – 159,999	2
160,000 – 169,999	0
170,000 – 179,999	0
180,000 – 189,999	1
190,000 – 199,999	0

### Remuneration of the Chief Executive Officer

During the 2021/22 financial year the Shire of Waroona contracted a resourced shared CEO from July to October 2021 on a 0.40 Full Time Equivalent (FTE) basis, then directly employed a fulltime CEO from November 2021 to June 2022. Detailed below is the remuneration in relation to each arrangement.

The contracted amount paid to the Shire of Murray for payment of a 0.4FTE under the joint CEO resource sharing arrangement was \$42,609.24.

The total remuneration provided to the Shire of Waroona's CEO during the 2021/2022 financial year including all benefits was \$159,476.08

## Service Areas

The Shire of Waroona is responsible for a range of functions, facilities and services including:

- Services to properties and the community;
- Regulatory services;
- General administration; and
- Process of government

### Office of the Executive Officer

Division	Services
<b>Strategy</b>	<ul style="list-style-type: none"> <li>• Integrated Planning and Reporting</li> <li>• Master Planning</li> <li>• Elected member liaison</li> <li>• Organisation Strategy</li> <li>• Economic Development</li> <li>• Stakeholder partnerships</li> <li>• Employee management</li> <li>• Local Government Elections</li> </ul>
<b>Elections</b>	<ul style="list-style-type: none"> <li>• Elections</li> <li>• Ordinary elections</li> <li>• Extra-ordinary elections</li> </ul>

Division	Services
<b>Major Projects</b>	<ul style="list-style-type: none"> <li>• Major Projects</li> <li>• Concept Development</li> <li>• Approvals</li> <li>• Grants</li> <li>• Design</li> <li>• Procurement</li> <li>• Construction</li> </ul>
<b>Council Services</b>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Councillor Liaison</li> <li>• Representation</li> <li>• Ordinary and Special Meetings</li> <li>• Briefing Sessions</li> <li>• Liaison with Shire President and Councillors</li> <li>• Stakeholder representation</li> </ul>
<b>Business Improvement</b>	<ul style="list-style-type: none"> <li>• Continuous Improvement</li> <li>• Business Management</li> <li>• CI Program</li> <li>• Organisation Structure</li> </ul>
Corporate and Community Services	
Division	Services
<b>Finance &amp; Administration</b>	<ul style="list-style-type: none"> <li>• Accounting</li> <li>• Regulatory compliance</li> <li>• Annual financial reporting</li> <li>• Customer service</li> <li>• Records Management</li> <li>• Accounting</li> <li>• Rates, Payroll, accounts</li> <li>• Insurance</li> <li>• Records compliance</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Statutory Compliance</li> <li>• Property, Lease and Licence management</li> <li>• Policy management</li> <li>• Annual Reporting</li> <li>• Regulation compliance</li> <li>• Local laws compliance</li> <li>• Delegations and authorisations</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• Human resource management</li> <li>• Occupational safety and health</li> <li>• Employee training and development</li> <li>• Employee health and wellbeing</li> </ul>

Division	Services
<b>Information Services</b>	<ul style="list-style-type: none"> <li>• Hardware and software management</li> <li>• Cyber planning and security</li> <li>• Information, communication &amp; technology services</li> <li>• Freedom of Information</li> </ul>
<b>Integrated Planning &amp; Reporting</b>	<ul style="list-style-type: none"> <li>• Corporate and strategic planning and reporting</li> <li>• Development of informing plans and strategies</li> <li>• Corporate Business Plan</li> <li>• Workforce planning</li> <li>• Asset management</li> <li>• Risk management</li> </ul>
<b>Library Services</b>	<ul style="list-style-type: none"> <li>• Library service delivery</li> <li>• Information provision</li> <li>• Community learning</li> <li>• Online services</li> </ul>
<b>Licensing Services</b>	<ul style="list-style-type: none"> <li>• Agent for the Department of Transport</li> <li>• Driver and Vehicle licensing</li> <li>• Boat licensing</li> </ul>
<b>Community Services</b>	<ul style="list-style-type: none"> <li>• Community Services</li> <li>• Place planning &amp; activation</li> <li>• Economic Development</li> <li>• Social, cultural &amp; educational development</li> <li>• Community development, assistance &amp; support</li> <li>• Community capacity building</li> <li>• Events management</li> <li>• Grant management</li> </ul>
<b>Recreation Services</b>	<ul style="list-style-type: none"> <li>• Sporting club development</li> <li>• Recreation and fitness initiatives</li> <li>• Recreation &amp; Aquatic facility management</li> <li>• Waroona Recreation &amp; Aquatic Centre and crèche management</li> <li>• Sporting club capacity building</li> <li>• Delivery of recreational services and programs</li> </ul>
<b>Tourism</b>	<ul style="list-style-type: none"> <li>• Strategic tourism planning and marketing</li> <li>• Waroona Visitor Centre management</li> </ul>

## Infrastructure Services & Development Services

Division	Services
<b>Infrastructure Services</b>	<ul style="list-style-type: none"> <li>• Management of contract and capital works projects</li> <li>• Gants management (assets)</li> <li>• Asset Management</li> <li>• Strategic planning for infrastructure and built environment.</li> </ul>

Division	Services
<b>Works Operations</b>	<ul style="list-style-type: none"> <li>• Road, Drainage and infrastructure construction and maintenance</li> <li>• Operations centre and stores management</li> <li>• Traffic management</li> <li>• Workshop management</li> <li>• Signage</li> <li>• Works requests management</li> <li>• Major equipment maintenance</li> </ul>
<b>Parks, Gardens &amp; Reserves</b>	<ul style="list-style-type: none"> <li>• Streetscape, street trees and verges.</li> <li>• Foreshore, water bodies and reserves maintenance.</li> <li>• Parks and gardens maintenance</li> <li>• Reticulation management</li> </ul>
<b>Waste Services</b>	<ul style="list-style-type: none"> <li>• Kerbside and bulk waste collection</li> <li>• Waste transfer station</li> <li>• Recycling and Strategic waste programs</li> <li>• Graffiti and illegal dumping</li> </ul>
<b>Emergency Services</b>	<ul style="list-style-type: none"> <li>• Emergency management and services</li> <li>• Bush fire prevention and preparedness</li> </ul>
<b>Technical Services</b>	<ul style="list-style-type: none"> <li>• Design and innovation</li> <li>• Network land matters</li> <li>• Road construction and maintenance programming</li> <li>• Permits and approvals</li> <li>• Road construction and maintenance funding</li> <li>• Extractive industries</li> <li>• Plant and Fleet management</li> <li>• Cemetery management</li> </ul>
<b>Development Planning</b>	<ul style="list-style-type: none"> <li>• Development approvals</li> <li>• Subdivision referrals</li> <li>• Strategic planning</li> <li>• Environmental Planning</li> <li>• Land clearing and works</li> <li>• Local Structure Planning</li> <li>• Town Planning Scheme</li> <li>• Local Planning Strategy</li> <li>• Heritage Services</li> </ul>
<b>Building Approvals</b>	<ul style="list-style-type: none"> <li>• Building and demolition approvals</li> <li>• Building and swimming pool inspections and compliance.</li> </ul>
<b>Regulatory Health</b>	<ul style="list-style-type: none"> <li>• Environmental health approvals</li> <li>• Environmental health programs, inspections and compliance.</li> </ul>

Division	Services
<b>Building &amp; Facility Services</b>	<ul style="list-style-type: none"> <li>• Building and facility maintenance and repairs.</li> <li>• Building and facility maintenance programs.</li> <li>• Building and facility maintenance contracts management.</li> <li>• CCTV maintenance.</li> </ul>
<b>Community Safety Services</b>	<ul style="list-style-type: none"> <li>• Emergency services</li> <li>• Bush Fire Brigades</li> <li>• Bush Fire Mitigation and fire breaks</li> <li>• Ranger services, camping and animal control.</li> <li>• Preston Beach Volunteer Ranger Services</li> </ul>
<b>Environmental Management</b>	<ul style="list-style-type: none"> <li>• Strategic planning for natural environment.</li> <li>• Biosecurity and Landcare.</li> <li>• Foreshore, water bodies and coastal management.</li> <li>• Native vegetation and reserves management.</li> <li>• Biodiversity and Conservation.</li> </ul>

## Vision, Mission & Values

### Our Vision

The Shire of Waroona will create a sense of place and identity, embracing creativity, our natural environment and a strong and diverse economy.

### Our Mission

We will be an organisation, with a can-do attitude that strives for service excellence, continued improvement and a commitment to outcomes.

### Our Values

Accountable

Excellence

Leadership

Transparent

Respect

Accessible

Innovative

Yours

## Focus Areas & Aspirations to 2030



### Our Community

To have a connected and involved community that improves our quality of life through developing quality places and implementing quality town planning.

### Our Economy

To create a diverse economy base that supports opportunity and employment.

### Our Environment

To continually care for, protect and enhance our environment for the generations to come.

### Our Built Assets

To build and effectively manage our assets to continually improve our standard of living.

### Our Leadership

To embed strong leadership through good governance, effective communication and ensuring value for money.

## Our Community

To have a connected and involved community that improves our quality of life through developing quality places and implementing quality town planning.

### 1.1 Create a connected, safe and cohesive community with a strong sense of community pride

#### 1.1.1 Develop an identity for the Shire and the communities it comprises

##### Local Place Plans

Community-led action planning has started to take place in Waroona/Hamel, Lake Clifton and Preston Beach, with each community highlighting issues, needs and aspirations to inform future Local Place Plans.

##### Town Entry Signage

A refresh of the Shire's existing entry statement signage has commenced, with an audit of existing signs and a gaps assessment completed in 2022. Developing a consistent Shire brand that helps visitors and locals alike to make a visible connection between towns is an important step in creating a connected community

#### 1.1.2 Pursue a social environment that is accessible and inclusive for all ages and abilities

##### Accessible and Inclusive Events

The Shire is well regarded for providing free events within the community and in the past financial year, has also implemented a number of measures to improve accessibility and inclusivity. Promotional materials were overhauled to ensure that event flyers used plain fonts in a minimum of 12 point size. Accessible parking bays were provided at Shire and community-led events, with ACROD signage clearly displayed. Where possible, event locations were chosen to be well lit venues with accessibility for wheelchairs.

##### Hoist makes Pool more Accessible

The purchase of a Kingfisher Pool Hoist system has made the swimming pool more accessible than ever before. This system allows people with disability and/or injury an opportunity to safely enter and exit the pool without having to use the stairs and ladders provided.

This is a great opportunity that allows our community to complete rehab and exercise in the swimming pool which may have been difficult or even impossible before.

#### 1.1.2.2 Plan for the funding and construction of an accessible boardwalk in Preston Beach

Funding has been offered by the Hon Robyn Clarke MLA. Community stakeholders are considering the areas infrastructure needs in relation to accessibility needs, physical constraints and coastal attributes, to the community's objectives contained in the Preston Beach Foreshore Management Plan.

##### Review, implement and report on the Disability Access Inclusion Plan

Officers commence the review of the Shire's Disability Access and Inclusion plan at the end of 2021/22 financial year. In accordance with State Government guidance, this plan will be updated and retitled to the Access and Inclusion Plan and adopted by Council within the 2022/23 financial year.

##### Accessibility entrance to main Shire Administration building

Funding has been secured from the Federal Government through the Local Roads Community Infrastructure Fund to facilitate the upgrade of the Administration Building entrance to be accessible for all residents and community members.

The planning phase is underway to ensure that the main entrance, customer service area and subsequent access points within the building are planned with accessibility considered and achieved.

### 1.1.3 Grow and develop and age-friendly community

#### Seniors EngAGE Program

Providing opportunities for older members of the community to reconnect following the impacts of COVID-19 isolation was a significantly positive outcome of the Shire's Seniors EngAGE Program. The Shire partnered with Alcoa and the Department of Communities to provide free social outings and learning opportunities within Preston Beach, Waroona and Lake Clifton, as well as a trip to the Kwinana Cultural Art Centre.



### 1.1.4 Become a youth engaged and supportive community

#### Youth Fusion '22 Program & Drug Aware Youth Fusion Mega-Fest 2022

The Youth Fusion '22 program commenced this financial year and featured eight months of youth engagement activities. Aimed at 12 – 17-year-olds living in Waroona and Lake Clifton, the fortnightly events aimed to create a sense of belonging and confidence with accessing service providers.

Working alongside a youth reference group, the Shire commemorated Youth Week 2022 by presenting the Drug Aware Youth Fusion Mega-Fest event, which featured a day of fun activities at the Waroona Aquatic and Recreation Centre.



### 1.1.5 Develop and facilitate events of a local and regional scale

#### Community Events Program

From the much-loved Waroona Show to the All Australian Car Day, the Shire supported many groups to deliver annual events that appeal to locals and visitors alike. In addition, despite some of the challenges of COVID-19 restrictions, the Shire's community development team implemented a program of outdoor cinema nights, regular pop-up activities and the Live@theWeir event during 2021/22.



### 1.1.6 Ensure the safety of our community

#### Community Safety Initiatives

The Shire partnered with various agencies and the Waroona Police to support residents to feel safe and secure at home, in our public open spaces and within the community.

#### Bushfire Risk Mitigation Activities

Funding was successfully obtained through the Department of Fire and Emergency Services' Mitigation Activity Funding Scheme to carry out mitigation works on qualified reserved land. Six mitigation activities were completed, which included the establishment of firebreaks and pruning/slashing of vegetation in locations in Preston Beach, Waroona and Hamel.

#### Progression of Joint Local Emergency Management Arrangements

The Shire of Waroona and Shire of Murray joint Local Emergency Management Arrangements were substantially progressed with the Preparation of a draft Local Recovery Plan, Local Recovery Resource Manual, Emergency Evacuation Plan and Animal Welfare Plan.

## 1.2 Maximise and connect our natural assets to the community

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

#### Troutfest 2021

The annual Troutfest was held on 2 October 2021 at the Drakesbrook Weir. This family-friendly annual event provides an opportunity for the whole community to get involved in hand releasing trout into the Weir, as well as promoting the importance of maintaining and enhancing freshwater fishing opportunities in Waroona and beyond.



### 1.2.2 Upgrade the amenity of Drakesbrook Weir

#### Drakesbrook Weir Upgrades

Power installation and connection to the Drakesbrook Weir was completed this year. New Barbeques and lighting were also installed to improve the amenities of the area.



## 1.3 A planning framework that is visionary, supports connectivity and enables participation that ensure quality, diverse and innovative planning outcomes that meet community aspirations

### 1.3.1 Ensure the Town Planning Scheme and Local Planning Strategy facilitate quality and diverse planning outcomes

The process to develop a new Local Planning Strategy and a new Town Planning Scheme commenced in

consultation with the Department of Planning Lands and Heritage. From 1 July 2021 to 30 June 2022 a total of 95 planning applications, referrals and compliance matters were received by the Shire of Waroona. Sustainable development considerations included how a project may influence the local economy, community values and environmental attributes.

### 1.3.2 Consider new growth areas and prepare District Structure Plans

Projects to be completed in future years.

## 1.4 Encourage an active and healthy community with an improved quality of life

### 1.4.1 Promote a mentally and physically healthy lifestyle

#### Group Fitness Continued Success

The Waroona Recreation Centre's group fitness timetable was the most comprehensive it has ever been. The Centre offered the greatest number of weekly classes to date, catering for all fitness levels and ages, with a high participation rate in most classes, particularly in 'Spin' biking and the 'Fitness Balance Strength' programs.



2021/22 also saw the reintroduction of Aqua Aerobics to the program, further expanding on the service levels offered to the community.

#### Senior Netball and the Reintroduction of Mixed Netball

The Waroona Recreation Centre once again ran senior netball in the 2021/22 financial year. This year mixed netball was reintroduced as well as running a ladies' netball competition. Nine teams played across both programs, and it was great to see both competitions run in such high spirits.

#### New and Innovative Activities at the Waroona Recreation Centre

The Waroona Recreation Centre identified an array of new programs and activities that could be run within the community during the financial year. The school holiday programs were back larger than ever post-COVID limitations and it was fantastic to see such high levels of participation from the community.

With activities including discos, zoo incursions, artist workshops, SciTech, laser tag, movie nights and circus workshops, there was something for everyone on offer.



The Centre also introduced Pickleball during the 2021/22 financial year which has become a stable fixture to Thursday afternoons. This racquet sport is a cross between tennis and badminton with modified playing equipment to make it a sport for everyone. It is great to see that it is still getting support, especially from community members who have not previously used the facility before.

## Gym now 24/7 Accessible

The 2021/22 financial year saw the long-awaited introduction of a 24/7 service to the gym. Much work went into establishing security features within the gym to ensure all patrons can safely access the gym outside of Centre operational hours.

The installation of panic alarms, safety pendants, first aid equipment including defibrillator, induction processes and more all made-up features to make this possible.

Over 125 members have taken up 24/7 gym access since its establishment in September. This is a great service that allows all community members to access the facility at a time that fits their lifestyle.



### 1.4.2 Support local community, sporting and recreational groups and initiatives

#### Develop a Waroona Sport and Recreation Precinct Masterplan

The Shire has been undertaking a significant engagement process to understand the desires of its sporting clubs and ways to achieve socially and financially sustainable outcomes for the clubs. Work is underway on the potential for a co-located facility. This important task is ongoing.

#### New Cricket Nets and a hopeful return of Junior Cricket

The Shire worked closely with the Waroona Cricket Club during the 2021/22 financial year to construct a new three-bay cricket net. This new addition will assist

with training and game day facilities and aid in the long-term viability of the club.

The cricket net project was funded through the department of Local Government, Sport, and Cultural Industries as part of their Community Sporting and Recreation Facilities Fund (CSRFF), the Federal Government through the Local Roads and Community Infrastructure fund (LRCI), the Shire of Waroona and the Waroona Cricket Club. The club is very appreciative of these new nets and is eagerly awaiting the upcoming season to fully utilise them.

The Shire has been working with the cricket club and the WACA to establish a junior cricket program in Waroona and the club is hopeful that the 2022/23 season will see the return of this initiative.



#### Alcoa Waroona Micro Grant Fund

The Alcoa Waroona Micro Grants Fund aims to assist community-based organisations to build vibrant, inclusive and healthy communities. The fund is a partnership between Alcoa and the Shire, and in 2021/22, granted \$30,000 to 24 local groups for events, programs and equipment.



## **Development and implementation of a Community Sponsorship Fund**

Officers have investigated the opportunity of establishing a Community Sponsorship Fund. This funding will either be used independently or in combination with the Department of Local Governments existing program.

The funding will financially assist community members and groups that are representing the area at a state, national and/or international level. A policy has been drafted and subsequent Management Practice will be established.

### **1.4.3 Actively take opportunities to enhance public health**

#### **Implementation of priority actions from the Public Health Plan**

Shire of Waroona is committed to community health and wellbeing through the provision and facilitation of various projects and partnership with key stakeholders.

The underpinning philosophy for community health and wellbeing is that it is everyone's business and therefore not the domain of any single agency or group. As well as developed policy and guidelines to promote the use of renewable energy and the development of renewable energy facilities. In addition to continuing to maintain public areas and streetscapes.

#### **Waroona Public Library**

While COVID continued to impact residents and library operations, the Library staff did their best to support residents through a library outreach program. Ending of restrictions saw groups and residents back to enjoying the library in person. Children particularly enjoyed visiting after the receipt of a "Encouraging Promising Practice Grant" from the State Library WA, allowing for the improvement of the children's space. New puzzles, book spinners, new books and a Smart TV to watch LIVE book

readings were a big hit with visitors young and old.

The library celebrated National Simultaneous Storytime and NAIDOC week. Library Officer, Kathy Gurr attended a workshop about homelessness and libraries. The library was also introduced to Hoopla Digital.

The Library was pleased to celebrate with local authors Jeanette Stampone and Mel White after publishing their own books.



### **1.4.4 Foster and value our volunteers**

#### **Volunteer Bush Fire Brigades**

The Shire's three Volunteer Bush Fire Brigades were supported through funding obtained from the Department of Fire and Emergency Services' Local Government Grants Scheme. Almost \$60,000 was received and the money was spent on vehicle, plant and building maintenance, protective clothing, insurances, utilities and new plant and equipment.

A Community Emergency Services Officer was also appointed on a part time basis to assist the volunteer bush fire brigades.

#### **Emergency Services Dinner & Thank a Volunteer Breakfasts**

Recognition events that acknowledge the people who give up their time to contribute to the community are some of the most important on our annual calendar. The annual Emergency Services Recognition Dinner at the Waroona Bowling Club is one way the Shire expresses gratitude to our

hardworking emergency services personnel. The Thank a Volunteer Breakfasts, held in both Waroona and Preston Beach in December, are another special way we can give back to the volunteers who make our community such a fabulous place to live and work.



#### 1.4.5 Support and enhance health services in Waroona

##### Waroona Interagency Group

The Waroona Interagency Group is a forum for agencies who deliver community services into the Shire to share knowledge and work collectively to address issues generally around community safety and wellbeing. The Shire facilitates and hosts this forum every three months, moving to Microsoft TEAMS during COVID-19 restrictions.

The Shire continues to host a very successful interagency meeting each quarter at Memorial Hall, attracting up to 30 agencies at each meeting. The interagency meeting is a means to connect local services and collaborate for better health outcomes.

##### Safe Water Program

Sampling to ensure the health of the community. Water Samples collected from Public Swimming Pools, Health Premises and Recreational Waters that are analysed for bacteria of health concern. Sampling includes Drakesbrook Weir and Waroona Dam.

## 1.5 Value, protect and celebrate our rich history and culture

### 1.5.1 Pursue actions to preserve areas and materials of historical significance throughout the Shire of Waroona

#### Waroona Historical Society

The Shire of Waroona continues to provide support to the Waroona Historical Society by way of an annual donation and maintenance on the Old Road Board building which is currently utilised by the group.

#### Local Heritage Survey

Funding was successfully obtained through the Department of Planning, Lands and Heritage for a complete review of the Shire's Local Heritage Survey (previously a Local Heritage Inventory). A consultant was appointed to undertake the review, which will take place in the 2022/23 financial year.

### 1.5.2 Foster arts and culture throughout the Shire

#### Supporting Local Creatives

The Waroona Visitor Centre supported local and regional artists, creatives, primary producers, photographers, and makers in several ways throughout the 2021/22 year including, showcasing products in the Centre's gallery as well as providing an avenue for these products to be sold.



Other initiatives from 2021/22 were overseeing street art projects by local creatives, coordinating demonstration days in the Centre for local creatives, coordinating regional creative collaboratives such as Peel Open Studios' Origins Exhibition, hosting a book launch of *Shadow & The Girl* by local author, Jeanette Stampone and coordinating the creatives' charity project that supports local causes.

### Arts and Cultural Activities

From basket weaving to crochet workshops, the Shire led and supported an active program of arts and cultural activities during 2021/22. Plein Air Country Paint Out competition took place in January at Drakesbrook Weir and was won for the second consecutive year by acclaimed artist, Leon Holmes.



### 1.5.3 Acknowledge and celebrate the diversity in our community and support activities in recognition of national campaigns and initiatives.

#### NAIDOC Week 2021

The Shire commemorated NAIDOC Week 2021 by supporting the Waroona Aboriginal and Torres Strait Islander Corporation (WAATSIC) to celebrate the Bindjareb Nyoongar people's history, achievements and contributions to the Shire. A range of activities including a flag raising ceremony, Noongar story time, doll making and traditional cooking were well attended by the community.

### Remembrance Day 2021, Australia Day and ANZAC Day 2022

The Shire once again supported the Waroona-Hamel RSL, Waroona District High School and St Joseph's Primary School with the Remembrance Day Service at the Waroona War Memorial on 11 November 2021.

Australia Day celebrations in Waroona always attract a big community turnout and 2022 was no exception. The day was blessed with glorious weather for the street parade, entertainment, Citizenship Ceremony and Shire of Waroona Meritorious Community Service Awards.



ANZAC Day saw a beautiful commemorative Dawn Service attended by about 350 people, followed by the ANZAC Parade and Service with about 200 attendees. It was a fitting tribute to the sacrifice and contribution of our returned servicemen, servicewomen to home and country.



## Our Economy

To create a diverse economy that supports opportunity, education and employment.

**2.1 Develop an economy that is focused on growth, knowledge and innovation, and infrastructure and protects prime agricultural land**

**2.1.1 Maximise the inherent economic opportunities in the Murray Waroona functional economic region**

### Regional Economic Development

Regularly met with and presented to state and federal members and government agencies to encourage economic development opportunities and government departments to the Shire.



**2.1.2 Enhance the agricultural industry in Waroona as a dominant economic sector**

### Prepare and promote business cases for key industries to attract private investment

The Shire of Waroona has engaged with the businesses to discuss and assist with local area knowledge to inform private investment activities.

### Support the development of permanent accommodation for seasonal agricultural workers

The Shire of Waroona has engaged with the businesses to discuss and assist with local area knowledge to inform permanent accommodation for seasonal agricultural workers.

**2.2 Develop a locally supported resilient, stable and innovative business community that embraces creativity, resourcefulness and originality**

**2.2.1 Support local businesses, Waroona Business Support Group and initiatives**

### Business After-Hours Event

Partnering with the Peel Chamber of Commerce and Industry, and the Waroona Business Support Group, the Shire hosted a Business After Hours event on Wednesday, 20 October 2021 at the Waroona Memorial Hall. Seventy guests, including the Hon Andrew Hastie MP, attended the event. It was a great chance for local and Peel-based businesses to come together for networking, support and self-promotion.



### Small Business Friendly Local Government Initiative

The Shire continued to demonstrate its commitment to the business community through participation in the Small Business Friendly Local Government Initiative. Through this program, the Shire continues to overview customer service and administrative standards, such as making on-time payments to local suppliers. Through regular consultation with the local small business community and representative bodies, the Shire

coordinated various initiatives including co-marketing opportunities, seasonal worker advocacy, and ongoing partnership with the Waroona Community Lights group to illuminate and activate various areas in Waroona.



### 2.3 Create a vibrant, inviting and thriving town centre and maximise Waroona’s natural assets, culture and heritage as drivers for tourism

#### 2.3.1 Encourage community and business initiatives to refresh the appearance of the town centre

##### Progressively implement the Waroona Revitalisation Strategy and Masterplan

The Waroona Town Centre Revitalisation Strategy continues to be developed through a business and community engagement process.

##### Implement the Townscape Facade grant initiative

Progress on this project is subject to the final adoption of the Waroona Town Centre Revitalisation Strategy.

##### Local Planning Policies

Review of Local Planning Policies with the implementation of Local Planning Policy 13 – Town Centre Development. The policy is to provide a set of development requirements for commercially zoned land to ensure that redevelopment or new development achieves a high standard and enhances visual quality along the town’s primary streets.

#### 2.3.2 Develop key sectors of the tourism economy where Waroona has a competitive advantage

##### Support the development of a Preston Beach Caravan Park

The Shire remains encouraging of private businesses to undertake this enterprise.

##### Natural Resources

Pre-consultation advice provided to prospective Tourist Operators. Discussion with Department of Biodiversity, Conservation and Attractions to enhance Economic and Tourism opportunities with access to natural resources.

##### Area Promotion & Tourism

Destination marketing and area promotion initiatives within the Shire lead to a range of articles in various publications, a Television commercial series “WOW What’s on Waroona” aired on WIN and its affiliates, features and advertising in tourism publications such as Hello Perth, Guide to WA and Mandurah Visitor Guide.



Social media campaigns lead to numerous posts on the ‘Visit Waroona’ Instagram and Facebook pages, and collaborations with influencers and visitor guides.

The production of a widely circulated event flyer for the Waroona Show’s 90th anniversary in 2021 in collaboration with the Waroona Agricultural Society. The flyer incorporated See/Do/Eat/Stay and photos to promote Waroona.

## Northern Tourist Bay Information Board

The refurbished frame of the northern tourist bay information board was reskinned with artwork designed to showcase to visitors the many and varied experiences on offer within the Shire. Balanced between maps, messaging, imagery, content, and calls to action, the board entices visitors to stay, or to visit another time. Lighting was also installed for 24/7 accessibility and area promotion.



## Visitor Servicing

The Waroona Visitor Centre support local businesses by providing 7-days-a-week representation. Visitors learn about the Shire and its tourism and general businesses with the aim being to encourage visitors to stay a little longer during the day, or to stay overnight. Of more than 7000 visitors greeted during 2021/22, 47% were from the metropolitan area, 17% from the Peel Region, 14% from the southwest, and 14% were local. In addition to spending over \$30,000 on local art, craft and produce, more than 25% sought information on things to do and see in the local area.

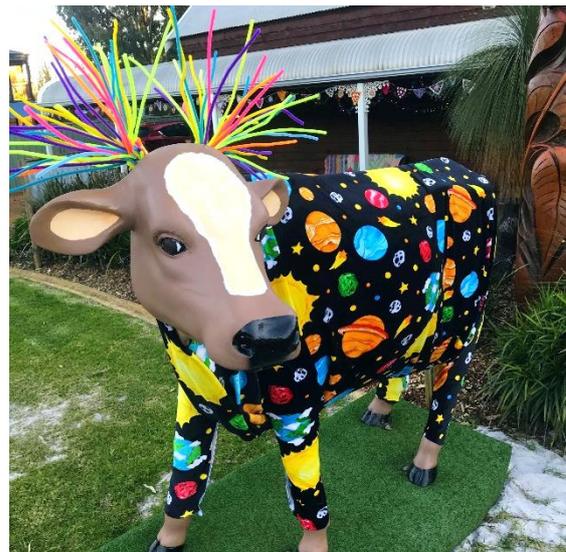
## Street Art

A much-loved fixture in front of the Visitor Centre, Mooriel is a favourite attraction for locals as well as new and returning travellers. The work and collaboration involved in her changing costumes and outfits sets her apart from other “static” art projects.

Mooriel’s presence has encouraged travellers to stop thus providing an opportunity for staff and volunteers to “sell” the Shire of Waroona. The demographic of Mooriel’s fans and followers is as wide and varied as her “cowture”. Mooriel has a solid social media presence with her posts receiving excellent engagement and reach.

In the last financial year Mooriel’s outfits have included rainbow cow, pirate, Christmas nativity cow, beach babe, and the popular yarn-bombed cloak and hat.

The Visitor Centre also supports local creatives and yarn-bombers with ideas, coordination, materials and support for the continued yarn and art-bombing of the northern tourist bay. This initiative was so well-received when first introduced in 2015 that it has now become a staple that people associate with Waroona.



### 2.3.3 Develop new trails and enhance and promote existing trails

The Shire has been proactively seeking funding to support an end of trail facility upgrade at Drakesbrook Weir and to support concept planning work for a Lakes trail from Drakesbrook Weir to Waroona Dam.

## Our Environment

---

To continually care for, protect and enhance our environment for the generations to come

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

#### 3.1.1 Collaborate with local environmental community organisations and volunteers

The Shire of Waroona has continued to support initiatives and activities implemented by Peel Harvey Catchment Council, Peel Biosecurity Group and other relevant organisations. Including the Peel Harvey Estuary Protection Planning committee.

#### Actively participate in the Peron Naturalise Partnership and associated activities

Cr Walmsley was nominated to this partnership and supported the climate change initiatives for the coast line from the Naturaliste to Peron coastline.

#### Support not-for-profit organisations to implement regular litter clean-ups

Support was offered to the Community Group 'Operation Bin Chicken' in February 2022. A full 6x4 trailer load was collected along Preston Beach. No other requests from other community groups were received.

#### Provide ongoing support to Waroona Landcare

Financial support by way of an annual donation is provided to the Waroona Landcare group. In addition, payroll administration and grant management are also conducted. Currently, there are further investigations occurring in relation to the usage of the Environmental building situated further south on the main highway.

#### Contribute toward the refurbishment of the Department of Agriculture building

A condition assessment was conducted in preparation for the Shire of Waroona taking ownership of this asset.

Further investigations are being conducted on the opportunities for grant funding to bring this building up to standard for use by not-for-profit groups and environmental businesses.

#### Support local Landcare groups through subsidy of the environmental centre in Waroona

Throughout 2021/22 negotiations occurred between the local Landcare groups and the Shire for the future occupancy and use of the Environmental Centre building located on South Western Highway. These negotiations will continue into 2022/23 to ensure that these groups are located in an appropriate and sustainable facility.

#### State NRM & Coastal Conference 2022

The Shire of Waroona will co-host the Natural Resources Management and Coastal Conference in 2022/23, which will include a field trip to Preston Beach. Conference delegates will be informed about the Preston Beach Dune Conservation and Restoration program and the Preston Beach Foreshore Management Plan.

#### Preston Beach Dune Rehabilitation and Monitoring

Whilst the Shire was unsuccessful in obtaining funding for dune brushing from the Department of Planning, Lands and Heritage this time around, Council provided some funding and the Preston Beach Volunteer Rangers spread a substantial amount of brushing material in critical areas along the dunes. The brushing is critical in preventing vehicles from entering the dune system.

The Preston Beach Volunteer Rangers also formed a new partnership with Track Care WA and a new educational brochure was formed to raise awareness of the environmental importance of the Preston beach dune system. The Preston Beach Volunteer Rangers handed out approximately 3000 brochures to beach users.

The Preston Beach Volunteer Rangers also patrol the beach regularly throughout the year to monitor the activity of beach users and ensure people were not entering the dune system with their vehicles.

### **3.1.2 Develop future plans and strategies to protect and enhance Preston Beach and the Yalgorup National Park**

#### **Support the Preston Beach Volunteer Rangers**

Ongoing management and support of the Preston Beach Volunteer Rangers Liaison program again continued throughout 2021/22. New volunteers were appointed and training and induction processes have taken place.

In addition, various equipment and personal protection gear was purchased to ensure that our volunteers are able to conduct their duties safely and competently.

#### **Preston Beach Foreshore Management Plan**

The Preston Beach Foreshore Management Plan was adopted 2022 and is currently being implemented.



## **3.2 Proactively manage resources and practice sustainability through responsible management of water, energy, fire control and waste**

### **3.2.1 Secure water resources to ensure water sustainability for agricultural, economic and recreational needs**

#### **Develop a pre-feasibility for the future water security for the Peel region**

The Shire of Waroona is working closely with the Shires of Harvey and Murray, Peel Development Commission and Peel Alliance to develop a pre-feasibility and lobby document for major water infrastructure initiatives.

### **3.2.2 Secure energy resources to ensure energy sustainability for community needs**

Buildings that have the potential to run on renewable energy sources are being investigated. A future strategy will be established and budget implications considered.

### **3.2.3 Responsibly manage Council and community water and energy use**

Forwarding planning is being conducted particularly in the area of electronic fleet. With technological advances in this area, these initiatives are becoming more accessible and sustainable for Councils.

### **3.2.4 Improve waste management practices through diversion, reuse and recycling**

#### **Buller Road Refuse Site Transfer Station**

The Shire continues to work towards various improvements to the Buller Road Waste Facility. During the 2021/22 financial year, the focus was on the development of the transfer station hardstand area which will allow for material recovery options to be within one area. This makes for more convenient access for users of the facility which will

encourage greater diversion away from landfill.

Initial Works completed this financial year are hardstand completion with line marking, kerbing and relocation of waste oil deposit, batteries, cardboard and skip bins.



### Groundwater Monitoring

Groundwater monitoring occurs twice per year to ensure compliance with Section 3.2 (Table 3.3.1) of the Department of Water and Environmental Regulation (DWER) Licence L6756/1996/11.

Biannual groundwater monitoring events continue to be undertaken to determine whether adverse impacts to the underlying aquifer have occurred as the facility operates as a licenced landfill.

### Buller Road Sullage Pond Closure Plan

After approximately 18 months of evaporation, soil testing returned a satisfactory result. Work on the Sullage Pond Closure Plan reached the stage of excavation of the remaining material and liners were removed.

The remaining liquid storage pond is ready to be drained to land, in a controlled manner allowing natural infiltration over the downstream area (the grove of trees) ensuring no rapid flow occurs to strip soil or vegetation or to cause localised flooding downstream or offsite. The water could also be used for dust suppression over the landfill area.

The general water quality is good, if slightly marginal for non-potable water use. There is no risk posed to freshwater ecosystems via direct discharge as there are none within the immediate vicinity of the site.



### Verge Hard Waste Collection

The Shire engaged contractors Steann Pty Ltd to collect the hard waste in December 2021. Hard waste collection is offered every two years. The contractors are equipped with appropriate machinery and staff allowing Steann Contractors to complete the pickup in 7 days. Lake Clifton, Preston Beach, Waroona and Hamel were all serviced. Engaging contractors this year resulted in a reduced timeframe by approximately 5 weeks.

### 2021 Hard Waste Collection Statistics

General hard waste:	112.2 Ton
Recycled Metal:	68.75 Ton
Mattresses:	166
Fridge & freezers:	90
<i>Compliance letters issued:</i>	<i>95</i>

### Commence the transition to re-useable items (non-single-use plastics)

The WA government has commenced the phasing out of single-use plastics with short-term actions being implemented from 2020 to 2023. Medium-term targets are scheduled for 2024 to 2026.

The Shire has already implemented the reduction of single-use plastics at all Shire lead events and continues to promote the government's intentions and actions through its website and social media platforms.

## Our Built Assets

To build and effectively manage our assets to continually improve our standard of living.

### 4.1 Public spaces and infrastructure are accessible and appropriate for our community, and meet the purpose and needs of multiple users

#### 4.1.1 Plan public open spaces and community facilities for current and future generations

##### **Develop concept and design plans for the Waroona Community Precinct**

A concept landscape plan, a business case and grant funding approvals have been undertaken for the Waroona Community Precinct.



##### **Revisit the Drakesbrook Cemetery Masterplan and develop a long term cemetery plan.**

A flora and fauna survey was approved as an amendment to the 2021/22 budget. This survey will take place during Spring of 2022. Once this is completed planning and works will commence.

##### **Preston Beach Volunteer Bush Fire Brigade Building Extension**

Funding was successfully obtained through the Department of Fire and Emergency Services' Local Government Grants Scheme to extend the Preston Beach Volunteer Bush Fire Brigade building. Approximately \$180,000 was provided. Towards the end of the financial year a drafting consultancy was appointed and conceptual drawings were completed.

### 4.2 Manage assets in a consistent and sustainable manner

#### 4.2.1 Plan and effect appropriate maintenance, renewal, replacement and disposal of assets

##### **Develop a long term and funded plant replacement program**

Work was conducted at the end of 2021/22 to establish an organisation wide plant replacement program that spans a minimum of 10 years. This was then utilised in the formation of the 2022/23 budget.

Continual monitor of this proposed program will take place of the next 12 months and will consider trends and post-covid issues that affect plant replacement.

##### **Replace Library roof**

This project has been placed on hold pending further assessment of the roof.

##### **Redevelop the Waroona Recreation & Aquatic Centre pool concourse**

Funding has been obtained through the Local Roads & Community Infrastructure funding to complete further sections of the Pool concourse area. Due to trade and supply issues in relation to the building and construction industry, this has been deferred until early 2022/23 financial year.

##### **New Heat Exchanges Improves Pool Heating Efficiency**

During the 2021/22 financial year the Waroona Recreation Centre swimming pool moved over to heat exchangers from the existing gas boiler system. The exchanger system relies on the energy within the external area rather than gas heating, which is far more economical. Since their installation, the pool water has

exceptionally constant with no technical problems since the transition.

It is hopeful that this more cost effective and efficient heating of the swimming pool will allow for higher standards of service by the swimming pool in years to come.



### **New Prominent Dosing System Improves Pool Sanitation**

The Waroona Recreation & Aquatic Centre changed automatic dosing systems from Chemigem to a prominent system during the 2021/22 financial year. This new system has newer technology allowing more efficient automatic dosing of the pool.

This in turn will regulate the chemical levels of the pool resulting in constant readings and therefore less treatment chemicals needed. It is expected that this upgrade will reduce the operational expenditure in relation to water chemicals in future years.

### **Renew and upgrade footpaths**

Renewal and upgrades to the existing footpath infrastructure were conducted as a part of the ongoing maintenance and construction program.

### **Resurface the Lake Clifton multipurpose outdoor court**

Officer will be working in partnership with the Lake Clifton community to establish a business case for this project and consider various grant opportunities in the next financial year.

## **4.3 Suitable housing and transport infrastructure to meet the needs of our diverse community**

### **4.3.1 Develop and promote diverse and affordable housing and accommodation**

#### **Prepare a Land Rationalisation Strategy for Council reserves, owned land and property.**

Projects to be completed in future years.

### **4.3.2 Develop and promote an efficient, safe and connected local and regional transport network**

#### **Implement a design and consultation process for Mitchell Road local area traffic management**

Project designated future years initiative

#### **Lobby for a road train assembly and breakdown area**

Project designated future years initiative

### **Regional Road Group Projects**

This year's Regional Road Group projects were Johnston, Coronation Nanga Brook and Peppermint Grove Roads. Johnston Road saw another section completely reconstructed with pavement. Coronation Road between Somers & Brockman reconstruction and seal. Nanga Brook failed sections were repaired and peppermint/Coronation edge widening was completed to 300mm each side.



The RRG program is a 2/3 State, 1/3 Shire funded program that is aimed at Local Government-controlled roads of regional and state significance, i.e., those roads that, for several reasons carry traffic above and beyond local traffic only.

### **Black Spot Projects**

Black Spot projects target road sections or intersections that have an elevated crash history and funds can be sought to treat and alleviate the issues that the road has that contribute to those crashes.

In the case of Nanga Brook Road, it was found that the section treated this year had an overrepresentation of 'run-off road' crashes, therefore the works concentrated on creating a more forgiving road verge environment by the removal of roadside obstacles, smoothing of surfaces and extending drainage structures further away from the edge of seal.

### **Roads to Recovery Projects**

The Roads to Recovery program is a fully funded Australian Government initiative aimed at improving local government road networks throughout the country. Local governments are essentially free to choose how they spend these funds provided they target the improvement of roads and streets in some way.

The Shire of Waroona received \$335,000 through the Roads to Recovery program funding in 2021/22, including \$103,210 from a direct grant which was allocated to:

- Second coat seals of Peppermint Grove Road, Somers Road and Mayfield Road
- Reseal of road edge on Hill Street and Brookside Grange;
- Construction and Seal of Hainge road and Hill Street drainage; and
- Brockman, Story & McClure Roads received asphalt corrector.



## Our Leadership

To embed strong leadership through good governance, effective communication and ensuring value for money

### 5.1 A sustainable future through embracing change, applying technological advancement and pursuing efficiencies

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

##### Councillors required training and knowledge building

In accordance with legislative compliance, all Councillors elected in the 2021 Local Government Elections are to complete the required training within 12 months. It is anticipated that all remaining training requirements will be completed by the required date, October 2022.

In addition to the required training elected members also attend the Western Australia Local Government Association (WALGA) Local Government Convention held annually in Perth. This forum encourages networking and information sharing as well as explores the ever-changing landscape of Local Government and how the sector can embrace change and create benefits for their respective communities.

##### Review all Local Laws

Local Laws are required to be reviewed every eight years in accordance with the *Local Government Act 1995*. Three Shire of Waroona Local Laws were reviewed and gazetted in 2021/22:

- Drakesbrook Cemetery 2021,
- Extractive Industries 2021; and
- Health 2021

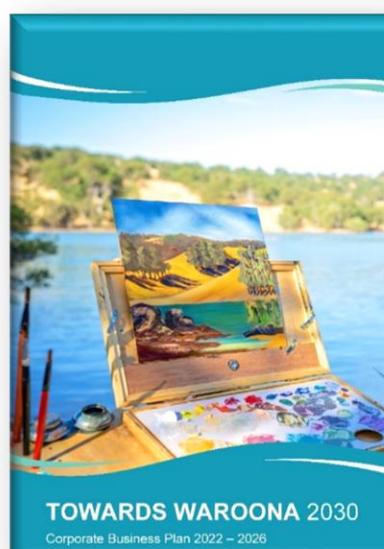
Local Law reviews will continue through 2022/23 with publishing dates scheduled for 2023.

##### Towards Waroona 2030 – Corporate Business Plan

Council adopted the 2021-2025 Corporate Business Plan at the September 2021 Ordinary Council Meeting.

The Corporate Business Plan is responsible for activating the strategic direction of the Shire as articulated within the Strategic Community Plan, into specific priorities and actions at an operational level, to inform the annual budget. The Plan also draws together actions contained within the Long Term Financial Plan, Asset Management Plans and other informing strategies.

The Corporate Business Plan maps the Shire's key priorities, projects, services and actions over four years. It provides the detail for the first years of the Waroona 2030 Strategic Community Plan, as well as outlines business as usual service delivery. It is developed on a four-yearly cycle and will be reviewed annually to re-prioritise projects and services.



## Governance Reviews

Good governance is extremely important to the Shire as it encourages confidence from the community in Council and its services, it ensures that all legislative requirements are sustained and gives assurance that our organisation is operating efficiently and sustainably.

A major review of the governance framework was conducted this year with amendments made to local laws, policies and delegations. These documents are all accessible via the Shire's website, in addition to at the Shire Administration Office.

## Governance Registers

In accordance with the Local Government Act the Shire maintains and publishes the following registers on its website; Elected Members Professional Development and Training register, Complaints register, Delegations register, Returns register, Disclosure of Interest Registers, Electoral gifts register, Gifts and Travel register and Tender register.

## Annual Compliance Return

The Local Government (Audit) Regulations 1996 require the Shire to undertake an annual audit of statutory compliance and submit a Compliance Audit Return to the Department of Local Government, Sport and Cultural Industries on a yearly basis.

The Compliance Audit Return focuses on high-risk compliance areas including commercial enterprises, delegations of power, disclosure of interest, disposal of property, elections, finance, integrated planning and reporting employees, official conduct and tenders.

The compliance audit return from the 2021 calendar year was prepared and submitted to the finance and audit committee in March 2022 presenting a high level of legislative and statutory compliance.

## 5.1.2 Maintain long-term financial sustainability

### Resourcing Waroona 2030 – Long Term Financial Plan

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

The ten-year rolling plan is aligned with the Corporate Business Plan to activate Strategic Community Plan priorities and informs the development of the annual budget.

The Plan is guiding Council in a financially sustainable manner and is a 'high-level' document that focuses on Council's financial operations, particularly in relation to key components such as rate increases, service levels to the community, asset renewal, reserves and loans.

The Plan provides direction for both the Shire's long-term capital investment planning and its operating capacity, indicating long-term financial sustainability and allowing early identification of financial issues and their longer-term impacts. It also shows the linkages between specific plans and strategies and enhances the transparency and accountability of the Shire to the community.



## 2021/22 Budget

Council adopted the 2021/22 budget at a Special Council Meeting held in August of 2021. The budget balanced the desire to limit the increase for ratepayers with the need to maintain a sustainable financial position, in the provision of key community services.

### 5.1.3 Consider future technological requirements for the delivery of services and corporate functions

#### Investigate connectivity options to ensure Council facilities have adequate access to information and communication technology services

Officers analysed the adequacy of the current data connections at all Shire facilities with findings demonstrating a need for various upgrades. The 2022/23 budget will be formed around these upgrade requirements.

Officers considered evolving requirements and needed for cloud-based solutions and concluded that reliable data connections needs to be established and maintained as a priority.

#### Ongoing Technological Improvements & Upgrade Plan

The Shire of Waroona's current main corporate management system was maintained with the review to upgrade the system over the following financial years. A draft proposal for the upgrade was considered by officers with the market being analysed for competing products.

Several aspects were analysed including market share, recruitment opportunities and workflow efficiencies. This resulted in a proposal being submitted to the Council through the 2022/23 budget process to initiate the first module upgrade.

It is the intention that over the next few years additional modules will be deployed. As implementing a new corporate management system is a resource-

intensive project, Officers recommended that this process is undertaken at a reasonable pace to ensure that change management, data integrity and sanitation and officer well-being are maintained.

The Shire of Waroona Record Keeping Plan is due to be reviewed by October 2022. The initial process began at the end of the 2021/22 financial year. The review will reflect updated practices in digital record keeping whilst reliance on paper-based record keeping will be reduced.

### 5.1.4 Promote cooperation and collaboration with other organisations to improve efficiencies and regional identity

#### Review the Murray Waroona Resource Sharing Alliance Strategy

This year marked a transition from a shared CEO with the Shire of Murray to a dedicated CEO for the Shire of Waroona. Many shared services remain in place.

## 5.2 Develop a skilled, safe and compliant organisation

### 5.2.1 Employ, maintain and retain a skilled workforce

A suite of human resources management practices have been developed and are being implemented in stages throughout 2022 to assist with development of our workforce. The suite includes (management practices with a \* have been implemented):

- Recruitment, selection & appointment of staff \*
- Inductions.
- Leave management.
- Rostered days off.
- Overtime and time in lieu.
- Higher duties \*
- Staff uniforms.
- Performance reviews \*
- Managing for improved performance \*
- Working from home \*

- Employee training and development \*.
- Dispute resolution and grievances.
- Harassment and workplace violence.
- Employee assistance \*.

### **Review and implement the Workforce Plan**

The Shire of Waroona Culture and Workforce planning survey was conducted in May 2022. Responses from the survey, along with industry trends will be used to develop a new Workforce Plan which will reflect our current organisation structure.

### **Implement a Workforce Professional Development Plan**

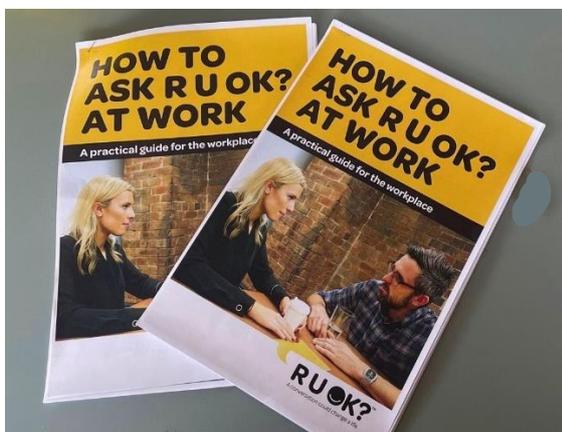
Annual performance reviews are conducted for all staff to provide an opportunity to assess ongoing skills and professional development needs.

Professional development plans will be established for individual employees as required as part of the Performance Review process.

### **5.2.2 Promote an organisational culture of safety, best practice and continuous improvements**

#### **Occupational Safety and Health**

Our objective is to achieve best practices in work health and safety by developing a safety culture focused on minimising risk, preventing workplace hazards and injuries, and ill health to employees, contractors and volunteers.



The Shire conducts regular occupational health and safety meetings consisting of a committee of officers and safety representatives from each area of the organisation. Officers have been paying particular attention to the statutory modifications that are related to the change in the legislation of the Work Health and Safety Act.

Work has also currently been conducted on updating the Shire's safety management system to reflect the change in legislation.

During the reporting period, the Shire engaged an external contractor specialising in Work Health and Safety to assist in the updating of the management system.

#### **Risk Management**

Managing risk is imperative and assists the Shire in setting strategy, achieving objectives and making informed decisions.

The Shire has integrated risk management into all aspects of the organisation, driven by the Risk Management Committee which consists of officers from each area of the organisation. The recently formed Strategic Risk Register was implemented and various aspects were assigned to officers who will lead championing efforts to monitor and improve the respective initiatives.

### **5.3 Actively increase the level of community engagement and respond efficiently and effectively to the evolving needs of the community**

#### **5.3.1 Establish and maintain a user focused communication approach that informs, engages and empowers the community**

#### **Develop and implement a Communications & Marketing Strategy**

A formal Communication and Marketing Strategy will be established and implemented in 2022/23.

The public consultation processes throughout the 2021/22 year were increased to include engagement through the Shire's website & social media platforms. General notifications and continued mailout engagements were also conducted.

### 5.3.2 Deliver efficient and effective Council services to all members of the community

#### Develop and implement an Information & Communication Technology Strategy

An Information & Communication Technology Strategy was drafted throughout 2021/22. With changes to services and technology advancements, this strategy requires further work. Once this has been sufficiently determined this will be implemented.

#### Develop a 5-year Organisational Structure Plan

Post the onboarding of the dedicated CEO the Shire's organisation structure was re-evaluated and developed to suit a three directorate configuration with two directors accompanying the CEO as directorate leads.

#### Develop a Strategy and Organisational Structure in the event of State Government enforced Local Government reform

Local Government reform progress has been longer than anticipated. Policy updates have been implemented however no significant organisational structural reform has been warranted to date.

#### Develop a long term Operational (Transitional) Plan for Works and Services

The Shire has been preparing transitional arrangements in light of the imminent retirement of the long serving Manager Works and Services.

### 5.3.3 Provide community focused customer service and access to information

#### Review the Customer Service Charter

A new Customer Service Charter was developed and implemented in March 2022. The new policy aims to incorporate the Shire's values and mission statement into everyday customer service to residents and visitors of the Shire.



## Five Year Key Summary of Statistics

Statistic	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Operating Revenue</b>	\$8,411,511	\$7,854,670	\$8,159,461	\$8,375,653	\$8,105,948	8,809,261
<b>Operating Expenditure</b>	\$10,468,288	\$10,957,304	\$10,420,833	\$10,581,587	\$10,517,478	11,250,193
<b>Operating Grants, Contributions &amp; Subsidies</b>	\$2,383,260	\$1,492,570	\$1,638,205	\$1,731,108	\$1,555,015	2,015,069
<b>Fees &amp; Charges Revenue</b>	\$1,447,516	\$1,481,077	\$1,433,532	\$1,418,316	\$1,453,073	1,532,657
<b>Capital Grants Revenue</b>	\$2,465,918	\$1,809,331	\$2,026,290	\$2,543,710	\$1,605,434	3,185,338
<b>Capital Expenditure</b>	\$2,609,765	\$2,492,559	\$3,522,894	\$3,546,855	\$3,169,685	4,289,591
<b>Asset Valuation</b>	\$130,732,461	\$129,949,168	\$129,749,817	\$129,672,983	\$129,698,942	139,098,329
<b>Total Net Assets</b>	\$133,018,290	\$132,134,387	\$134,247,914	\$134,599,888	\$135,119,465	146,437,316
<b>Reserve Balance</b>	\$2,508,330	\$2,317,381	\$2,397,934	\$2,446,605	\$2,456,564	2,404,494
<b>Number of Rateable Properties</b>	2,713	2,715	2,726	2,738	2,738	2736
<b>Minimum General Rate</b>	\$1,010	\$1,605	\$1,115	\$1,145	\$1,145	\$1,175
<b>Rates Levied</b>	\$4,105,583	\$4,688,601	\$4,888,697	\$5,063,342	\$5,029,681	\$5,134,120
<b>Planning Applications Received</b>	108	74	53	64	74	97
<b>Planning Applications Determined</b>	117	67	55	47	70	86
<b>Building Applications Received</b>	164	119	115	98	151	161
<b>Building Applications Determined</b>	159	120	114	98	136	149
<b>Library Items Loaned</b>	10,272	14,518	12,343	13,608	12,663	11,941
<b>Library Local Stock Resources</b>	9,339	9,583	8,677	8,599	7,990	8,464
<b>Licensing Agency Transactions</b>	7,149	7,646	7,512	6,666	7,482	7,341
<b>Licensing Computer Theory Tests</b>	68	81	77	63	98	72



## Major Grant Funding



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

Direct Grant 2021/22 \$103,210  
Regional Road Group \$1,150,400  
Black Spot \$256,800

Roads to Recovery \$252,532  
Local Roads and Community \$144,673  
Infrastructure



**Australian Government**  
The Treasury



Financial Assistance Grant \$1,745,156

Local Government Grant Scheme \$58,048



Department of  
Local Government, Sport  
and Cultural Industries



Department of Planning,  
Lands and Heritage

Cricket Nets \$13,000  
Swimming Pool Concourse \$55,000

Preston Beach Foreshore \$10,000  
Restoration  
Preston Beach Foreshore \$9,000  
Management Plan



**Australia Day**  
Reflect. Respect. Celebrate.

2022 Community Partnership \$222,143  
Waroona Connect \$10,000  
Place Management \$10,000

COVID Safe Australia Day Safety \$20,000  
Resources

## Statutory Reports

### Amendments to Strategic Community Plan & Corporate Business Plan

There were no modifications made to the Strategic Community Plan during 2021/22, however the following significant modifications were made to the Corporate Business Plan during the financial year:

Modification	Details
<b>Removal</b>	
1.4.4.1 Recognise volunteer contributions through awards and functions including Emergency Services Dinner, Volunteer Breakfast and Australia Day Awards <i>CHANGED TO:</i> Recognise volunteer contributions through awards and functions	Provides a broader scope for recognition of volunteers, particularly during COVID.
4.2.1.5 Resurface the Lake Clifton multipurpose outdoor court	Put on hold pending a more wholistic plan for the site.
4.2.1.6 Replace the boilers at Waroona Recreation & Aquatic Centre	Scheduled for new heat exchange system rather than boilers.
<b>Addition</b>	
4.2.1.5 Establish and Implement a Lake Clifton Reserve Improvement Strategy	Replaces 4.2.1.5 providing a more wholistic plan for the site.
4.2.1.6 Develop a long term and funded building renewal program	Added to ensure facilities are financially sustainable.

### Complaints Register

In accordance with the *Local Government Act 1995*, local governments are required to maintain a register recording complaints and action taken in relation to complaints made to the Local Government Standards Panel about Council members breaching the rules of conduct or contravention of a local law under the Act.

No complaints have been entered into the register during this reporting period.

### Disability Access and Inclusion Plan

In accordance with the *Disability Services Act 1993*, local governments are required to develop and implement a Disability Access and Inclusion Plan to ensure people with disabilities have equal access to Council facilities and services.

During 2021/22, the Shire undertook a review of the Disability Access and Inclusion Plan 2017–2022 and engaged with Shire employees and community members. Information collected from the community has provided the Shire with key considerations to increase access and inclusion of people with disability in future projects. The community consultation outcomes will be incorporated into the Disability Access and Inclusion Plan 2022-2027 review, planned for 2022/23.

## Freedom of Information

The Freedom of Information Act 1992 provides a general right of access to documents held by Government Agencies. Documents accessible under the FOI Act include paper records, plans and drawings, photographs, tape recordings, films, videotapes or information stored in a computerised form. The Shire of Waroona aspires to make information available promptly and at the least possible cost, and whenever possible documents will be provided outside the process. If information is not routinely available, the Freedom of Information Act 1992 provides the right to apply for documents held by the Shire and enables the public to ensure personal information in documents is accurate, complete, up to date and not misleading.

Council's Freedom of Information policy and guidelines are reviewed annually as part of the full policy manual review. No modifications were made to the statement in this reporting period. Three (3) Freedom of Information applications were processed in this reporting period.

## Legislative Review

Council is required to assess each of its local laws to ensure there are no negative impacts on competition and to determine how any restrictive practices might be overcome, or to propose amendments to existing local laws. The current Shire of Waroona Local Laws are:

- Activities on Thoroughfares & Trading in Thoroughfares Public Places 2001
- Dogs 2001
- Drakesbrook Cemetery 2021
- Extractive Industries 2021
- Fencing 2014
- Health 2021
- Local Government Property 2014
- Meeting Procedures 2020
- Waste 2021

It is a requirement of the *Local Government Act 1995* that each Local Law is reviewed every eight years. The next round of reviews is due in 2022/23.

## Local Government Elections

The biennial Local Government Elections were held in 2021/22. There were four vacancies and only four nominees therefore all nominees were elected unopposed for a term of four years. Cr Walmlsey and Cr Purcell were re-elected into council and were again voted to fill the positions of Shire President and Shire Vice President respectively. Newly elected members, Cr Pisconeri and Cr Woodbury\* commenced their four-year term, as Cr Dew and Cr Scott's term ended after many years of service on council.

\*Councillor was disqualified on 23 February 2022 in accordance with s2.25 *Local Government Act 1995*, having missed three consecutive ordinary meetings of Council.

## National Competition Policy

National Competition Policy is designed to enhance the efficiency and effectiveness of public sector agencies and lead to more efficient use of all economic reserves. There are a number of specific requirements for local governments in the areas of competition, neutrality, legislation review and structural reform. The Shire has no local laws or policies that contain anti-competitive provision and has had no complaints during this reporting period. The Shire

has not acquired any new entities in this reporting period that have required competitive neutrality testing.

## State Records Act

The Shire is required to manage its records in accordance with the *State Records Act 2000* and the Shire's Record Keeping Plan. This Plan was submitted in accordance with the Act and is approved until 2022, at which time it will be reviewed. Council has adopted its own internal procedural policy with respect to the Plan:

- Efficiency and effectiveness of the Plan is monitored on an ongoing basis by the use of report tracking methods incorporating management software;
- New employees receive face-to-face induction from the Records Officer, covering an overview of the Plan, Record Keeping Procedure Manual, and staff responsibilities, including the capture of emails and procedures for forwarding records for capture into the corporate management system;
- Staff training is conducted on an ongoing basis by providing information services at staff meetings and one-on-one meetings with new staff;
- Software training in the Shire's record tracking system is conducted as required; and
- Offsite storage procedures have been introduced and subsequently reviewed.

## Financial Ratios

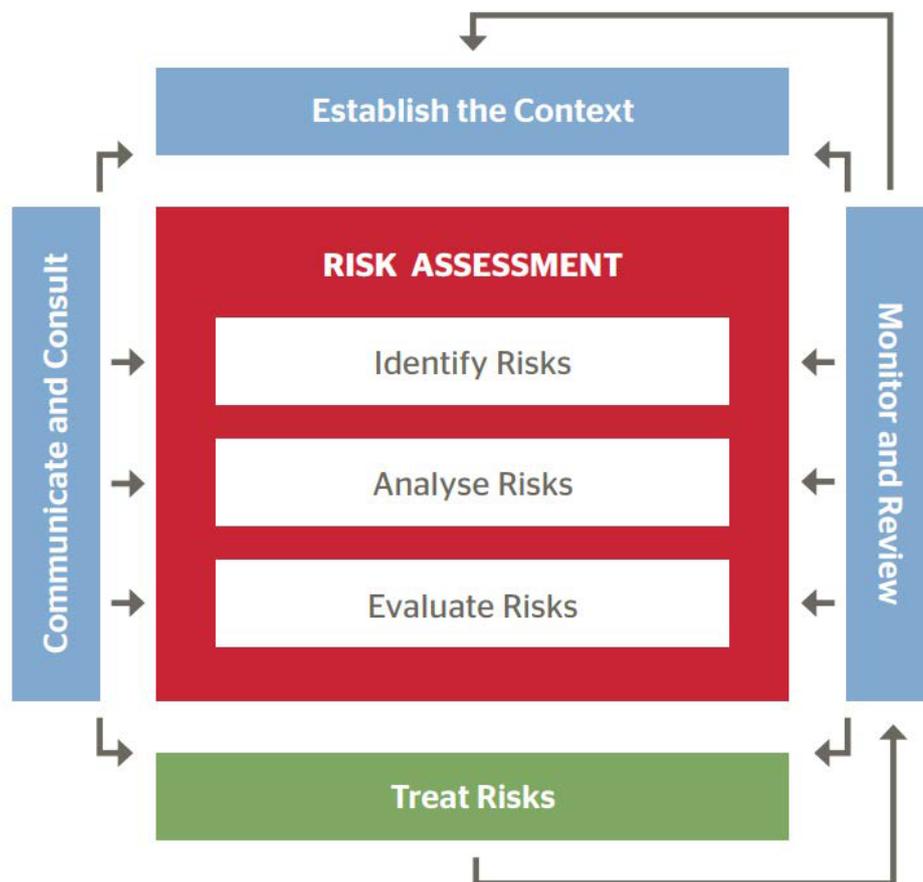
FINANCIAL RATIOS	2022 Actual	2021 Actual	2020 Actual
Current ratio	1.09	1.03	1.22
Asset consumption ratio	0.93	0.92	0.69
Asset renewal ratio	0.93	0.99	1.02
Asset sustainability ratio	0.92	0.85	0.72
Debt service cover ratio	9.45	11.41	16.78
Operating surplus ratio	(0.46)	(0.37)	(0.34)
Own source revenue coverage ratio	0.60	0.62	0.62

## Risk Management

The Shire of Waroona is committed to identifying, measuring and managing risks in order to capitalise on opportunities and achieve the objectives of the Council's strategic plans.

To achieve this, the Shire has adopted a risk management framework aligned to AS/NZS ISO 31000.2018 Risk Management – Principles and Guidelines. The framework, which is comprised of a Risk Management Policy and Strategy, provides a coordinated and systematic process for managing risks, integrating risk management into everyday decision making and business planning.

A Business Continuity Plan also complements this framework, ensuring that the Shire can continue to provide essential services to stakeholders in the event of a crisis or major incident.



---

# SHIRE OF WAROONA

## FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2022

---



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

Certification of Financial Report	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	47

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

We care for our coast, our country and for our community.  
We build on our foundations to be socially, environmentally and financially sound & sustainable.

Principal place of business:  
Shire of Waroona  
52 Hesse Street  
Waroona, Western Australia 6215

**SHIRE OF WAROONA  
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 Waroona 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 Waroona 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 9th day of November 2022



---

Chief Executive Officer

Mr Mark Goodlet

---

Name of Chief Executive Officer



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

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	23(a),2(a)	5,134,120	5,130,352	5,029,681
Operating grants, subsidies and contributions	2(a)	2,015,069	2,415,297	1,555,015
Fees and charges	22(c),2(a)	1,532,657	1,505,267	1,435,073
Interest earnings	2(a)	16,889	21,900	22,557
Other revenue	2(a)	110,526	101,700	63,622
		8,809,261	9,174,516	8,105,948
<b>Expenses</b>				
Employee costs		(3,363,555)	(3,213,126)	(3,034,644)
Materials and contracts		(3,489,745)	(4,027,660)	(3,183,933)
Utility charges		(395,646)	(421,435)	(375,752)
Depreciation	10(a)	(3,545,989)	(3,451,314)	(3,478,686)
Finance costs	2(b)	(24,604)	(22,720)	(21,774)
Insurance		(215,104)	(241,373)	(196,843)
Other expenditure	2(b)	(215,550)	(306,906)	(225,846)
		(11,250,193)	(11,684,534)	(10,517,478)
		(2,440,932)	(2,510,018)	(2,411,530)
Capital grants, subsidies and contributions	2(a)	3,185,338	4,932,073	1,605,434
Profit on asset disposals	10(b)	1,435	38,470	24,532
Loss on asset disposals	10(b)	(48,179)	(957)	(17,273)
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	1,940
		3,141,592	4,969,586	1,614,633
<b>Net result for the period</b>	22(b)	<b>700,660</b>	<b>2,459,568</b>	<b>(796,897)</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	8,852,899	0	0
<b>Total other comprehensive income for the period</b>	16	<b>8,852,899</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>9,553,559</b>	<b>2,459,568</b>	<b>(796,897)</b>

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



**SHIRE OF WAROONA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	NOTE	2022	2021
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	6,312,310	4,909,620
Trade and other receivables	5	1,016,499	504,061
Inventories	6	7,350	6,842
Other assets	7	2,828	0
<b>TOTAL CURRENT ASSETS</b>		<b>7,338,987</b>	<b>5,420,523</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	15,393	9,176
Other financial assets	4	58,353	55,356
Property, plant and equipment	8	47,418,384	38,509,710
Infrastructure	9	91,352,436	90,794,794
Right-of-use assets	11(a)	253,763	329,906
<b>TOTAL NON-CURRENT ASSETS</b>		<b>139,098,329</b>	<b>129,698,942</b>
<b>TOTAL ASSETS</b>		<b>146,437,316</b>	<b>135,119,465</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	1,478,850	1,242,170
Other liabilities	13	1,148,119	374,369
Lease liabilities	11(b)	93,938	90,994
Borrowings	14	95,208	78,116
Employee related provisions	15	739,058	799,370
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,555,173</b>	<b>2,585,018</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	11(b)	159,825	238,912
Borrowings	14	1,695,416	807,716
Employee related provisions	15	22,573	37,049
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,877,814</b>	<b>1,083,677</b>
<b>TOTAL LIABILITIES</b>		<b>5,432,987</b>	<b>3,668,695</b>
<b>NET ASSETS</b>		<b>141,004,329</b>	<b>131,450,770</b>
<b>EQUITY</b>			
Retained surplus		10,817,073	10,064,343
Reserve accounts	26	2,404,494	2,456,564
Revaluation surplus	16	127,782,762	118,929,863
<b>TOTAL EQUITY</b>		<b>141,004,329</b>	<b>131,450,770</b>

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



**SHIRE OF WAROONA**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2020</b>		<b>10,871,198</b>	<b>2,446,606</b>	<b>118,929,863</b>	<b>132,247,667</b>
Comprehensive income for the period					
Net result for the period		(796,897)	0	0	(796,897)
Total comprehensive loss for the period		(796,897)	0	0	(796,897)
Transfers from reserves	26	237,138	(237,138)	0	0
Transfers to reserves	26	(247,096)	247,096	0	0
<b>Balance as at 30 June 2021</b>		<b>10,064,343</b>	<b>2,456,564</b>	<b>118,929,863</b>	<b>131,450,770</b>
Comprehensive income for the period					
Net result for the period		700,660	0	0	700,660
Other comprehensive income for the period	16	0	0	8,852,899	8,852,899
Total comprehensive income for the period		700,660	0	8,852,899	9,553,559
Transfers from reserves	26	214,500	(214,500)	0	0
Transfers to reserves	26	(162,430)	162,430	0	0
<b>Balance as at 30 June 2022</b>		<b>10,817,073</b>	<b>2,404,494</b>	<b>127,782,762</b>	<b>141,004,329</b>

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



**SHIRE OF WAROONA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		5,122,064	5,155,352	5,145,831
Operating grants, subsidies and contributions		2,285,447	2,490,297	1,827,926
Fees and charges		1,532,657	1,505,267	1,435,073
Interest received		16,889	21,900	22,557
Goods and services tax received		0	5,176	0
Other revenue		110,526	93,100	68,622
		9,067,583	9,271,092	8,500,009
<b>Payments</b>				
Employee costs		(3,427,959)	(3,154,526)	(3,093,340)
Materials and contracts		(3,269,285)	(3,951,560)	(2,881,171)
Utility charges		(395,646)	(421,435)	(375,752)
Interest expenses		(24,604)	(24,220)	(21,774)
Insurance paid		(215,104)	(241,373)	(196,843)
Goods and services tax paid		(726)	0	(1,905)
Other expenditure		(215,550)	(306,906)	(225,718)
		(7,548,874)	(8,100,020)	(6,796,503)
<b>Net cash provided by (used in) operating activities</b>	17(b)	1,518,709	1,171,072	1,703,506
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	8(a)	(1,348,293)	(1,283,775)	(1,311,550)
Payments for construction of infrastructure	9(a)	(2,941,298)	(6,604,372)	(1,858,135)
Non-operating grants, subsidies and contributions		3,185,340	4,932,073	1,605,434
Proceeds from sale of property, plant & equipment	10(b)	180,010	208,950	157,732
<b>Net cash provided by (used in) investing activities</b>		(924,241)	(2,747,124)	(1,406,519)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	25(a)	(95,208)	(104,809)	(78,116)
Proceeds from low interest loans		0	0	5,000
Payments for principal portion of lease liabilities	25(d)	(96,570)	0	(90,994)
Proceeds from new borrowings	25(a)	1,000,000	450,000	660,000
<b>Net cash provided by (used in) financing activities</b>		808,222	345,191	495,890
<b>Net increase (decrease) in cash held</b>		1,402,690	(1,230,861)	792,877
Cash at beginning of year		4,909,620	3,878,053	4,116,743
<b>Cash and cash equivalents at the end of the year</b>	17(a)	<b>6,312,310</b>	<b>2,647,192</b>	<b>4,909,620</b>

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



**SHIRE OF WAROONA**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>NET CURRENT ASSETS - At start of financial year - surplus/(deficit)</b>	24(b)	1,356,596	1,363,300	1,187,251
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities (excluding general rate)</b>				
Operating grants, subsidies and contributions		2,015,069	2,415,297	1,555,015
Fees and charges		1,532,657	1,505,267	1,435,073
Interest earnings		16,889	21,900	22,557
Other revenue		110,526	101,700	63,622
Profit on asset disposals	10(b)	1,435	38,470	24,532
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	1,940
		<b>3,679,574</b>	<b>4,082,634</b>	<b>3,102,739</b>
<b>Expenditure from operating activities</b>				
Employee costs		(3,363,555)	(3,213,126)	(3,034,644)
Materials and contracts		(3,489,745)	(4,027,660)	(3,183,933)
Utility charges		(395,646)	(421,435)	(375,752)
Depreciation		(3,545,989)	(3,451,314)	(3,478,686)
Finance costs		(24,604)	(22,720)	(21,774)
Insurance		(215,104)	(241,373)	(196,843)
Other expenditure		(215,550)	(306,906)	(225,846)
Loss on asset disposals	10(b)	(48,179)	(957)	(17,273)
		<b>(11,298,372)</b>	<b>(11,685,491)</b>	<b>(10,534,751)</b>
Non-cash amounts excluded from operating activities	24(a)	3,514,949	3,466,074	3,492,263
<b>Amount attributable to operating activities</b>		<b>(4,103,849)</b>	<b>(4,136,783)</b>	<b>(3,939,749)</b>
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		3,185,340	4,932,073	1,605,434
Proceeds from disposal of assets	10(b)	180,010	208,950	157,732
Purchase of property, plant and equipment	8(a)	(1,348,293)	(1,283,776)	(1,311,550)
Purchase and construction of infrastructure	9(a)	(2,941,298)	(6,604,372)	(1,858,135)
		<b>(924,241)</b>	<b>(2,747,125)</b>	<b>(1,406,519)</b>
<b>Amount attributable to investing activities</b>		<b>(924,241)</b>	<b>(2,747,125)</b>	<b>(1,406,519)</b>
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	25(a)	(95,208)	(104,809)	(78,116)
Proceeds from borrowings	25(a)	1,000,000	450,000	660,000
Proceeds from low interest loans		0	0	5,000
Payments for principal portion of lease liabilities	25(d)	(96,570)	0	(90,994)
Transfers to reserves (restricted assets)	26	(162,430)	(145,260)	(247,096)
Transfers from reserves (restricted assets)	26	214,500	190,325	237,138
<b>Amount attributable to financing activities</b>		<b>860,292</b>	<b>390,256</b>	<b>485,932</b>
<b>Surplus/(deficit) before imposition of general rates</b>		<b>(2,811,203)</b>	<b>(5,130,352)</b>	<b>(3,673,085)</b>
<b>Total amount raised from general rates</b>	23(a)	<b>5,134,120</b>	<b>5,130,352</b>	<b>5,029,681</b>
<b>Surplus/(deficit) after imposition of general rates</b>	24(b)	<b>2,322,917</b>	<b>0</b>	<b>1,356,596</b>

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



**SHIRE OF WAROONA**  
**FOR THE YEAR ENDED 30 JUNE 2022**  
**INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	13
Note 7	Other Assets	14
Note 8	Property, Plant and Equipment	15
Note 9	Infrastructure	17
Note 10	Fixed Assets	19
Note 11	Leases	22
Note 12	Trade and Other Payables	24
Note 13	Other Liabilities	25
Note 14	Borrowings	26
Note 15	Employee Related Provisions	27
Note 16	Revaluation Surplus	28
Note 17	Notes to the Statement of Cash Flows	29
Note 18	Contingent Liabilities	30
Note 19	Related Party Transactions	31
Note 20	Financial Risk Management	33
Note 21	Other Significant Accounting Policies	36
Note 22	Function and Activity	37
<b>Information required by legislation</b>		
Note 23	Rating Information	40
Note 24	Rate Setting Statement Information	42
Note 25	Borrowing and Lease Liabilities	43
Note 26	Reserve accounts	45
Note 27	Trust Funds	46

**SHIRE OF WAROONA**  
**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 no consistent 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.

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 27 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

**SHIRE OF WAROONA**  
**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
Rates / Service Charges / Waste Collection	General rates, waste collection, kerbside collection	Over time	Payment dates adopted by Council	None	When rates notice is issued
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not completed	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants / fees and charges / other revenue	General appropriations and contributions with no reciprocal commitments, cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of services or completed works
Licence / registration / approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Pool and other inspections	Compliance safety check / regulatory food, health and safety	Single point in time	Full payment prior to issue	None	Revenue recognised after inspections event occurs
Commissions	Commissions on licencing	Over time	Payment in full on sale	None	On payment and issue of the licence, registration or approval
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

**Revenue Recognition**

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

**For the year ended 30 June 2022**

**Nature or type**

	Contracts with customers	Capital grant/contributions	Statutory Requirements	Total
	\$	\$	\$	\$
Rates	0	0	5,134,120	5,134,120
Operating grants, subsidies and contributions	0	2,015,069	0	2,015,069
Fees and charges	1,328,701	0	203,956	1,532,657
Interest earnings	16,889	0	0	16,889
Other revenue	110,526	0	0	110,526
Non-operating grants, subsidies and contributions	0	3,185,338	0	3,185,338
<b>Total</b>	<b>1,456,116</b>	<b>5,200,407</b>	<b>5,338,076</b>	<b>11,994,599</b>

**For the year ended 30 June 2021**

**Nature or type**

	Contracts with customers	Capital grant/contributions	Statutory Requirements	Total
	\$	\$	\$	\$
Rates	0	0	5,029,681	5,029,681
Operating grants, subsidies and contributions	0	1,555,015	0	1,555,015
Fees and charges	1,256,780	0	178,293	1,435,073
Interest earnings	22,557	0	0	22,557
Other revenue	63,622	0	0	63,622
Non-operating grants, subsidies and contributions	0	1,605,434	0	1,605,434
<b>Total</b>	<b>1,342,959</b>	<b>3,160,449</b>	<b>5,207,974</b>	<b>9,711,382</b>

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

**2. REVENUE AND EXPENSES (Continued)**

	Note	2022 Actual	2022 Budget	2021 Actual
<b>Interest earnings</b>				
Interest on reserve funds		9,579	7,900	12,915
Other interest earnings		7,310	14,000	9,642
		16,889	21,900	22,557
<b>(b) Expenses</b>				
<b>Auditors remuneration</b>				
- Audit of the Annual Financial Report		26,000	28,500	26,000
- Other audit fees		1,800	0	0
		27,800	28,500	26,000
<b>Finance costs</b>				
Borrowings	25(a)	19,708	22,720	18,090
Lease liabilities	25(a)	4,896	0	3,684
		24,604	22,720	21,774
<b>Other expenditure</b>				
Sundry expenses		215,550	306,906	225,846
		215,550	306,906	225,846

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

**3. CASH AND CASH EQUIVALENTS**

Cash at bank and on hand  
 Term deposits  
**Total cash and cash equivalents**

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

Note	2022	2021
	\$	\$
	3,907,816	2,453,058
	2,404,494	2,456,562
17(a)	6,312,310	4,909,620
	3,457,816	2,453,056
17(a)	2,854,494	2,456,564
	6,312,310	4,909,620

**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.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

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

**Restricted financial assets**

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

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

**4. OTHER FINANCIAL ASSETS**

**Non-current assets**

Financial assets at fair value through profit and loss

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

Units in Local Government House Trust

2022	2021
\$	\$
58,353	55,356
58,353	55,356
58,353	55,356
58,353	55,356

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 21 (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.

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

**5. TRADE AND OTHER RECEIVABLES**

**Current**

Rates receivable  
Trade and other receivables  
GST receivable

**Non-current**

Pensioner's rates and ESL deferred

Note	2022	2021
	\$	\$
	291,707	283,368
	722,860	219,487
	1,932	1,206
	1,016,499	504,061
	15,393	9,176
	15,393	9,176

**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 20.

**Classification and subsequent measurement**

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

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

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

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

**6. INVENTORIES**

**Current**

Fuel and materials  
Kiosk stock

Note	2022	2021
	\$	\$
	3,337	4,951
	4,013	1,891
	7,350	6,842

The following movements in inventories occurred during the year:

**Balance at beginning of year**

Inventories expensed during the year  
Additions to inventory

**Balance at end of year**

	6,842	10,676
	(126,258)	(90,493)
	126,766	86,659
	7,350	6,842

**SIGNIFICANT ACCOUNTING POLICIES**

**General**

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

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

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

**7. OTHER ASSETS**

	2022	2021
	\$	\$
Accrued income	2,828	0
	2,828	0

**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.

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

**8. PROPERTY, PLANT AND EQUIPMENT**

**(a) Movements in Balances**

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

	Note	Land	Buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		17,926,000	17,773,416	35,699,416	177,522	2,531,212	38,408,150
Additions		667,625	57,318	724,943	56,913	529,694	1,311,550
Disposals		0	0	0	0	(150,473)	(150,473)
Depreciation	10(a)	0	(806,167)	(806,167)	(37,268)	(216,082)	(1,059,517)
<b>Balance at 30 June 2021</b>		18,593,625	17,024,567	35,618,192	197,167	2,694,351	38,509,710
<b>Comprises:</b>							
Gross balance amount at 30 June 2021		18,593,625	20,093,544	38,687,169	333,953	3,523,799	42,544,921
Accumulated depreciation at 30 June 2021		0	(3,068,977)	(3,068,977)	(136,786)	(829,448)	(4,035,211)
<b>Balance at 30 June 2021</b>		18,593,625	17,024,567	35,618,192	197,167	2,694,351	38,509,710
Additions		338,000	505,888	843,888	18,545	485,860	1,348,293
Disposals		(115,000)	0	(115,000)	0	(111,753)	(226,753)
Depreciation	10(a)	0	(803,474)	(803,474)	(45,506)	(216,785)	(1,065,765)
Fair value adjustment		1,234,375	7,618,524	8,852,899	0	0	8,852,899
<b>Balance at 30 June 2022</b>		20,051,000	24,345,505	44,396,505	170,206	2,851,673	47,418,384
<b>Comprises:</b>							
Gross balance amount at 30 June 2022		20,051,000	24,345,505	44,396,505	352,500	3,860,780	48,609,785
Accumulated depreciation at 30 June 2022		0	0	0	(182,294)	(1,009,107)	(1,191,401)
<b>Balance at 30 June 2022</b>		20,051,000	24,345,505	44,396,505	170,206	2,851,673	47,418,384

**SHIRE OF WAROONA  
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**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
<b>(i) Fair Value</b>					
<b>Land and buildings</b>					
Land	2/3	Valuations were made on the basis of observable open markets of similar assets, adjusted for condition and comparability at their highest and best use	Independent registered valuer	June 2022	Market Value
Buildings	2/3	Valuations were made on the basis of observable open markets of similar assets, adjusted for condition and comparability at their highest and best use cost approach using depreciated replacement cost	Independent registered valuer	June 2022	Market Value / Depreciated Replacement Cost

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**

<b>Furniture and equipment</b>	Cost	Cost	Purchase cost
<b>Plant and equipment</b>	Cost	Cost	Purchase cost

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

SHIRE OF WAROONA  
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	Other infrastructure - Bridges	Other infrastructure - Drainage	Other infrastructure - Footpaths	Other infrastructure - Other	Other infrastructure - Parks & Ovals	Total Infrastructure
<b>Balance at 1 July 2020</b>	\$ 75,250,171	\$ 2,063,990	\$ 9,157,366	\$ 1,143,089	\$ 1,163,794	\$ 2,486,426	\$ 91,264,836
Additions	1,503,885		68,087	26,627	165,613	93,923	1,858,135
(Disposals)	0	0	0	0	0	0	0
Adjustment between classes	0	0	0	316,625	1,103,315	(1,419,940)	0
Depreciation	10(a) (1,647,137)	(81,040)	(245,980)	(55,696)	(171,737)	(126,585)	(2,328,175)
<b>Balance at 30 June 2021</b>	75,106,919	1,982,951	8,979,473	1,430,644	2,260,984	1,033,824	90,794,795
<b>Comprises:</b>							
Gross balance at 30 June 2021	79,900,768	2,226,070	9,715,938	1,596,078	2,795,932	1,385,649	97,620,435
Accumulated depreciation at 30 June 2021	(4,793,849)	(243,119)	(736,465)	(165,434)	(534,949)	(351,825)	(6,825,641)
Accumulated impairment loss at 30 June 2021							0
<b>Balance at 30 June 2021</b>	75,106,919	1,982,951	8,979,473	1,430,644	2,260,983	1,033,824	90,794,794
Additions	2,378,617	0	0	63,895	160,845	337,941	2,941,298
Depreciation	10(a) (1,684,241)	(81,040)	(247,749)	(56,593)	(179,608)	(134,425)	(2,383,656)
<b>Balance at 30 June 2022</b>	75,801,295	1,901,911	8,731,724	1,437,946	2,242,220	1,237,340	91,352,436
<b>Comprises:</b>							
Gross balance at 30 June 2022	82,279,385	2,226,070	9,715,938	1,659,973	2,956,777	1,723,589	100,561,732
Accumulated depreciation at 30 June 2022	(6,478,090)	(324,159)	(984,214)	(222,027)	(714,557)	(486,249)	(9,209,296)
<b>Balance at 30 June 2022</b>	75,801,295	1,901,911	8,731,724	1,437,946	2,242,220	1,237,340	91,352,436

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

**9. INFRASTRUCTURE (Continued)**

**(b) Carrying Value Measurements**

<b>(i) Fair Value</b>	<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of Valuation</b>	<b>Date of Last Valuation</b>	<b>Inputs Used</b>
	<b>Infrastructure - Roads</b>	3	Depreciated replacement costs	Independent registered valuer	June 2018	Construction costs and current condition levels, residual values and remaining useful life assessments
	<b>Other infrastructure - Bridges</b>	3	Depreciated replacement costs	Independent registered valuer	June 2018	Construction costs and current condition levels, residual values and remaining useful life assessments
	<b>Other infrastructure - Drainage</b>	3	Depreciated replacement costs	Independent registered valuer	June 2018	Construction costs and current condition levels, residual values and remaining useful life assessments
	<b>Other infrastructure - Footpaths</b>	3	Depreciated replacement costs	Independent registered valuer	June 2018	Construction costs and current condition levels, residual values and remaining useful life assessments
	<b>Other infrastructure - Other</b>	3	Depreciated replacement costs	Independent registered valuer	June 2018	Construction costs and current condition levels, residual values and remaining useful life assessments
	<b>Other infrastructure - Parks &amp; Ovals</b>	3	Depreciated replacement costs	Independent registered valuer	June 2018	Construction costs and current condition levels, 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.

**SHIRE OF WAROONA**  
**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	8(a)	803,470	806,933	806,167
Furniture and equipment	8(a)	45,506	45,650	37,268
Plant and equipment	8(a)	216,785	223,904	216,082
Infrastructure - Roads	9(a)	1,684,241	1,675,277	1,647,137
Other infrastructure - Bridges	9(a)	81,040	83,243	81,040
Other infrastructure - Drainage	9(a)	247,749	252,666	245,980
Other infrastructure - Footpaths	9(a)	56,593	57,210	55,696
Other infrastructure - Other	9(a)	179,608	176,405	171,737
Other infrastructure - Parks & Ovals	9(a)	134,425	130,026	126,585
Right-of-use assets - plant and equipment	11(a)	96,570	0	90,994
		<b>3,545,987</b>	<b>3,451,314</b>	<b>3,478,686</b>

**Depreciation rates**

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

Asset Class	Useful life
Buildings	40-60 yrs
Furniture & Equipment	3-20 yrs
Plant & Equipment	5-20 yrs
Bridges	60-90 yrs
Footpaths	20-50 yrs
Sealed Roads & Streets	
Construction	45-55 yrs
Bituminous Seals	15-25 yrs
Asphalt Seals	25-30 yrs
Uniformed Roads	
Formed	10-15 yrs
Gravel	12-15 yrs

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

**10. FIXED ASSETS (Continued)**

**(b) 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	115,000	87,282	0	(27,718)	0	0	0	0	0	0	0	0
Plant and equipment	111,753	92,728	1,435	(20,461)	171,437	208,950	38,470	(957)	150,473	157,732	24,532	(17,273)
	226,753	180,010	1,435	(48,179)	171,437	208,950	38,470	(957)	150,473	157,732	24,532	(17,273)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
	\$	\$	\$	\$
<b>Plant and Equipment</b>				
<b>Recreation and culture</b>				
Subaru XV	24,250	25,455	1,205	0
<b>Transport</b>				
Isuzu Tip Truck	56,825	36,364	0	(20,461)
Subaru Outback	30,679	30,909	230	0
	111,754	92,728	1,435	(20,461)
<b>Land</b>				
<b>Governance</b>				
27 Sundercombe Loop	115,000	87,282	0	(27,718)
	115,000	87,282	0	(27,718)
	226,754	180,010	1,435	(48,179)

**SHIRE OF WAROONA**  
**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 This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

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

**Revaluation (continued)**

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

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

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

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

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

**Depreciation on revaluation**

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

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

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

**11. LEASES**

**(a) Right-of-Use Assets**

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - plant and equipment	Right-of-use assets Total
		\$	\$
<b>Balance at 1 July 2020</b>		79,971	79,971
Additions		340,929	340,929
Depreciation		(90,994)	(90,994)
<b>Balance at 30 June 2021</b>		329,906	329,906
Additions		20,427	20,427
Depreciation	10(a)	(96,570)	(96,570)
<b>Balance at 30 June 2022</b>		253,763	253,763

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	10(a)	(96,570)	(90,994)
Interest expense on lease liabilities	25(d)	(4,896)	(3,684)
<b>Total amount recognised in the statement of comprehensive income</b>		(101,466)	(94,678)

**(b) Lease Liabilities**

Current		93,938	90,994
Non-current		159,825	238,912
	25(d)	253,763	329,906

**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 25(d).

### Right-of-use assets - valuation measurement

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

Refer to Note 10 under revaluation for details on the significant accounting policies applying to vested improvements.

### Right-of-use assets - depreciation

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

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

**12. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors	776,240	453,081
Prepaid rates	140,179	137,679
Accrued payroll liabilities	13,219	2,906
GST Payable	71	0
Bonds and deposits held	544,989	645,841
Accrued interest	3,250	2,663
Accrued expenses	902	0
	<b>1,478,850</b>	<b>1,242,170</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

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

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

**Prepaid rates**

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

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

**13. OTHER LIABILITIES**

**Current**

Contract liabilities

	2022	2021
	\$	\$
Contract liabilities	1,148,119	374,369
	<u>1,148,119</u>	<u>374,369</u>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	374,369	77,597
Additions	1,148,119	296,772
Revenue from contracts with customers included as a contract liability at the start of the period	(374,369)	
	<u>1,148,119</u>	<u>374,369</u>
	1,148,119	374,369
	<u>1,148,119</u>	<u>374,369</u>

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.

**Expected satisfaction of contract liabilities**

Less than 1 year

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

**SIGNIFICANT ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

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

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

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

**14. BORROWINGS**

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
Loans		95,208	1,695,416	1,790,624	78,116	807,716	885,832
Total secured borrowings	25(a)	95,208	1,695,416	1,790,624	78,116	807,716	885,832

**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 Waroona.

The Shire of Waroona 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 different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 20.

Details of individual borrowings required by regulations are provided at Note 25(a).

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

**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	2022	2021
	\$	\$
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual Leave	281,591	272,057
Long Service Leave	457,467	527,313
	<u>739,058</u>	<u>799,370</u>
<b>Non-current provisions</b>		
Long Service Leave	22,573	37,049
	<u>22,573</u>	<u>37,049</u>
	<u>761,631</u>	<u>836,419</u>

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

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

**Amounts are expected to be settled on the following basis:**

	2022	2021
	\$	\$
Less than 12 months after the reporting date	84,477	81,617
More than 12 months from reporting date	677,154	754,802
	<u>761,631</u>	<u>836,419</u>

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

	62,158	41,898
--	--------	--------

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

16. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Revaluation (Decrement)	Total Movement on Revaluation	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land & Building	28,656,391	8,852,899	0	8,852,899	37,509,290	28,656,391	0	0	0	28,656,391
Revaluation surplus - Furniture and equipment	37,322	0	0	0	37,322	37,322	0	0	0	37,322
Revaluation surplus - Plant and equipment	655,570	0	0	0	655,570	655,570	0	0	0	655,570
Revaluation surplus - Infrastructure - Roads	80,054,881	0	0	0	80,054,881	80,054,881	0	0	0	80,054,881
Revaluation surplus - Other infrastructure - Bridges	1,540,482	0	0	0	1,540,482	1,540,482	0	0	0	1,540,482
Revaluation surplus - Other infrastructure - Drainage	4,554,758	0	0	0	4,554,758	4,554,758	0	0	0	4,554,758
Revaluation surplus - Other infrastructure - Other	2,598,830	0	0	0	2,598,830	1,495,515	1,103,315	0	1,103,315	2,598,830
Revaluation surplus - Other infrastructure - Parks & Ovals	831,629	0	0	0	831,629	2,251,569	0	(1,419,940)	(1,419,940)	831,629
	118,929,863	8,852,899	0	8,852,899	127,782,762	118,929,863	1,419,940	(1,419,940)	0	118,929,863

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

**SHIRE OF WAROONA**  
**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	6,312,310	2,647,192	4,909,620

**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	2,854,494	2,411,496	2,456,564
		<u>2,854,494</u>	<u>2,411,496</u>	<u>2,456,564</u>

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts	26	2,404,494	2,411,496	2,456,564
Unspent loans	25(c)	450,000	0	0
<b>Total restricted financial assets</b>		<u>2,854,494</u>	<u>2,411,496</u>	<u>2,456,564</u>

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

Net result		700,660	2,459,568	(796,897)
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(2,998)	0	(1,940)
Depreciation/amortisation		3,545,987	3,451,314	3,478,686
(Profit)/loss on sale of asset		46,744	(37,513)	(7,259)
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(518,653)	105,176	64,295
(Increase)/decrease in other receivables		(2,828)	0	(5,000)
(Increase)/decrease in inventories		(508)	(2,500)	3,834
Increase/(decrease) in trade and other payables		236,680	77,100	253,670
Increase/(decrease) in employee related provisions		(74,788)	50,000	22,779
Increase/(decrease) in other liabilities		773,750	0	296,772
Non-operating grants, subsidies and contributions		(3,185,338)	(4,932,073)	(1,605,434)
Net cash provided by/(used in) operating activities		<u>1,518,709</u>	<u>1,171,072</u>	<u>1,703,506</u>

**(c) Undrawn Borrowing Facilities  
Credit Standby Arrangements**

Bank overdraft limit		500,000	0	500,000
Bank overdraft at balance date		0	0	0
Credit card limit		52,000	0	43,000
Credit card balance at balance date		0	0	0
<b>Total amount of credit unused</b>		<u>552,000</u>	<u>0</u>	<u>543,000</u>

**Loan facilities**

Loan facilities - current		95,208	0	78,116
Loan facilities - non-current		1,695,416	0	807,716
<b>Total facilities in use at balance date</b>		<u>1,790,624</u>	<u>0</u>	<u>885,832</u>

**Unused loan facilities at balance date**

		450,000	0	0
--	--	---------	---	---

**SHIRE OF WAROONA**  
**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 Waroona has a listed site to be possible source of contamination. Details of the site are:

Lot 1701 on Plan 214632 Buller Road, Waroona

Until the Shire of Waroona 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 site. This approach is consistent with the Department of Water and Environmental Regulation guidelines.

Lot 1619 on Plan 4622 Coronation Road, Waroona

Until the Shire of Waroona 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 site. This approach is consistent with the Department of Water and Environmental Regulation guidelines.

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

**19. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
<b>Cr Walmsley</b>			
President's annual allowance	9,943	9,943	9,700
Meeting attendance fees	9,430	9,430	9,200
Communication annual allowance	850	850	850
ICT annual allowance	500	500	500
	20,723	20,723	20,250
<b>Cr Purcell</b>			
Deputy President's annual allowance	2,486	2,486	2,300
Meeting attendance fees	9,430	9,430	9,200
Communication annual allowance	850	850	850
ICT annual allowance	500	500	500
	13,266	13,266	12,850
<b>Cr Mason</b>			
Meeting attendance fees	9,430	9,430	9,200
Communication annual allowance	850	850	850
ICT annual allowance	500	500	500
	10,780	10,780	10,550
<b>Cr Snell</b>			
Meeting attendance fees	9,430	9,430	9,200
Communication annual allowance	850	850	850
ICT annual allowance	500	500	500
	10,780	10,780	10,550
<b>Cr Odorisio</b>			
Meeting attendance fees	9,430	9,430	9,200
Communication annual allowance	850	850	850
ICT annual allowance	500	500	500
	10,780	10,780	10,550
<b>Cr Vitale</b>			
Meeting attendance fees	9,430	9,430	9,200
Communication annual allowance	850	850	850
ICT annual allowance	500	500	500
	10,780	10,780	10,550
<b>Cr Pisconeri</b>			
Meeting attendance fees	6,662	9,430	0
Communication annual allowance	601	850	0
ICT annual allowance	353	500	0
	7,616	10,780	0
<b>Cr Woodbury</b>			
Meeting attendance fees	1,947	9,430	0
Communication annual allowance	176	850	0
ICT annual allowance	103	500	0
	2,226	10,780	0
<b>Cr Scott</b>			
Meeting attendance fees	2,768	0	9,200
Communication annual allowance	249	0	850
ICT annual allowance	147	0	500
	3,164	0	10,550
<b>Cr Dew</b>			
Meeting attendance fees	2,768	0	9,200
Communication annual allowance	249	0	850
ICT annual allowance	147	0	500
Other expenses	433	0	1,089
	3,597	0	11,639
	93,712	98,669	97,489

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

**19 RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

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

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
President's annual allowance	9,943	9,943	9,700
Deputy President's annual allowance	2,486	2,486	2,300
Meeting attendance fees	70,725	75,440	73,600
Communication annual allowance	6,375	6,800	6,800
ICT annual allowance	3,750	4,000	4,000
Other expenses	433	0	1,089
19(b)	93,712	98,669	97,489

**(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	908,581	1,085,907
Post-employment benefits	103,690	121,065
Employee - other long-term benefits	(27,882)	7,914
Council member costs	93,712	97,489
19(a)	1,078,101	1,312,375

*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.

*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
	\$	\$
Purchase of goods and services	31,759	46,926
<b>Amounts payable to related parties:</b>		
Trade and other payables	2,894	670

**(d) Related Parties**

**The Shire's main related parties are as follows:**

**i. Key management personnel**

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

**ii. Other Related Parties**

An associate person of KMP was employed by the Shire under normal employment terms and conditions. Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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

**20. 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.

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

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

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

**(a) Interest rate risk**

**Cash and cash equivalents**

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

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

	<b>Weighted Average Interest Rate</b>	<b>Carrying Amounts</b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non Interest Bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2022</b>					
Cash and cash equivalents	0.26%	6,312,310	2,404,494	3,907,816	0
<b>2021</b>					
Cash and cash equivalents	0.50%	4,909,620	2,456,562	2,453,058	0

**Sensitivity**

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

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

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
	39,078	24,531

\* 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 25(a).

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

**20. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

**Trade and Other Receivables**

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

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

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

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
<b>30 June 2022</b>						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	129,129	41,331	62,732	58,515	291,707	
Loss allowance	0	0	0	0	0	5
<b>30 June 2021</b>						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	139,229	38,014	67,761	38,364	283,368	
Loss allowance	0	0	0	0	0	5

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	Note
<b>30 June 2022</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	716,617	165	0	6,078	722,860	
Loss allowance	0	0	0	0	0	5
<b>30 June 2021</b>						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	210,208	1,401	0	7,877	219,486	
Loss allowance	0	0	0	0	0	5

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

**20. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk**

**Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 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
	\$	\$	\$	\$	\$
<b><u>2022</u></b>					
Trade and other payables	933,861	544,989	0	1,478,850	1,478,850
Borrowings	133,651	373,861	1,349,007	1,856,519	1,790,624
Lease liabilities	93,938	159,825	0	253,763	253,763
	<u>1,161,450</u>	<u>1,078,675</u>	<u>1,349,007</u>	<u>3,589,132</u>	<u>3,523,237</u>
<b><u>2021</u></b>					
Trade and other payables	596,329	645,841	0	1,242,170	1,242,170
Borrowings	98,439	300,502	506,860	905,801	885,832
Lease liabilities	90,994	238,912	0	329,906	329,906
	<u>785,762</u>	<u>1,185,255</u>	<u>506,860</u>	<u>2,477,877</u>	<u>2,457,908</u>

## 21. 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.

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

**22. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

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

<b>Objective</b>	<b>Description</b>
<p><b>Governance</b></p> <p>To provide a decision making process for the efficient allocation of scarce resources.</p>	<p>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.</p>
<p><b>General purpose funding</b></p> <p>To collect revenue to allow for the provision of services</p>	<p>Rates, general purpose government grants and interest revenue.</p>
<p><b>Law, order, public safety</b></p> <p>To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.</p>
<p><b>Health</b></p> <p>To provide an operational framework for environmental and community health.</p>	<p>Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.</p>
<p><b>Education and welfare</b></p> <p>To provide services to disadvantaged persons, the elderly, children and youth.</p>	<p>Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centres. Provision and maintenance of home and community care programs and youth services.</p>
<p><b>Housing</b></p> <p>To provide and maintain staff and elderly residents housing.</p>	<p>Provision and maintenance of staff and elderly residents housing.</p>
<p><b>Community amenities</b></p> <p>To provide services required by the community.</p>	<p>Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban stormwater drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.</p>
<p><b>Recreation and culture</b></p> <p>To establish and effectively manage infrastructure and resource which will help the social well-being of the community.</p>	<p>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, museum and other cultural facilities.</p>
<p><b>Transport</b></p> <p>To provide safe, effective and efficient transport services to the community.</p>	<p>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.</p>
<p><b>Economic services</b></p> <p>To help promote the shire and its economic wellbeing.</p>	<p>Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.</p>
<p><b>Other property and services</b></p> <p>To monitor and control the Shire's overhead operating accounts.</p>	<p>Private works operation, plant repair and operation costs and engineering operation costs.</p>

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

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

**(b) Income and expenses**

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income excluding capital grants, subsidies and contributions</b>			
Governance	75,813	50,354	151,717
General purpose funding	6,412,829	5,653,229	5,999,425
Law, order, public safety	125,606	118,238	131,499
Health	41,164	37,700	38,780
Education and welfare	51,634	55,783	57,816
Housing	16,518	14,300	15,061
Community amenities	1,253,285	1,308,241	1,091,483
Recreation and culture	465,435	1,211,485	413,616
Transport	238,369	103,781	104,216
Economic services	96,435	640,475	93,521
Other property and services	36,607	24,400	35,285
	<b>8,813,695</b>	<b>9,217,986</b>	<b>8,132,419</b>
<b>Capital grants, subsidies and contributions</b>			
General purpose funding	1,139,211	1,281,025	481,656
Law, order, public safety	62,909	62,909	66,076
Community amenities	0	10,000	19,000
Recreation and culture	119,606	68,000	0
Transport	1,638,723	1,760,139	1,018,702
Economic services	224,889	1,750,000	20,000
	<b>3,185,338</b>	<b>4,932,073</b>	<b>1,605,434</b>
<b>Total Income</b>	<b>11,999,033</b>	<b>14,150,059</b>	<b>9,737,853</b>
<b>Expenses</b>			
Governance	(1,564,386)	(1,508,539)	(1,475,757)
General purpose funding	(208,626)	(185,986)	(113,476)
Law, order, public safety	(712,240)	(675,135)	(598,918)
Health	(208,390)	(213,166)	(204,352)
Education and welfare	(398,691)	(490,530)	(368,721)
Housing	(33,133)	(10,344)	(8,643)
Community amenities	(1,720,287)	(1,875,746)	(1,548,760)
Recreation and culture	(2,889,282)	(3,163,356)	(2,712,326)
Transport	(2,857,336)	(2,902,377)	(2,818,685)
Economic services	(702,649)	(641,407)	(605,047)
Other property and services	(3,353)	(23,905)	(80,065)
<b>Total expenses</b>	<b>(11,298,373)</b>	<b>(11,690,491)</b>	<b>(10,534,750)</b>
<b>Net result for the period</b>	<b>700,660</b>	<b>2,459,568</b>	<b>(796,897)</b>

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

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

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
<b>(c) Fees and Charges</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
General purpose funding	64,840	36,600	51,686
Governance	40,971	34,080	35,494
Law, order, public safety	33,117	39,250	43,908
Health	41,164	37,600	38,780
Education and welfare	310	410	410
Housing	13,563	14,300	14,165
Community amenities	1,065,105	1,106,041	893,271
Recreation and culture	169,989	158,240	272,607
Transport	297	150	150
Economic services	96,435	73,696	81,586
Other property and services	6,866	4,900	3,016
	<b>1,532,657</b>	<b>1,505,267</b>	<b>1,435,073</b>
<b>(d) Total Assets</b>	<b>\$</b>	<b>\$</b>	
Governance	3,095,859	2,942,251	
General purpose funding	6,799,644	5,256,787	
Law, order, public safety	2,771,082	2,727,656	
Health	2,005,886	1,692,043	
Education and welfare	530,562	288,644	
Housing	142,700	180,000	
Community amenities	10,409,479	10,660,503	
Recreation and culture	35,354,009	28,168,528	
Transport	80,461,470	79,617,658	
Economic services	1,781,953	939,356	
Other property and services	1,161,977	1,027,556	
Unallocated	1,922,695	1,618,483	
	<b>146,437,316</b>	<b>135,119,465</b>	

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

23. RATING INFORMATION

(a) General Rates

RATE TYPE		2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2020/21	
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value *	Actual Rate Revenue	Actual Interim Rates	Actual Back Rates	Actual Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue
		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross rental valuations	Gross rental valuation	10.5083	1,393	22,874,280	2,403,698	(1,029)		2,402,669	2,403,699	0	0	2,403,699	2,419,708
Unimproved valuations	Unimproved valuation	0.8055	564	224,870,000	1,811,329	4,797		1,816,126	1,811,328	0	0	1,811,328	1,785,573
<b>Sub-Total</b>			1,957	247,744,280	4,215,027	3,768	0	4,218,795	4,215,027	0	0	4,215,027	4,205,281
<b>Minimum payment</b>													
		\$											
Gross rental valuations	Gross rental valuation	1,175	674	4,899,358	791,950			791,950	791,950	0	0	791,950	713,335
Unimproved valuations	Unimproved valuation	1,175	105	8,944,099	123,375			123,375	123,375	0	0	123,375	111,065
<b>Sub-Total</b>			779	13,843,457	915,325	0	0	915,325	915,325	0	0	915,325	824,400
			2,736	261,587,737	5,130,352	3,768	0	5,134,120	5,130,352	0	0	5,130,352	5,029,681
<b>Total amount raised from general rates</b>								5,134,120				5,130,352	5,029,681
								<b>5,134,120</b>				5,130,352	5,029,681

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

(b) Total Rates

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

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

**23. RATING INFORMATION (Continued)**

**(c) Interest Charges & Instalments**

<b>Instalment Options</b>	<b>Date Due</b>	<b>Instalment Plan Admin Charge</b>	<b>Instalment Plan Interest Rate</b>	<b>Unpaid Rates Interest Rate</b>
		<b>\$</b>	<b>%</b>	<b>%</b>
<b>Option One</b>				
Single full payment	10/09/2021	0.0	0.00%	0.00%
<b>Option Two</b>				
First instalment	10/09/2021	0.0	0.00%	0.00%
Second instalment	10/11/2021	10.0	5.50%	7.00%
<b>Option Three</b>				
First instalment	10/09/2021	0.0	0.00%	0.00%
Second instalment	10/11/2021	10.0	5.50%	7.00%
Third instalment	10/01/2022	10.0	5.50%	7.00%
Fourth instalment	10/03/2022	10.0	5.50%	7.00%

	<b>2022 Actual</b>	<b>2022 Budget</b>	<b>2021 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Interest on unpaid rates	25,269	21,400	29,478
Interest on instalment plan	14,032	14,200	14,596
Charges on instalment plan	15,560	18,200	16,910
	<b>54,861</b>	<b>53,800</b>	<b>60,984</b>

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

**24 RATE SETTING STATEMENT INFORMATION**

		2021/22 Budget	2021/22	2020/21
	2021/22	(30 June 2022	(30 June 2022	(30 June 2021
Note	Carried Forward)	Carried Forward)	(1 July 2021 Brought Forward)	Carried Forward)
	\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	10(b)	(1,435)	(38,470)	(24,532)
Less: Fair value adjustments to financial assets at fair value through profit and loss		(2,998)	0	(1,940)
Add: Loss on disposal of assets	10(b)	48,179	957	17,273
Add: Depreciation	10(a)	3,545,989	3,451,314	3,478,686
Non-cash movements in non-current assets and liabilities:				
Employee benefit provisions		(74,786)	52,273	22,776
<b>Non-cash amounts excluded from operating activities</b>		3,514,949	3,466,074	3,492,263
<b>(b) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Reserve accounts	26	(2,404,494)	(2,411,496)	(2,456,564)
<b>Total adjustments to net current assets</b>		(2,404,494)	(2,411,496)	(2,456,564)
<b>Net current assets used in the Rate Setting Statement</b>				
Total current assets		6,669,211	2,932,648	4,650,148
Less: Total current liabilities		(1,941,800)	(521,152)	(836,988)
Less: Total adjustments to net current assets		(2,404,494)	(2,411,496)	(2,456,564)
<b>Net current assets used in the Rate Setting Statement</b>		2,322,917	0	1,356,596

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

25 BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Loan No.	Actual							Budget			
		Principal			Principal at 30 June 2021	Principal			Principal at 1 July 2021	Principal		
		Principal at 1 July 2020	New Loans During 2020-21	Repayments During 2020-21		New Loans During 2021-22	Repayments During 2021-22	Principal at 30 June 2022		Principal at 1 July 2021	New Loans During 2021-22	Repayments During 2021-22
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Loan - Basketball Stadium	117	67,560	0	(15,287)	52,273	0	(16,309)	35,964	52,274	0	(16,310)	35,964
Loan - Rec Centre Upgrade	120	89,385	0	(21,066)	68,319	0	(21,898)	46,421	68,319	0	(21,897)	46,422
Loan - Memorial Hall Upgrade	121	147,004	0	(27,693)	119,311	0	(28,522)	90,789	119,310	0	(28,522)	90,788
Loan - Town Centre Park Purcha:	122	0	660,000	(14,071)	645,929	0	(28,479)	617,450	645,929	0	(28,480)	617,449
Loan - Community Precinct Devel	123	0	0	0	0	450,000	0	450,000	0	450,000	(9,600)	440,400
Loan - Town Centre Land Purcha	124	0	0	0	0	550,000	0	550,000	0	0	0	0
<b>Total</b>		<b>303,949</b>	<b>660,000</b>	<b>(78,116)</b>	<b>885,832</b>	<b>1,000,000</b>	<b>(95,208)</b>	<b>1,790,624</b>	<b>885,832</b>	<b>450,000</b>	<b>(104,809)</b>	<b>1,231,023</b>
<b>Total Borrowings</b>	14	303,949	660,000	(78,116)	885,832	1,000,000	(95,208)	1,790,624	885,832	450,000	(104,809)	1,231,023

Borrowing Interest Repayments

Purpose	Loan No.	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending
						30 June 2022	30 June 2022	30 June 2021
						\$	\$	\$
Loan - Basketball Stadium	117	Recreation and culture	117	WATC	6.60%	(3,027)	(3,326)	(4,041)
Loan - Rec Centre Upgrade	120	Recreation and culture	120	WATC	3.90%	(2,443)	(2,648)	(3,275)
Loan - Memorial Hall Upgrade	121	Recreation and culture	121	WATC	3.00%	(3,164)	(3,333)	(4,009)
Loan - Town Centre Park Purcha:	122	Economic services	122	WATC	1.60%	(11,074)	(9,933)	(6,765)
Loan - Community Precinct Devel	123	Economic services	123	WATC	4.92%	0	(3,480)	0
Loan - Town Centre Land Purcha	124	Economic services	124	WATC	4.92%	0	0	0
<b>Total</b>						<b>(19,708)</b>	<b>(22,720)</b>	<b>(18,090)</b>
<b>Total Interest Repayments</b>	2(b)					<b>(19,708)</b>	<b>(22,720)</b>	<b>(18,090)</b>

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

25 BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2022 Actual	2022 Budget	2022 Actual	2022 Budget		
					\$	\$	\$	\$		
Loan - Community Precinct	*WATC	Council	20	4.92%	450,000	450,000	0	(450,000)	0	450,000
Loan - Town Centre Land Purcha	*WATC	Council	20	4.92%	550,000	0	(550,000)	0	0	0
					1,000,000	450,000	(550,000)	(450,000)	0	450,000

\* WA Treasury Corporation

(c) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2021	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2022
			\$	\$	\$	\$
Loan - Community Precinct	*WATC	21/06/2022	0	450,000	0	450,000
			0	450,000	0	450,000

\* WA Treasury Corporation

(d) Lease Liabilities

Purpose	Note	Actual							Budget				
		Principal			Principal at 30 June 2021	Principal			Principal				
		Principal at 1 July 2020	New Leases During 2020-21	Repayments During 2020-21		New Leases During 2021-22	Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Leases During 2021-22	Repayments During 2021-22	Principal at 30 June 2022	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Server Lease		0	173,171	(8,326)	164,843	0	(33,610)	131,233	0	0	0	0	0
Spin Bikes		0	30,741	(3,772)	26,969	0	(7,601)	19,368	0	0	0	0	0
Gym Equipment		14,802	158	(5,891)	9,069	0	(6,014)	3,055	0	0	0	0	0
CCTV		5,160	55	(2,054)	3,161	0	(2,097)	1,064	0	0	0	0	0
Photocopiers		49,661	556	(12,992)	37,225	0	(13,278)	23,947	0	0	0	0	0
PC Lease		0	71,287	(20,088)	51,199	0	(20,311)	30,888	0	0	0	0	0
Bushfire Brigade Laptops		0	11,338	(2,086)	9,252	0	(2,809)	6,443	0	0	0	0	0
Rec Centre Solar Panels		0	35,118	(6,931)	28,188	0	(6,890)	21,298	0	0	0	0	0
Server Lease - Expired		8,408	16,845	(25,252)	0	0	0	0	0	0	0	0	0
Spin Bikes - Expired		1,940	1,662	(3,602)	0	0	0	0	0	0	0	0	0
Admin Solar Panels		0	0	0	0	20,427	(3,960)	16,467	0	0	0	0	0
<b>Total Lease Liabilities</b>	11	79,971	340,931	(90,994)	329,906	20,427	(96,570)	253,763	0	0	0	0	0

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
						\$	\$	\$	
Server Lease		Split Function GL Allocation	SOW01042021A	Vestone	1.70%	(2,523)	0	(709)	60 months
Spin Bikes		Recreation and culture	E6N0163401	Maia Financial	1.10%	(257)	0	(157)	48 months
Gym Equipment		Recreation and culture	E6N0160721	Maia Financial	2.10%	(132)	0	(255)	60 months
CCTV		Law, order, public safety	L000045165-004	All Leasing	2.10%	(46)	0	(89)	60 months
Photocopiers		Split Function GL Allocation		Maia Financial	2.20%	(679)	0	(965)	60 months
PC Lease		Split Function GL Allocation	SOW020120	Vestone	1.10%	(459)	0	(680)	48 months
Bushfire Brigade Laptops		Law, order, public safety	SOW011020	Vestone	1.20%	(95)	0	(93)	48 months
Rec Centre Solar Panels		Recreation and culture	SOW01072020	Vestone	1.50%	(373)	0	(475)	60 months
Server Lease - Expired		Split Function GL Allocation	N/A	N/A	N/A	0	0	(230)	Expired
Spin Bikes - Expired		Recreation and culture	N/A	N/A	N/A	0	0	(31)	Expired
Admin Solar Panels			SOW01072021	Vestone	1.80%	(332)	0	0	60 months
<b>Total Interest Repayments</b>	2(b)					(4,896)	0	(3,684)	

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

**26 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
(a) Sporting Reserve	77,952	303	0	78,255	77,953	0	0	77,953	72,321	5,631	0	77,952
(b) Council Building Maintenance Reserve	98,101	382	0	98,483	98,101	0	(4,425)	93,676	86,644	11,457	0	98,101
(c) Rec Centre Building Maintenance Reserve	124,753	486	(55,000)	70,239	124,753	0	(55,000)	69,753	124,098	655	0	124,753
(d) Preston Beach Volunteer Ranger Reserve	43,028	19,307	(2,000)	60,335	43,027	11,510	(10,900)	43,637	31,466	11,562	0	43,028
(e) Emergency Assistance Reserve	105,957	413	0	106,370	105,957	0	0	105,957	105,401	556	0	105,957
(f) Works Depot Redevelopment Reserve	80,262	313	0	80,575	80,262	0	0	80,262	79,841	421	0	80,262
(g) Council Building Construction Reserve	169,474	662	0	170,136	169,474	0	0	169,474	216,699	1,143	(48,368)	169,474
(h) Information Technology Reserve	143,488	559	0	144,047	143,487	0	0	143,487	142,735	753	0	143,488
(i) Footpath Construction Reserve	31,858	124	0	31,982	31,858	0	0	31,858	31,691	167	0	31,858
(j) Plant Replacement Reserve	381,066	1,491	(120,000)	262,557	381,066	0	(120,000)	261,066	566,846	2,990	(188,770)	381,066
(k) Staff Leave Reserve	128,932	502	(37,500)	91,934	128,931	0	0	128,931	128,246	686	0	128,932
(l) Strategic Planning Reserve	19,961	78	0	20,039	19,961	0	0	19,961	19,856	105	0	19,961
(m) Waste Management Reserve	960,658	136,744	0	1,097,402	960,658	133,000	0	1,093,658	823,315	137,343	0	960,658
(n) History Book Reprint Reserve	9,327	750	0	10,077	9,327	750	0	10,077	8,279	1,048	0	9,327
(o) Risk and Insurance Reserve	9,216	36	0	9,252	9,215	0	0	9,215	9,168	48	0	9,216
(p) Drakesbrook Cemetery Reserve	72,531	280	0	72,811	72,531	0	0	72,531	0	72,531	0	72,531
	2,456,564	162,430	(214,500)	2,404,494	2,456,561	145,260	(190,325)	2,411,496	2,446,606	247,096	(237,138)	2,456,564

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:

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Sporting Reserve	Ongoing	To provide funds for sporting facilities and equipment as determined by Council together with low interest loans applications
(b) Council Building Maintenance Reserve	Ongoing	To provide funds for future building maintenance.
(c) Rec Centre Building Maintenance Reserve	Ongoing	To be used for future building asset maintenance items at the Recreation Centre, particularly items of plant.
(d) Preston Beach Volunteer Ranger Reserve	Ongoing	To provide funds to assist in the operations of the volunteer ranger functions including replacement of equipment.
(e) Emergency Assistance Reserve	Ongoing	To provide funds to assist in emergency situations eg. major fire.
(f) Works Depot Redevelopment Reserve	Ongoing	To provide funds for the provision of vehicle storage bays at Works Depot.
(g) Council Building Construction Reserve	Ongoing	To provide funds for future capital construction works in accordance with Council's Long Term Financial & Community Strategic Plans.
(h) Information Technology Reserve	Ongoing	To be used to ensure that the network computer system is maintained including external site connections.
(i) Footpath Construction Reserve	Ongoing	To provide funds for future extension of dual use path network.
(j) Plant Replacement Reserve	Ongoing	To be used for the purchase and replacement of major plant.
(k) Staff Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements.
(l) Strategic Planning Reserve	Ongoing	To provide funds for the future requirements of Council's Strategic Planning.
(m) Waste Management Reserve	Ongoing	To be used to maintain operations at Buller Road Refuse Site.
(n) History Book Reprint Reserve	Ongoing	To be used to fund the update reprint of the 'Drakesbrook days and Waroona years' historical book.
(o) Risk and Insurance Reserve	Ongoing	To be used for expenses associated with risk assessments and insurance adjustments or unforeseen expenses.
(p) Drakesbrook Cemetery Reserve	Ongoing	To be used for future upgrades of the Drakesbrook Public Cemetery.

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

**27. 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
	\$	\$	\$	\$
Extractive Industries	18,072	3	0	18,075
Public Open Space	43,194	87,308	0	130,502
Alcoa Waroona Sustainability	2,256,455	258,418	(81,165)	2,433,708
	<u>2,317,721</u>	<u>345,729</u>	<u>(81,165)</u>	<u>2,582,285</u>



# Auditor General

## INDEPENDENT AUDITOR'S REPORT 2022 Shire of Waroona

To the Councillors of the Shire of Waroona

### Opinion

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

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

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

### Basis for opinion

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

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

### Other information

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

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

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

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

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

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

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

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

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

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](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 Waroona for the year ended 30 June 2022 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

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

**Photo Credits**

Cover, page 4, 24, 25, 29, 31, 35, 37, 38 Back  
Page 5, 7, 8, 12, 17, 23, 25-30, 32, 34, 36  
Page 9, 22

Josh Cowling Photography  
Shire of Waroona  
Visit Peel and Russell Ord Photography



52 Hesse Street  
PO Box 20  
WAROONA WA 6215

08 9733 7800  
warshire@waroona.wa.gov.au  
/ShireofWaroona

[www.waroona.wa.gov.au](http://www.waroona.wa.gov.au)

