

SHIRE OF GNOWANGERUP



Heart of the Stirlings



SHIRE OF GNOWANGERUP

ANNUAL REPORT

2021-22



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THE DISTRICT AT A GLANCE

Population: 1215 (2021 Census Data)

Area: 4,268 km²

Number of Electors: 765 (2021 WA Electoral Commission)

Towns: Borden, Gnowangerup, Ongerup

Postcodes: 6338, 6335, 6336

Primary Schools: Borden, Gnowangerup, Ongerup

Secondary Schools: Gnowangerup District High School, OneSchool Global (Private)

Libraries: Gnowangerup, Ongerup

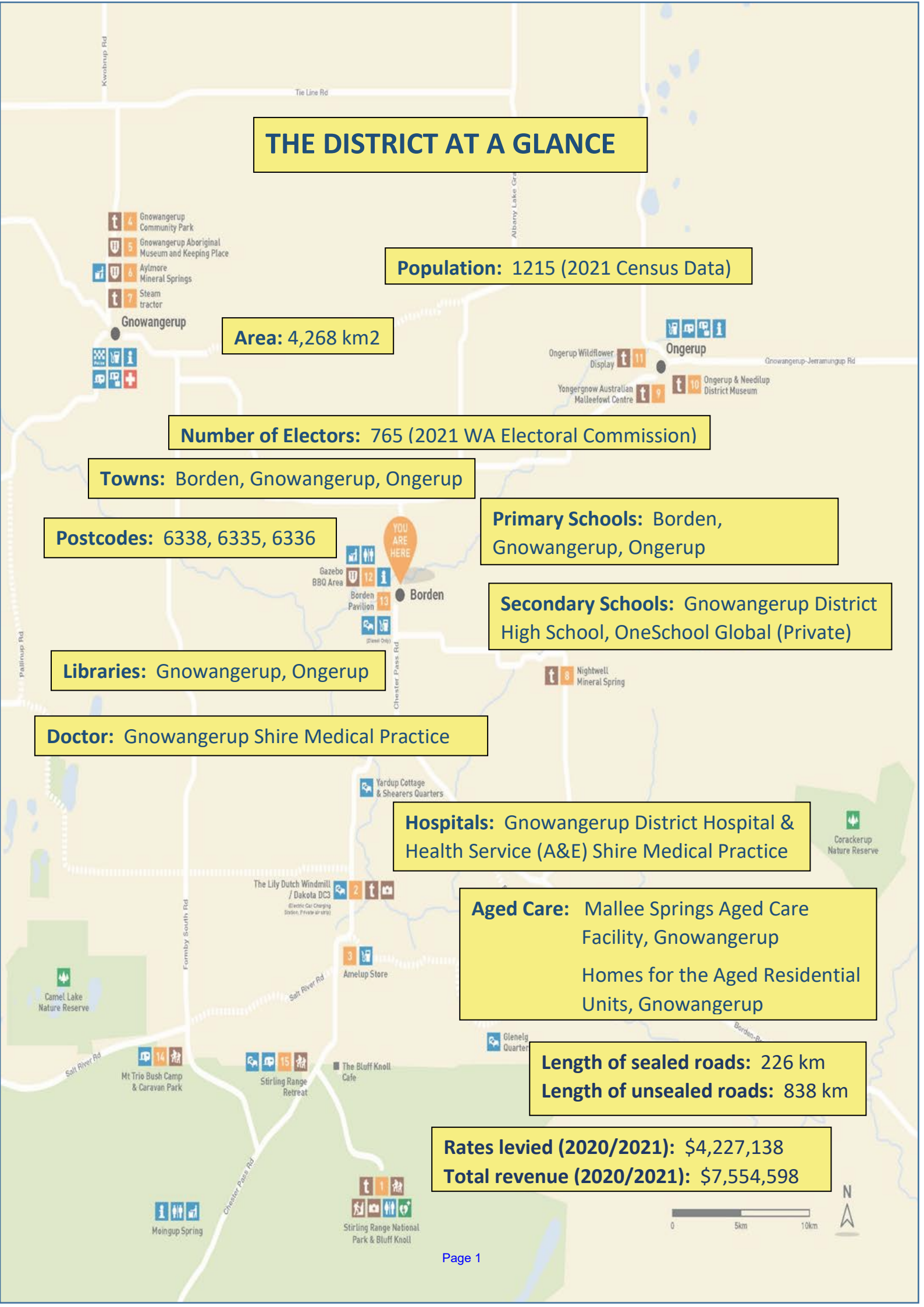
Doctor: Gnowangerup Shire Medical Practice

Hospitals: Gnowangerup District Hospital & Health Service (A&E) Shire Medical Practice

Aged Care: Mallee Springs Aged Care Facility, Gnowangerup
Homes for the Aged Residential Units, Gnowangerup

Length of sealed roads: 226 km
Length of unsealed roads: 838 km

Rates levied (2020/2021): \$4,227,138
Total revenue (2020/2021): \$7,554,598



ACKNOWLEDGEMENT OF COUNTRY

The Shire of Gnowangerup would like to acknowledge the Goreng people who are the Traditional Custodians of this land. The Shire of Gnowangerup would also like to pay respect to the Elders both past and present of the Noongar Nation and extend that respect to other Aboriginals present.

OUR VISION

A progressive, inclusive and prosperous community built on opportunity.

OUR MISSION

To demonstrate leadership in the provision of facilities, infrastructure and services that meet the needs of our community.

OUR VALUES

Honesty through integrity, ethical behaviour and trustworthiness.

Responsibility through accountability, transparency and ownership.

Respect of diversity and opinion through understanding and inclusiveness of all community groups.

Excellence through consistency and the pursuit of continual excellence.

Fairness through justice and equality.

Teamwork through collaboration, partnerships and a willingness to work together.

OUR HISTORY

The Gnowangerup District Road Board (as the Shire was initially known) was constituted on 26 January 1912, after years of tireless lobbying from the Gnowangerup Progress Association for its formation.

The Road Boards of Tambellup and Broomehill, under whose jurisdiction the land was previously governed, agreed to sever their eastern portions to form this new entity.

Within four months of the new entity, the first Gnowangerup District Road Board was elected. Of the 256 ratepayers in the district, only 74 cast a vote for the 13 candidates who were vying for the seven board positions.

Initially the board had no accommodation of its own. In 1915, a block of land was purchased in the Gnowangerup town site. The old premises of the Bank of Australasia was also purchased and shifted to the new site to accommodate the board. The administration buildings of the current Shire of Gnowangerup have occupied this location ever since.

For many years, the District extended all the way to the coast (Bremer Bay) in the east and past Bluff Knoll in the Stirling Ranges to the south.

After World War 2, the rapid pace of settlement in the area resulted in the Gnowangerup Road Board also encompassing the new localities of Jerramungup, Gairdner River, Boxwood Hills, Jacup and Bremer Bay.

In 1961, all Road Boards in Western Australia became known as Shire Council districts and the Shire of Gnowangerup, as it then became known, continued to flourish.

In 1982, the eastern section of the Shire was rescinded to form what is now known as the Shire of Jerramungup.

The Shire of Gnowangerup now consists of three towns, Gnowangerup (gazetted in 1908), Ongerup (1912) and Borden (1916).

OUR COUNCIL

SHIRE PRESIDENT'S REPORT 2021/2022



As we head into another harvest having been through more interesting COVID times I can still say the highlight from last year is still valid – the weather. We have continued to be blessed with extensive winter rains over all of the shire and for this we should all be very grateful.

In October 2021, the Shire welcomed 4 new counsellors to our ranks, Cr Rebecca Kiddle, Cr Rebecca O’Meehan, Cr Peter Callaghan and Cr Lex Martin, thank you for making your time available to be part of the Council and we all look forward to working together to put into place our strategic plans. A heartfelt farewell and thankyou to all of our previous Councillors: Frank Hmeljak, Chris Thomas, Richard House and Keith House, your contributions to the Shire of Gnowangerup are appreciated.

Our Water strategy has been put to good use as we continue to harvest decent amounts of water within our dams and tanks that will provide a buffer for the times when water will again become scarce. My appreciation is extended to the members of the community working group for their participation in establishing a long term plan that endeavors to meet ongoing water needs within the Shire.

One of the highlights of last year was the Drought communities grant of \$1 million for the Shire to use on community projects. The last of those projects have been completed during 2021 and now we are working on the next round of projects which fall under the Local Roads Community Infrastructure projects (LRCIP 3) of \$859 416.00, Council has allocated funding to replacing the sign at Gnowangerup District High School, solar lighting to the sporting complex, chalets at the Caravan Park, resurfacing of netball courts in Borden, repairs to footpaths in Borden, Gnowangerup and Ongerup, resurfacing at the aerodrome, major works on Tie-Line Road and repairs to the Gnowangerup Town Hall.

As part of engaging the community in strategic planning and to build on the consultation conversations from last years’ review of the Strategic Community plan, further conversations have been held with community members to share the current achievements and as an avenue of providing feedback on the current and future strategic

directions. These focus group discussions have been highly engaging and successful and has provided Shire staff with valid community insight and plenty of encouragement and feedback about the good work that is happening within the Shire. Congratulations to all of the staff and community members involved.

Our well established tourism venture, the Horsepower Highway has continued to encourage visitors into the Shire with multiple levels of media coverage promoting our region. The group has successfully won the WA sustainable communities award 2021, for Community action and well-being, and featured in the Australian (National) Street Art Awards 2021, Gold: Best Rural Art, Gold: Best Sculpture Trial and Silver: Best street Art Trail, as well as Silver in the GWN Top tourism Town for populations less than 1200 people. Thank you and congratulations to all of the community members involved in this committee and thank you to the community for the continued support.



With housing at a critical level within the Shire we have established a Housing working group with a number of community members as part of this initiative. The group has looked at the land available in the Shire and the options for development via Development WA and lobbying the minister. Shire Councillors and staff have also been working with the Western Australia Local Government Association (WALGA) and I moved a motion at the Annual General Meeting in 2021, “That WALGA makes urgent representation to the State Government to address the high cost of development in regional areas for both residential and industrial land, including the prohibitive cost of utilities headwork’s, which has led to market failure in many regional towns”. This motion was supported unanimously and as a result has been discussed with the Honourable John Carey, Minister for Housing; Lands: Homelessness; and Local Government as well as Development WA, who are now working closely with the Shire to make some inroads into providing land for development.



The Shire has farewelled two long term employees in Carol Shaddick onto retirement and Yvette Wheatcroft into her area of expertise in the field of Archaeology, we have appreciated the dedication, hard work and professional manner of both Carol and Yvette and we wish them well in all their future endeavours.

Each year Council has the opportunity to support community groups and events through the Shire community grant program. This is a great

initiative that allows Council to support many community groups. In the 2021/2022 year, \$64,152.22 was allocated to sporting groups, community organisations and events in our Shire.

Finally, thank you to the Shire of Gnowangerup Council and Staff and a special mention to our retiring CEO Mr Bob Jarvis, it has been an absolute pleasure to have worked with you Bob, your knowledge and professionalism is second to none and I look forward to continuing this progressive relationship with our new CEO Mr David Nicholson well into the future. Thank you to Deputy President Cr Greg Stewart for his continual support of all that is Gnowangerup – our communities and our environment, it's pretty special.

Cr Fiona Gaze
Shire President



OUR COUNCILLORS



Cr Fiona Gaze - Shire President

Current term: 2019 - 2023

A Councillor since 2008, Cr Gaze has served as Deputy President from 2009 – 2011 and again from 2013 – 2019. Cr Gaze was elected President of the Shire of Gnowangerup in October 2019 and 2021, Cr Gaze holds a Bachelor of Education and a Masters of Education Management from UWA. Since 1986, Cr Gaze has been employed in a variety of teaching and senior administration roles, including Principal at Gnowangerup District High School. Local economic and regional development that ensures Council progress and sustainability is a personal priority, allowing our communities to grow and thrive in our rapidly changing world. Cr Gaze is also involved in running her family farm and has a passion for local community via her work with families, children and youth.



Cr Greg Stewart JP- Deputy Shire President

Current term: 2021 - 2025

Cr Stewart previously served on Council from 1986-1994 and was re-elected in 2017. Cr Stewart was elected Deputy Shire President in October 2019 and 2021, A life-long community member, he is passionate about issues involving projects that will be for the betterment of the Shire. Cr Stewart has a passion for farming and is still actively involved on the family farm. Cr Stewart has held many positions with local organisations including that of Chairman of the Indoor Recreation Centre Development in the early 80s, and member of the Ag School Board and the State Ag Advisory Trust. He has been awarded the 20 Year Service Medal for Bushfire Brigade volunteers and, in 2000, also received the Australia Sports Medal for services to sport in the Shire of Gnowangerup. Cr Stewart has been an active Justice of the Peace and wants to improve facilities and provide opportunities for new businesses in the Shire.



Cr Lex Martin

Current term: 2021 - 2025

Cr Martin previously served on Council from 2013-2019 and was re-elected in 2021. Past experience in Local Government, qualifications in Agriculture and Conservation and Land Management, plus a farming background combined with years of service in community organisations such as Junior Farmers, Apex, Rotary and Southern AgCare, equip Cr Martin with a solid blend of experience and enthusiasm as a Shire Councillor. Prior to his move to Gnowangerup in 2001 Cr Martin farmed in Gingin for 28 years, clocking up 25 years as a Fire Control Officer. Recently he has worked as a wool classer and a vocational lecturer with Curtin and Charles Darwin Universities. Cr Martin maintains an avid interest in community well-being and progress and is a strong advocate for formal vocational training.



Cr Rebecca O'Meehan

Current term: 2021 - 2025

Cr Rebecca O'Meehan moved to Borden in 1995 and taking inspiration from the O'Meehan family has been actively involved in a wide variety of community organisation's. From joint secretary of the Borden Pavilion Committee during the building of the new purpose-built facility through to roles with various sporting bodies including as President of the Borden Netball Club and the Ongerup Netball Association, and since 2003 as Chair of the Borden Development Group Inc.

Elected to Council in 2021 Cr O'Meehan holds a Bachelor of Arts, (Hons) (Politics) and previously worked as a journalist. She has also run her own communications consultancy, worked as the Community Development and Media & Communications Officer at the Shire of Gnowangerup and most recently undertook Project Management of the Shire's Drought Funding Programme.

As a partner with her husband in their mixed farming operation, Cr O'Meehan has a particular interest in the importance of agriculture across the shire and how the industry will continue to evolve and innovate. While serving on Council she would like to advocate for projects throughout the whole Shire that further develop our agricultural, economic, cultural and tourism potential while honouring our unique landscape and environment



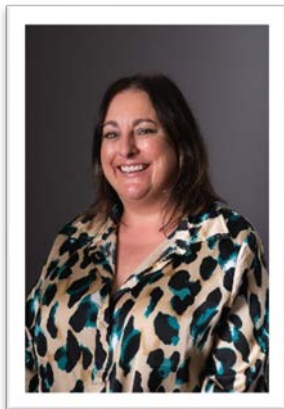
Shelley Hmeljak

Current term: 2019 - 2023

First elected to Council in 2003, Cr Shelley Hmeljak has lived and worked in Gnowangerup all her life. Actively involved in many local committees, Cr Hmeljak served on inaugural committees for sports like water polo and T-ball, which were not previously provided for in the community. Cr Hmeljak is currently a pharmacy assistant and qualified swimming instructor and her involvement in both translates into a passion for the welfare of the Shire's youth and elderly populations.

Cr Hmeljak is passionate about the economic development of the Shire of Gnowangerup. She ran a successful campaign 'Shop Locally' in 2018/2019 to support the local business and to raise public awareness of the importance to shop in their own town.

In 2020 Cr Hmeljak received the WALGA Long and Loyal Service Award.



Cr Rebecca Kiddle

Current term: 2021 - 2025

Cr Rebecca Kiddle moved to Gnowangerup 22 years ago and married a local farmer, Brad Kiddle. They have a 15 year old daughter Matilda. Cr Kiddle grew up in the region and has a strong passion for country living and agriculture. Cr Kiddle runs together with her husband a farming business with cropping and livestock which she loves. She was elected to Council in October 2021 and is thoroughly enjoying her time as a Councillor. Cr Kiddle is keen to help promote tourism in the three amazing towns in the Shire.



Cr Peter Callaghan

Current term: 2021 - 2025

Elected in October 2021 this is the second time Councillor Callaghan has represented electors in the Shire of Gnowangerup. Originally elected as a Town Ward representative in 1995 Cr Callaghan served for six years with four as Deputy President. Having retired from full time work as a school Principal he once again has the time and enthusiasm for the duties of a Shire Councillor. Since arriving in Gnowangerup in 1989 Cr Callaghan has been a Rotarian, a lawn bowler and a pistol club member as well as an avid and often loud hockey supporter. Post retirement he was also, for a short while, Chairperson of Southern AgCare. Motor bikes, roses and a healthy vegetable garden takes care of what time is left.



Cr Kate O’Keeffe

Current term: 2019 - 2023

Cr Kate O’Keeffe has lived in Gnowangerup since arriving as a teacher in January 1994. She has a Bachelor of Arts (Education) and has enjoyed a wide range of teaching positions at Gnowangerup District High School, including acting as Deputy Principal for some years. Cr O’Keeffe has held many positions in the Gnowangerup community during her 25+ years of living in Gnowangerup; including President of various sporting clubs, the Sporting Complex, The Gnowangerup Family Support Association and others. Cr O’Keeffe is also a keen farming enthusiast and enjoys working with her husband and family on their broad acre mixed farming enterprise. Cr O’Keeffe is a passionate and involved community member, who enjoys her role as a Councillor and the opportunity it provides her to ‘give back’ to her community.



Cr Mick Creagh

Current term: 2019 - 2023

Cr Mick Creagh moved to the Gnowangerup Shire in early 2006, to manage a farm at Ongerup. More recently he purchased and developed the Ongerup Farm Supplies & General Store business. Cr Creagh has been active in a number of community organisations, including as Captain of the Ongerup Bowling Club, serving as a Fire Control Officer and serving on the committee of the Ongerup Community Development. He holds an Associate Diploma in Agriculture from Muresk Institute of Agriculture. Cr Creagh is passionate about agriculture and all things involved with living in a rural community. Cr Creagh is very keen to see projects go ahead for the betterment of the whole Shire and would like to see the Shire take a leading role in developing the Great Southern as an agricultural, commercial, industrial and tourism hub.

THE NUMBER OF COUNCIL MEMBERS WHO ARE AGED —

- between 18 years and 24 years : Nil
- between 25 years and 34 years : Nil
- between 35 years and 44 years : One
- between 45 years and 54 years : Three
- between 55 years and 64 years : Three
- over the age of 64 years : Two

GENDER DISTRIBUTION ON COUNCIL

Female Councillors	5	Male Councillors	4
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COUNCIL MEETINGS

Ordinary Council Meetings are generally held on the fourth Wednesday of each month (except January & December) in the Council Chambers at the Shire administration office, 28 Yougenup Rd, Gnowangerup from 3:30pm. All meetings are open to the public.

Special Meetings of Council are held as and when required. In this reporting period, Special Meetings were held on the following dates

27th October 2021	Election Meeting
22nd February 2021	Statutory Budget review as at 31 January 2022.
13th April 2022	Variation to the Medical Contract for the Provision of Medical Services for the Shire of Gnowangerup.
11th May 2022	Acquisition of two vacant blocks of land (Lots 272 and 273) Quinn Street Gnowangerup from Development WA - for housing
8th June 2022	Unbudgeted Transfer of Employee Entitlement Reserves
	Appointment of a Recruitment Agency for CEO appointment

Minutes of the meetings are available on the Shire's website.


ANNUAL MEETING OF ELECTORS

An Annual Meeting of Electors is held each financial year in accordance with Part 3 of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995* Part 5, Division 2, Subdivision 4, section 5.27. The purpose of the meeting is to, firstly, present the Annual Report (including the Auditor's Report) to electors, and then to discuss any other general business. Under section 5.33, all decisions made at an elector's meeting are to be considered at the next ordinary meeting of Council.

The Annual Meeting of Electors for this year was held on 23rd March 2022 at the Council Chambers 28 Yougenup Road Gnowangerup.

COUNCIL ELECTIONS

Councillors are elected for four-year terms with Council elections held every two years on the third Saturday in October.




**LOCAL GOVERNMENT ORDINARY POSTAL ELECTION
NOTICE OF RESULTS
Shire of Gnowangerup**

The result of the Ordinary Election conducted as a postal vote on Saturday, 16 October 2021 is as follows:

Ward	Position	Candidates	Votes	Term of Office
District	5 Councillors	HIMELIAK, Frank	158	
		CALLAGHAN, Peter	243	4 year term
		MARTIN, Lex	176	4 year term
		O'MEEHAN, Rebecca	287	4 year term
		STEWART, Greg	223	4 year term
		KIDDLE, Rebecca	244	4 year term

Rebecca Anne O'MEEHAN is elected as Councillor for the Shire of Gnowangerup and will hold office until 18 October 2025.
 Rebecca Anne KIDDLE is elected as Councillor for the Shire of Gnowangerup and will hold office until 18 October 2025.
 Peter Gerard CALLAGHAN is elected as Councillor for the Shire of Gnowangerup and will hold office until 18 October 2025.
 Gregory Bruce STEWART is elected as Councillor for the Shire of Gnowangerup and will hold office until 18 October 2025.
 Alexander Edgar MARTIN is elected as Councillor for the Shire of Gnowangerup and will hold office until 18 October 2025.

Kiera PITTARD
RETURNING OFFICER
0437 830 848



The Shire of Gnowangerup 2021 elections were held on Saturday 16 October 2021 with 5 positions vacant.

Councillor Greg Stewart JP was re-elected and Rebecca O'Meehan, Rebecca Kiddle, Peter Callaghan and Lex Martin were elected as new members. All candidates will hold office until October 2025.

The next Council elections will be held on 21 October 2023.

New Councillors sworn in following Local Government Election



B. JARVIS
CHIEF EXECUTIVE OFFICER

SHIRE PRESIDENT

CR. S. GAZE

COUNCIL DELEGATES TO COMMITTEES

Committee	Delegate / Member	Proxy
Audit Committee	All Councillors	
Chief Executive Officer Review Committee	All Councillors	
Local Emergency Management Committee	Cr F Gaze Cr G Stewart	Cr L Martin
WALGA Great Southern Zone Region	Cr F Gaze Cr G Stewart	Cr K O'Keeffe
Regional Road Group	Cr M Creagh	Cr G Stewart
Great Southern Recreational Advisory Group	Cr K O'Keeffe	Cr R O'Meehan
Great Southern Treasures	Cr L Martin	Cr G Stewart
Great Southern Joint Development Assessment Panel	Cr P Callaghan Cr R O'Meehan	Cr S Hmeljak Cr R Kiddle
Yongergnow Inc.	Cr M Creagh	N/A
Bushfire Advisory Committee	Cr G Stewart	N/A
Gnowangerup Sporting Management Committee	Cr K O'Keeffe	N/A
Ongerup Sports Complex Committee	Cr R O'Meehan	N/A
Borden Pavilion Committee	Cr F Gaze	N/A
North Stirling Pallinup Natural Resources Inc.	Cr R Kiddle	N/A
Southern Link VROC	Cr F Gaze Cr G Stewart	Cr P Callaghan Cr K O'Keeffe
Housing and Accommodation Working Group	Cr S Hmeljak	N/A

Councillors participate in two types of committees. The first type are the committees of Council i.e. the Audit Committee and the Chief Executive Officer Review Committee. The second type of committee is where Councillors are invited to participate on committees of Community Groups external to the Shire of Gnowangerup as an organisation.

COMPLAINTS

No complaints were made against Councillors under Section 5.121 of the Local Government Act 1995 during the year-ended 30th June 2022.

ELECTED MEMBERS ATTENDANCE AT MEETINGS

Councillors	F Gaze	G Stewart	K House	F Hmejjak	K O'Keefe	M Creagh	R House	C Thomas	S Hmejjak	R O'Meehan	R Kiddle	P Callaghan	L Martin
Ordinary Council Meetings													
July 2021	O	O	X	O	O	O	X	X	O	N/A	N/A	N/A	N/A
August 2021	O	O	O	O	O	X	O	X	O	N/A	N/A	N/A	N/A
September 2021	O	O	O	O	O	O	X	X	O	N/A	N/A	N/A	N/A
October 2021	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
November 2021	O	X	N/A	N/A	X	O	N/A	N/A	O	O	O	O	O
December 2021	X	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
February 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
March 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
April 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
May 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
June 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
Special Council Meetings													
27 th October 2021	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
22 nd February 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
13 th April 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
11 th May 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
8 th June 2022	O	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
Audit Committee Meetings													
25 th August 2021	O	O	O	O	O	X	O	X	O	O	O	O	O
2 nd February 2022	O	O	N/A	N/A	O	X	N/A	N/A	O	O	O	O	X
CEO Review Committee Meetings													
15 December 2021	X	O	N/A	N/A	O	O	N/A	N/A	O	O	O	O	O
Annual Electors Meeting													
23 March 2022	O	O	N/A	N/A	O	O	N/A	N/A	X	O	O	O	X

Attendance: O
Apology: X

OTHER MATTERS OF GOVERNANCE

PUBLIC INTEREST DISCLOSURES (PIDs)

The Public Interest Disclosure Act was established by the Commissioner for Public Sector Standards under Section 20 of the Public Interest Disclosure Act 2003. One of the principles of the legislation is not just to provide protection to those who make disclosures (and those who are the subject of disclosures) but also to encourage a system of transparency and accountability in the way government or government officials act and utilise public monies.

Matters that fall into the category of Public Interest include:

- Improper Conduct (irregular or unauthorised use of public resources)
- An offence under State Law including corruption (substantial unauthorised or irregular use of, or substantial mismanagement of, public resources).
- Administration matters generally (conduct involving a substantial risk of injury to public health, prejudice to public safety or harm to the environment).

Matters that relate to the Shire of Gnowangerup should be referred to the Shire's Public Interest Disclosure Officer (PID Officer). Disclosures made can be made not just about officers of a local authority but also about its elected members.

There is an obligation on the PID Officer in the Public Interest Disclosure Act to ensure that the disclosure is confidential and that the person making a disclosure is provided adequate protection from reprisals, civil and criminal liability, dismissal or breach of confidentiality.

The Shire of Gnowangerup had no public interest disclosures during the year-ended 30th June 2022.

NATIONAL COMPETITION POLICY (NCP)

The Competition Principles Agreement (CPA) is a contractual agreement between Federal Government and all State and Territory Governments which aims to ensure that all public enterprises operate in a transparent manner in the best interests of the public. Under the CPA, public enterprises are required to review their operations to ensure they have no competitive advantage or disadvantage as a result of their public status.

COMPETITIVE NEUTRALITY

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage, or suffer a disadvantage, simply as a result of their public sector ownership. Measures should be introduced to effectively neutralize any net competitive advantage flowing from government ownership.

Competitive neutrality should apply to all business activities that generate a user pays income of over \$200,000 per annum, unless it can be shown it is not in the public interest. A public benefit test is used to determine if competitive neutrality is in the public interest. This involves assessing the benefits of implementing competitive neutrality against the costs. If the benefits exceed the costs, competitive neutrality should be implemented.

The Shire of Gnowangerup does not control any business activity with a user pays income in excess of \$200,000 in 2021/2022.



FREEDOM OF INFORMATION (FOI)

In 2021/2022, the Shire published its annual Freedom of Information (FOI) statement in accordance with the requirements of the Freedom of Information Act 1992. A copy of the current statement is available on our website www.gnowangerup.wa.gov.au

We confirm that the Shire complies with the relevant legislation and welcomes FOI enquiries.

The Shire of Gnowangerup did not receive any FOI applications during the 2021/2022 year.

RECORD KEEPING

Under the State Records Act 2000, the Shire and its employees are obliged to comply with the Shire's Record Keeping Plan. A revised plan was endorsed by the State Records Office of WA in May 2020 and remains valid.

DISABILITY ACCESS AND INCLUSION PLAN (DAIP)

Part 5, sections 27, 28 & 29 of the Disability Services Act 1993 requires Local Governments to have and implement a Disability and Access Inclusion Plan and to report on the implementation of its Plan.

The Shire of Gnowangerup Disability Access and Inclusion Plan 2021-2026 contains a number of strategies to address each of the desired outcomes of the Disabilities Services Act 1993.

THERE ARE SEVEN OUTCOMES:

Outcome 1:

People with disability have the same opportunities as other people to access the services of, and any events organised by, a public authority.

We continue to provide E-Resources at the Gnowangerup and Ongerup Library. Library members now have access to Kanopy, BorrowBox, RBDigital Magazines, and Emagazines from their computer, mobile or tablet device. Having this resource allows people with disability to access the library service from their home.

We have also installed two Street Libraries in Gnowangerup and Ongerup. This service allows community members to access free used books.

The Gnowangerup Community Swimming Pool continues to provide a wheelchair to ensure disability access to our Community Swimming Pool.



Outcome 2:

People with disability have the same opportunities as other people to access the buildings, and other facilities of a public authority.

The Shire has recently installed a new disabled access pathway to our newly refurbished public toilets. Located next to the Shire administration building, the toilets could previously only be accessed by a gravel pathway.

We have recently installed additional solar lighting along the footpath and carpark at our Sporting Complex in Gnowangerup. This will ensure people can access the facility in a safe manner.

The Shire has also secured funding to install a disabled access toilet at the Ongerup Sporting Complex. This will be completed in 2022/23.

Funding has also been secured to complete footpath works in all three of our towns in 2022/23.

Outcome 3:

People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.

We continue to work on our Website to ensure it is accessible to the whole community. We also ensure that where possible all of our documents are included on the website.



Outcome 4:

People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.



The importance of customer service and equal quality of service is addressed to our Staff at the commencement of their employment. We have a Customer Service Charter and a Code of Conduct that have to be adhered by.

Our staff attend numerous training sessions throughout the year in various topics. At these training sessions, there is always an element of reinforcing good Customer Service involved.

Outcome 5:

People with disability have the same opportunities as other people to make complaints to a public authority.

The Shire continues to ensure all people have the same opportunity to make complaints. We accept written and verbal complaints through the Administration office, either over the phone, in person, mailed or via our website.



Outcome 6:

People with disability have the same opportunities as other people to participate in any public consultation by a public authority.

The Shire continues to ensure everyone has the opportunity to participate in public consultation. Our surveys are provided both in hard copy and digital formats. When holding community meetings for consultation, these are always held in a disabled friendly location.

Outcome 7:

People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.

The Shire continues to ensure all employment advertisements and packages are available in a range of print and electronic formats.



COMPLIANCE

In accordance with the Local Government (Administration) 1996 Regulations 19B, the Shire of Gnowangerup is required to disclose

1. The number of employees of the local government entitled to an annual salary of \$130,000 or more:

ANNUAL SALARY	NUMBER OF EMPLOYEES
\$130,000 +	1

2. The number of employees of the local government entitled to an annual salary that falls within each band of \$10,000 over \$130,000:

ANNUAL SALARY	NUMBER OF EMPLOYEES
\$130,000 - \$140,000	0
\$140,001 - \$150,000	0
\$150,001 - \$160,000	1
\$160,001 - \$170,000	0
\$170,001 - \$180,000	0

3. Any remuneration and allowances paid by the local government under Schedule 5.1 (Standards Panels) clause 9 during the financial year:

NIL

4. Any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year:

NIL

5. The remuneration (remuneration has the meaning given in the Salaries and Allowances Act 1975 section 4(1)) paid or provided to the CEO during the financial year:

CEO REMUNERATION 2020/2021	\$200,049
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LOCAL LAWS 2022

Shire of Gnowangerup Activities in Thoroughfares and Public Places and Trading Local Law 2022

As part of the Shire's ongoing review of its Local Laws, officers have determined that there is a requirement for a Shire of Gnowangerup Activities in Thoroughfares and Public Places and Trading Local Law.

The need for this new Local Law has been determined through increased activity from mobile traders and the fact that the Shire does not currently have a Local Law to provide for regulation and control.

The purpose of the proposed Local Law is to regulate private and commercial activities in thoroughfares and other public places in the Shire of Gnowangerup.

The effect of the proposed Local Law is protection of public health and safety; preservation of neighbourhood amenity; control of pedestrian and vehicle access to and movement within thoroughfares; protection of public infrastructure and local government assets; provision for objection and appeal rights against certain decisions; preservation of adequate access in thoroughfares for public works and utility services; provision for issuing approvals and permits for specified activities in thoroughfares and public places; and provision for the enforcement of this local law.

The new Shire of Gnowangerup Activities in Thoroughfares and Public Places and Trading Local Law 2022 was adopted by Council in April 2022 and gazetted in May 2022.

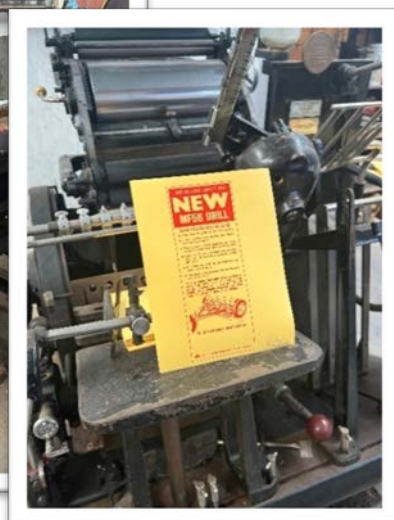
OUR ORGANISATION

CEO's MESSAGE 2021/2022

This is my final CEO's report for the Shire after having completed three very busy but satisfying years working with an excellent and committed Council and three strong town communities which have seen us all-but-through the COVID Pandemic. We have endured fire, flood, and economic difficulties connected to international affairs and global inflation but remain connected and looking forward to a strong future.



The \$1million Drought Communities Projects have now all been completed, with the Childcare centre in Ongerup and renovations to the North Stirling Pallinup Natural Resources building in Borden being the final projects to reach completion. We have now made a strong start on the Local Roads and Community Infrastructure Program (Phase Three) projects which are to be completed over the next two financial years. Once again, these projects will address community needs in all three townsites, plus some key roadworks. The projects completed or started during the year under review are: solar path lighting at the Gnowangerup Sporting Complex, an electronic sign at the Gnowangerup District High School to provide visitors and locals with information on events and happenings within the Shire as well as safety and emergency messages, and the purchase of two chalets for the Gnowangerup caravan park. Projects to be delivered include footpath works in all three town sites, a disabled toilet at the Ongerup Sporting Complex, repairs to the netball courts in Borden, repairs to the Gnowangerup Town Hall and resurfacing works for the Aerodrome. Major roadworks on Tie Line Road Mindarabin are also proposed.



The restoration of printing machines, equipment and the building of the Gnowangerup Star have continued with the building now lined and with a ceiling installed to help keep the equipment in a reasonably dust free environment. The project is very close to being able to print a full newspaper on one of the Linotype machines, requiring only the manufacture of a suitable electrical connection to replace the original part which failed. The work of volunteers has enabled this significant progress, with most

being retired printers with a genuine love for the machinery. Their tireless efforts have inspired others to support the project. The complete set of Gnowangerup Star newspapers, which had been stored in two steel cupboards within the building have been removed catalogued, stored in suitable archive packing and placed in a controlled storage environment. This work was carried out by Shire staff who found the work fascinating as they viewed stories in the papers dating back many decades.



In August 2021 the new storage dam constructed between the Pistol Club and the aerodrome was officially opened by the Minister for Water the Hon. Dave Kelly. This very large dam and its associated storage tanks provides a significant safety net for water for agricultural purposes, and being close to the aerodrome, it also provides an easily accessed supply of water for water bombing during major fires. The project was jointly funded by the Shire and the Department of Water and

Environmental Regulation. The Shire has also taken over the small but strategic Stutely Dam from Water Corporation to provide emergency and roadworking supplies in a part of the Shire where water was scarce for these purposes.

In September of 2021 the annual Great Southern Treasures Bloom Festival was jointly launched with opening of the Lucinda project – a key section of the Horsepower Highway at the water tanks on Formby Road South. A pink tractor and murals on the tanks were celebrated as well as the introduction of a range of events that make up the Bloom Festival. The event was highly successful attracting politicians and community members alike.



October of 2021 saw the retirement of a number of Councillors and the election of some new faces as well as the return of two previous Councillors. Keith House, Richard House, Chris Thomas, and Frank Hmeljak completed their service as Councillors, and Rebecca Kiddle, and Rebecca O’Meehan were welcomed as new Councillors. Lex Martin and Peter Callaghan were also elected, and both have served as Councillor on the Shire in the past. We thank those who retired and welcome the new Councillors who have now become well established into their role.

2022 has seen the Shire tackling the serious housing shortage which is affecting the Shire, government, and private enterprise all of which are having difficulty attracting staff because of a shortage of suitable accommodation. The Shire established a housing working group which met to discuss a way forward and identify the requirements of each sector. This has led to a number of initiatives. The Shire has purchased two residential lots from Development WA and it is seeking to build two houses for teacher accommodation as well as two houses for Shire staff. The teacher accommodation will be the subject of long-term leases to the State to eventually meet the cost of construction. The Shire spent many months lobbying the State over the shortage of serviced residential and industrial land in the Ongerup and Gnowangerup townsites, and Development WA has taken on the task of realising the Shire's structure plan for the land between Whitehead Road cul-de-sac head and Cuneo Close which will see the delivery of new light industry land and higher coded residential land being freeholded and available for sale sufficient to meet the medium to long term needs in Gnowangerup town. The Shire has also reminded the State of its formal request for commercial and residential land in Ongerup, and a response seems to suggest that this will now also be considered. The Shire is also aware of a number of initiatives by private enterprise to address the needs of their businesses for staff housing.



Several long serving Shire employees left the Town in the period under review including our Works Manager and Senior Finance officer both of which had provided long service to the Shire, and we wish them well for their future endeavours.

I have been an active participant in a project between the State and Federal governments to develop drought resilience in rural communities as climate change continues to cause significant weather events accompanied by an underlying drying climate. This group has worked with experts in a variety of disciplines to develop strategies and potential projects to mitigate the effects of drought and help strengthen the communities in areas affected. The final reports for consultation are being released in October 2022 for comment by local governments but will be available for public release into the future. The work of this shire in the development of water infrastructure to mitigate drought has been recognised as part of the study and the Shire's Water Strategy has been circulated to other local governments as a resource by a research company associated with the study.

Ironically it is flood that has caused our community angst again with major damage to road infrastructure in 2021 by a significant weather event. The bill was more than \$1million, and private property including cropping land was also affected.

On a positive note, the cropping for 2021 and possibly 2022 are record harvests with approval for temporary additional grain storage being requested of the Shire for most receival points.

Challenges for the Shire into the future will include the potential for further flood and drought events which can seriously impact finances and assets, and changes to the legislative environment in which local government operates. Major changes to the Local Government Act have been foreshadowed which will see the number of Councillors for each local government prescribed and many changes about the way local governments are managed when they become dysfunctional due to conflict or poor management. It will be necessary for the Shire to continue to engage directly with Ministers and Departments to ensure its concerns are heard, as recent experience has shown that lobbying can provide positive outcomes and bring concerns to the notice of those in power or who hold the purse strings.

I conclude by saying thank you to the Shire and the community for making me feel welcome and being able to share this incredibly beautiful part of the State.

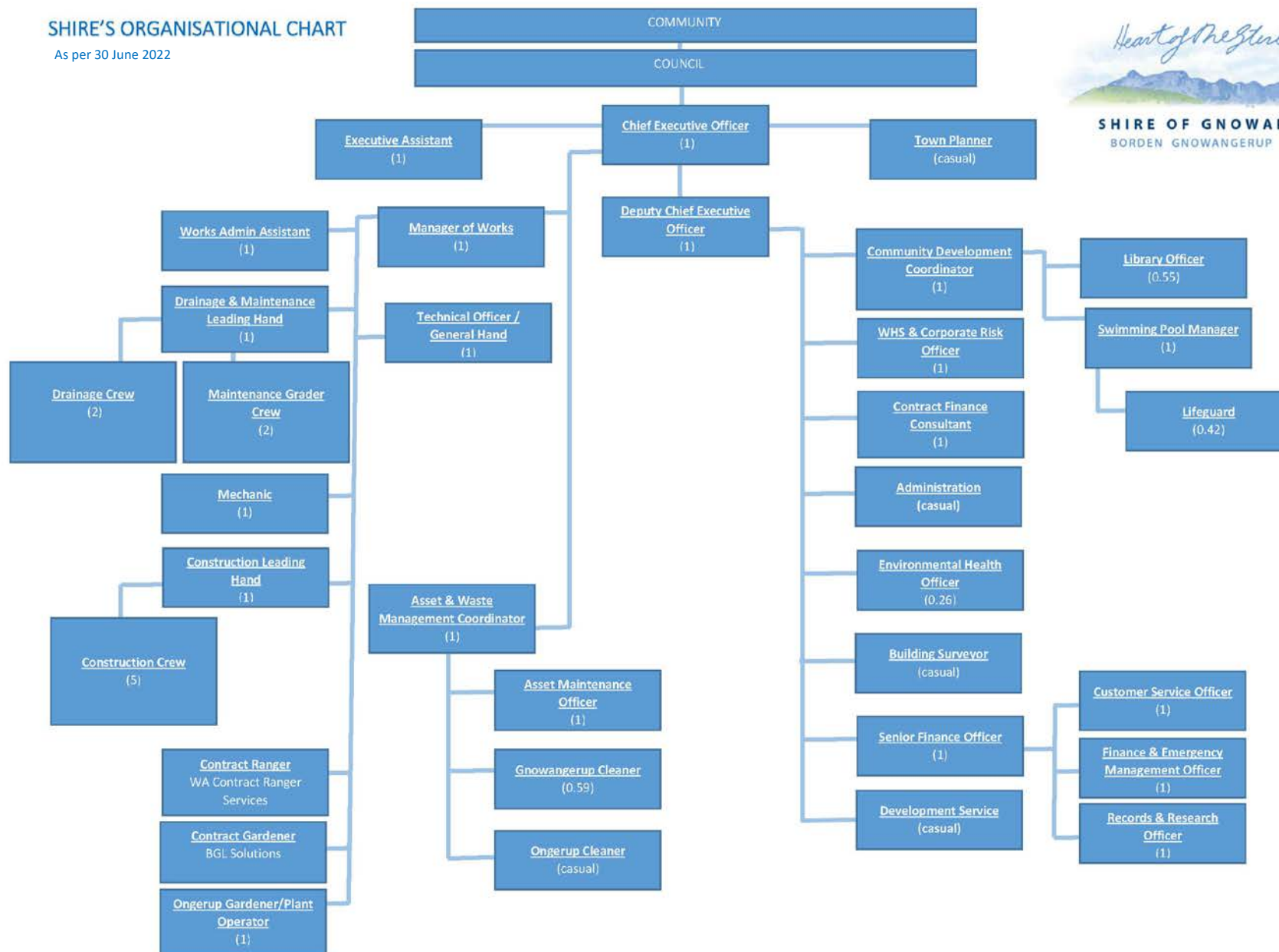
Bob Jarvis

Chief Executive Officer



SHIRE'S ORGANISATIONAL CHART

As per 30 June 2022



SHIRE OF GNOWANGERUP WORKFORCE PLAN

2022-2027

A new Shire of Gnowangerup Workforce Plan was adopted by Council in June 2022

This plan sets out the workforce requirements to achieve the Strategic and Operational Objectives.

The plan highlights that the Shire has a very capable team who continuously deliver quality services to the community.

In addition, this plan provides the Shire with key actions that will support the delivery of improved practices that will support a sustainable, skilled and efficient workforce.

The demands and expectations imposed on the organisation by the community, the Council, other tiers of government and business are fluid and it is important that the organisational structure can cater for these.

The workforce plan considers the community aspirations, priorities and objectives identified in the Strategic Community Plan. It is an essential component of the Corporate Business Plan and Long-Term Financial Plan so that the Shire can identify workforce requirements for current and future operations.

The workforce plan identifies and reports on the internal capacity to meet current and future needs in line with the goals and objectives of the Shire and the community it serves, both in capacity and capability.

This plan addresses gaps between current and future workforce capability, identifies areas of skill or capacity shortage, and outlines strategies to address them.

Planning human resource requirements is a significant challenge and not only considers the human resource factors but ties this into overall strategic plans, environmental issues and legislative and governance obligations.





SHIRE FACILITIES

Libraries:

Gnowangerup

Yougenup Centre

47 Yougenup Rd, Gnowangerup, WA, 6335

P: 08 9827 1635

E: library@gnowangerup.wa.gov.au

Ongerup

c/-Yongergnow-Ongerup CRC

Lot 260 Jaekel St, Ongerup, WA, 6336

P: 08 9828 2325

E: library@gnowangerup.wa.gov.au

Recreation Centres:

Borden Pavilion

51 Stone St, Borden, WA, 6338

P: 08 9828 1116

Ongerup Sporting Complex

Jaekel St, Ongerup, WA 6336

P: 08 9828 2013

Gnowangerup Sporting Complex

Strathaven Road, Gnowangerup, WA, 6335

P: 08 9827 1386

Gnowangerup Community Swimming Pool:

Strathaven Road, Gnowangerup, WA, 6335

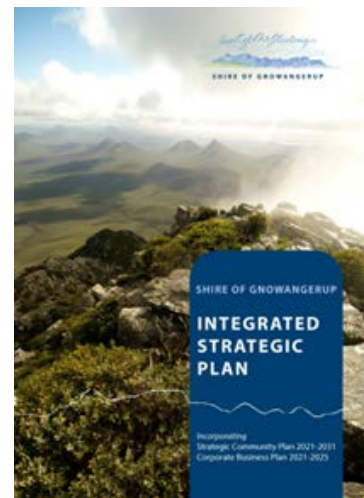
P: 08 9827 1741



OUR STRATEGIC FOCUS

INTEGRATED STRATEGIC PLAN - INTRODUCTION

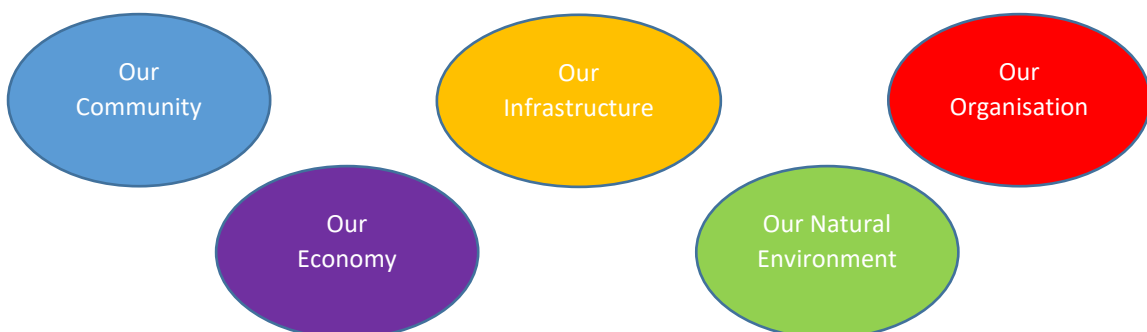
The Department of Local Government, Sport and Cultural Industries Integrated Planning and Reporting (IPR) Framework requires all Local Governments to have a Strategic Community Plan which provides Councils with clear strategic direction for a period of ten (10) years. The Strategic Community Plan is the guiding document that is supported by the Shire's Long Term Financial Plan, Workforce Development Plan and Asset Management Plans, all of which allow Council to link service delivery with resourcing requirements and community strategic direction.



The Shire's Corporate Business Plan is responsible for translating the Shire's Strategic direction into specific priorities and actions at an operational level. The Corporate Business plan draws together actions from the various other plans and informing strategies and provides a four (4) year plan of operational actions to inform the planning and budgeting process within a broader context.

The previous Strategic Community Plan 2017-2027 was due for a four (4) year major review in 2021. In January 2021, the Shire sought quotations from suitably qualified consultants to assist with developing and implementing an extensive community consultation process aimed at informing the Shire of Gnowangerup Strategic Community Plan 2021-2031 and Corporate Business Plan 2021-2025.

The consultation process covered five (5) main themes (a reduction from six (6) in the previous plan), being



The Strategic Community Plan 2021-2031 and Corporate Business Plan 2021-2025 have both been developed on the basis of these themes and is representative of extensive community input, as a result of the culmination of the community consultation as detailed above.

The Shire of Gnowangerup Integrated Strategic Plan; comprising the Strategic Community Plan 2021-2031 and Corporate Business Plan 2021-2025 was adopted by Council at its Ordinary Council Meeting on 25 August 2021.

Our new Integrated Strategic Plan reinforces our commitment to the people who live, work, and visit the Shire of Gnowangerup which consists of 3 towns (Borden, Gnowangerup and Ongerup) rural communities and the stunning Stirling Ranges.



1. OUR COMMUNITY

WHAT WE PLANNED:

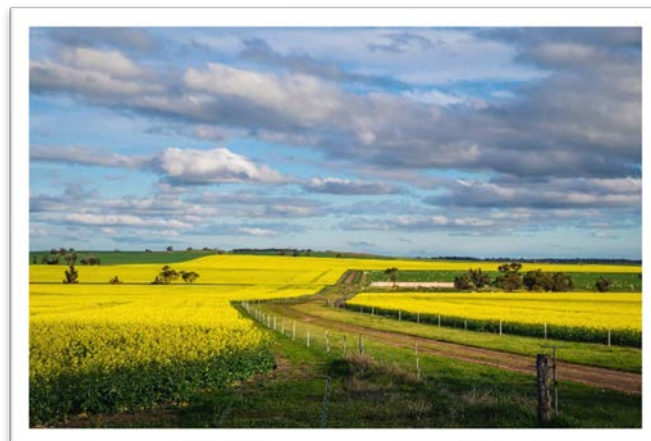
COMMUNITY PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
1.1. Identify and deliver opportunities for young people across the Shire	Young people are engaged and feel empowered to contribute
1.2. Facilitate and advocate for the provision of quality health services, health facilities and programs	Retention of health facilities and visiting services
	Ageing in place can occur and achievement of outcomes in the Aged Friendly
1.3. Strengthen the sense of place and culture and belonging through inclusive community interaction and participation	Shire works with local stakeholders to jointly plan and deliver diverse and
	Noongar culture and heritage is valued, preserved, and shared
	Progress is made against the Shire's Marketing Plan
1.4. Support local volunteer organisations through initiatives that reduce volunteer fatigue and strengthen their resilience	Our volunteers feel appreciated and supported
	Local leadership skills are developed
1.5. Support emergency services planning, risk mitigation, response and recovery	We collaboratively plan for and respond to emergency situations (LEMC)

WHAT WE'VE DONE:

Community Priority	Actions	Activities
1.1 Identify and deliver opportunities for young people across the Shire	1.1.1 Engage with young people to determine programs and support that provide employment and activities for young people	The establishment of a high quality skatepark in Gnowangerup is under consideration & to date, the location owned by GNP360 on the corner of Aylmore Street up to the laneway has been identified as the preferred site. Quotes for concept plans have been sourced but further community consultation is needed along with a determination by Council on how they want to proceed.

Community Priority	Actions	Activities
1.2 Facilitate and advocate for the provision of quality health services, health facilities and programs	1.2.1 Advocate for and support mental health and social support services with a focus on vulnerable families	Mental Health Policy to be considered; Mental Health Section on Shire website; Promotion of R U Ok Day and Mental Health Week; The Shire is an active partner of Act/Belong/Commit; the Shire have joined the Live Lighter Program and promoted this on social media.
	1.2.2 Improve access and inclusion for disabled people by delivering the actions detailed in the Shire Disability Access and Inclusion Plan	The Disability Access and Inclusion Plan (DAIP) has been reviewed in accordance with legislation.

Community Priority	Actions	Activities
1.3 Strengthen the sense of place, culture and belonging through inclusive community partnerships	1.3.1 Partner with local community and business groups to strengthen the relationship and communication between our three communities	The CEO meets with members of the community at the Yongernow Malleefowl Centre (Ongerup CRC) once a week and the Borden community at the Borden Pavilion once a month.
	1.3.2 Partner with local Noongars to record their history, build trust and to identify opportunities for engagement and employment	Consultation with the local Noongar community has occurred regarding information relevant to the Gnowangerup Springs to develop story boards and trails interpretations. This consultation is ongoing.



Community Priority	Actions	Activities
1.4 Support local volunteer organisations through initiatives that reduce volunteer fatigue and strengthen their resilience	1.4.1 Partner with community groups to support and deliver community events and workshops	<p>The Shire provides the opportunity for all eligible community groups to apply for an Annual Community Grant which are then considered based on the Grant criteria with the final decision made as part of the annual budget deliberations.</p> <p>The Shire collaborates with the two CRCs & also facilitates emergency services meetings & other community-based services as required. t</p>
	1.4.2 Develop a database of community resources and skills to support community development	To be developed

Community Priority	Actions	Activities
1.5 Support emergency services planning, risk mitigation, response and recovery	1.5.1 Work with the Local Emergency Management Committee (LEMC) to continually improve emergency response planning and delivery	<p>The Finance & Emergency Officer (FEO) works closely with the Shire's Community Emergency Services Manager (CESM), the Brigades & State Emergency Service (SES) to ensure that training is provided to meet the needs of both volunteers and the community.</p> <p>Grant funding is applied for each year with the Shire committed to getting the best outcome for the community.</p>

2. OUR ECONOMY

WHAT WE PLANNED

COMMUNITY PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
2.1. Support businesses and business growth across the Shire	<p>Progress towards industrial land development</p> <p>Technological infrastructure supports local business retention and growth</p> <p>Progress and achievement of the Economic Development Plan initiatives</p>
2.2. Coordinated planning and promotion of our Shire to visitors and tourists	<p>Visitors receive timely and accurate information about our attractions and</p> <p>We jointly plan and collaborate with regional tourism groups and CRCs to promote our attractions and experiences</p> <p>Signature tourism assets and events add value to our local economy</p>
2.3. Local businesses and the Shire have access to diverse skills and experiences	<p>Housing and rental stock assists in attraction and retention of the local workforce</p> <p>Progress towards residential land expansion and lifestyle promotion</p> <p>Local education, care and learning facilities are advocated for and retained</p>

WHAT WE'VE DONE

Community Priority	Actions	Activities
2.1 Support businesses and business growth across the Shire	2.1.1 Support local business groups to assist in business development and job growth within the Shire	<p>Information from Small Business Development Corporation provided directly to local businesses. We have involved business groups in the Housing and Accommodation Working Group Meeting and organised a follow up meeting with the Shire's Planner.</p> <p>Tenders to be prepared for 2 x 1 chalets at the Gnowangerup Caravan Park (partly funded by LRCIP Phase 3). This will provide much needed short-term accommodation for visiting consultants, tradespersons for both the Shire & local business.</p>

	Actions	Activities
	2.1.2 Work with relevant state agencies to release the industrial lots in Quinn St	<p>CEO and Planner met with Development WA and outlined land needs for industrial and housing within the Shire.</p> <p>Application for Regional Development Assistance Program has been accepted and the project is being assessed by Development WA. This will provide additional serviced industrial and commercial land at Cuneo Close and residential at Whitehead Road Structure Plan site.</p>

Community Priority	Actions	Activities
2.2 Coordinated planning and promotion of our Shire to visitors and tourists	2.2.1 Partner with Great Southern Treasures & Outdoors Great Southern and local business to develop tourism opportunities	Great Southern Treasures & Outdoors Great Southern have met with Shire representatives on several occasions with the collaboration working well with goals being set & met based on community feedback
	2.2.2 Investigate tourism branding and promotion opportunities	Not yet commenced.
	2.2.3 Plan and deliver an extension to the Gnowangerup Heritage Trail	This forms part of the collaboration with Outdoors Great Southern (GSCORE) & the local Noongar community. Consultation for the Gnowangerup Springs storyboard has been completed.
	2.2.4 Investigate the opportunity of attracting a major event, festival or attraction to the Shire	Investigating "Stay on your Feet" Weekend.

Community Priority	Actions	Activities
2.3 Local businesses and the Shire have access to diverse skills, and appropriate services	2.3.1 Advocate for improved communications infrastructure.	In progress. Superloop now operational in parts of GNP Shire.
	2.3.2 Work with relevant stakeholders to attract small business and trades to the Shire	The Shire is using the services of fledgling trades within the Shire and looking at changes to the Town Centre area Zone as part of the Local Planning Scheme review to see what other incentives might be offered.



3. OUR INFRASTRUCTURE

WHAT WE PLANNED:

COMMUNITY PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
3.1. Parks, gardens, streetscapes, recreational and social spaces are safe and encourage active and healthy lifestyles	Town streets are enhanced, attractive and easy to access
	The community feels safe
	Sport and Recreation improvements are planned in a coordinated manner
3.2. We prepare and maintain our assets for current and future community use	Maintenance and expansion of our Road and Footpath network in line with community expectation and resource availability
	Less impact on our roads due to extreme weather events and increased vehicle tonnage (road engineering, stormwater management)
	Progress and achievement towards our Integrated Resourcing Plan

WHAT WE'VE DONE:

Community Priority	Actions	Activities
3.1 Parks, gardens, streetscapes, recreational and social spaces are safe and encourage active and healthy lifestyles	3.1.1 Identify opportunities to improve streetscaping in all 3 towns in a manner that is consistent and reflects our heritage	The grant funded street scape projects in Borden and Ongerup are now complete

Community Priority	Actions	Activities
3.2 We prepare and maintain our assets and infrastructure for current and future community use	3.2.1 Conduct the statutory review of the Local Planning Scheme to promote community and economic development Town Planner	Local Planning Scheme Review document underway and should be completed for adoption by Council for the October 2021 OCM. Consultants have been appointed for the new Local Planning Strategy also due to commence in October 2021
	3.2.2 Develop and implement a comprehensive Asset Management framework to ensure a strategic approach to infrastructure planning, maintenance and enhancement	New Asset Management Plans adopted by Council in July 2021.

4. OUR NATURAL ENVIRONMENT

WHAT WE PLANNED:

COMMUNITY PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
4.1. A high standard of environmental health and waste services	Compliance with environmental health and waste legislation
4.2. Conservation of our natural environment	Community partnerships that help protect and preserve our natural assets
	Efficient resource consumption including water, energy and non-renewable resources

WHAT WE'VE DONE:

Community Priority	Actions	Activities
4.1 A high standard of environmental health and waste services	4.1.1. Investigate opportunities to improve Shire waste services and facilities	Ongoing monitoring of new options. Major changes in operations may be required due to legislative changes.
	4.1.2 Develop and adopt a compliant Public Health Plan and progressively deliver agreed actions	Public Health Plan adopted March 2022.

Community Priority	Actions	Activities
4.2 Conservation of our natural environment	4.2.1 Partner with relevant agencies and local stakeholders such as the North Stirlings Pallinup Natural Resources (NSPNR) to preserve and/or enhance the natural environment	Contiguous Local Authorities Group now established to gain access to funding from the State for training and materials for mosquito control program. North Stirlings Pallinup Natural Resources are proposed to be the agency which carries out the works for the Shire. First funding for training and consumables has been received for the Contiguous Local Authorities Group (CLAG). Training for North Stirlings Pallinup Natural Resources is being organised.
	4.2.2 Deliver water conservation projects for the Drought Communities Relief program	All Drought Communities Water projects complete

5. OUR ORGANISATION

WHAT WE PLANNED:

COMMUNITY PRIORITIES	WE KNOW WE ARE SUCCEEDING
5.1. Investment in the skills and capabilities of our staff and leaders	Service levels are achieved
	Succession planning for key roles
5.2. Shire communication is consistent, engaging and inclusive	The community can participate in the decision-making processes
	Residents and community groups believe they are being listened to and fairly treated
	Shire brand reflects all three communities
5.3. Forward planning and implementation of plans to achieve strategic priorities	Collaborative planning amongst key stakeholders and regional groups
	Performance against commitments made – Shire Priorities

WHAT WE'VE DONE:

Community Priority	Actions	Activities
5.1 Investment in the skills and capabilities of our staff and leaders	Continue representation on relevant Boards, Committees and working groups to influence positive local and regional outcomes CEO	Regular meetings with Voluntary Organization of Councils (VROC), Zone, Great Southern Development Commission (GSDC), Katanning Hospital & LG Professionals to influence positive outcomes for the Shire
	Organise professional development opportunities and mentoring support to develop the capability of staff and Councillors CEO	Training provided for Rates, (Electronic Fund Transfer (EFT), Transport, Records, Finance and Emergency Management

Community Priority	Actions	Activities
5.2 Shire communication is consistent, engaging, and inclusive	Develop and implement a simple Engagement Toolkit to assist with community engagement	We have recently developed a Community Engagement Toolkit that will be used by all staff to assist with community engagement.

Community Priority	Actions	Activities
5.3 Forward planning and implementation of relevant plans to achieve strategic priorities	Deliver the scheduled reviews of the Shire Integrated Planning Framework	Updated Strategic Community Plan and Corporate Business Plan completed and adopted August 2021.
	Review and update statutory requirements such as local laws and record keeping plan	Medical Centre Records Risk Assessment completed in 2021/2022.
	Conduct a review of the ITC Strategy and integrate with the Business Continuity Plan	Process has commenced but finalisation of review has been pushed out to 2022/2023.



OFFICERS ANNUAL REPORT 2021/22

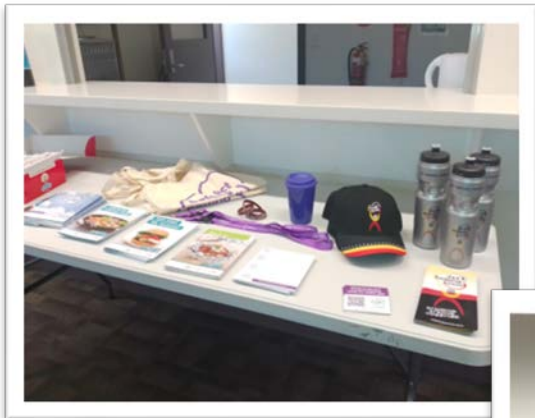
COMMUNITY DEVELOPMENT COORDINATOR

EVENTS

NAIDOC Week 2022

This year, the Shire of Gnowangerup partnered with the Gnowangerup Community Resource Centre (CRC) to hold events to celebrate NAIDOC Week 2022- This year's theme, Get Up! Stand Up! Show Up!

The week commenced with the opening of the 'Gnow Arts Exhibit', a collation of artwork done by local and non-local artists that was showcased over NAIDOC week in the Gnowangerup CRC. Also, an after-school community activity for kids was set up for those who wished to partake throughout the week, with roughly 25 self-portraits being painted and exhibited. NAIDOC 22 was supported once again by our partner Act Belong Commit, with marketing and promotional material available during the event.



Dr Wally's 10-year Anniversary

The Shire of Gnowangerup hosted a community afternoon tea at the Sporting Complex to celebrate Dr Wally's 10 years of dedicated service to the community.

Shire Councillors, Medical Practice staff and Community Members were all invited to attend.



Australia Day Celebrations 2022

This year's Australia Day celebrations took place at the Ongerup Sporting Complex. It was a great day for all with an approximate attendance of 100 people. The Gnowangerup Police and Shire President assisted local community members to raise the flags and we had fantastic music from Pleun and Alan.



Citizen of the Year Awards

Each year at our Australia Day breakfast, we announce the winners of the Australian Citizen of the Year Awards.

This year's winners of the Australian Citizen of the Year Awards were:

Robyn Crabbe (Community Citizen of the Year) – Robyn has been nominated/recognised for her work within the Gnowangerup Community, especially within the Gnowangerup St John Ambulance that she is the current Chairperson of. Robyn has been a crucial part of the Gnowangerup Subcentre. Initially starting off as an ambulance officer, she has progressed into Volunteer Development Officer and then Chairperson. Robyn has saved multiple lives and helped hundreds of patients in the community. During the past couple of years, not only has Robyn worked full time and dedicated considerable time to ambulance work, she has also completed a Diploma in Nursing.



Gnowangerup St. John Ambulance (Active Citizenship, Group or Event) - The Gnowangerup St John Ambulance is an organisation within our Shire that has subcentres not only in Gnowangerup but Borden and Ongerup too. With over 20 volunteers working endlessly to ensure our towns have a fantastic resourceful ambulance service. Many of the volunteers work full time in various roles within the community and before becoming a volunteer had no medical background. They have worked endlessly to complete the essential training to fulfill various roles in the organization. Without all of these amazing volunteers many patients would have to wait long periods of time for an ambulance attendance. All of these awards are very well deserved, Congratulations to each of these community members/group for your amazing contributions to our community.



Mental Health Week



In 2021 we held a Staff Breakfast to celebrate mental health week. It was attended by all office and depot staff, and breakfast was provided. Gaby from Palmerston attended and gave a talk about mental health, and engaged the staff with some fun activities. Act Belong Commit goodie bags were given to each staff member containing various merchandise.

Citizenship Ceremonies

The Shire of Gnowangerup welcomed 7 new Australian citizens in 2021/2022.

The conferees received their citizenship at three ceremonies with their friends and families witnessing this special event.

Shire President, Fiona Gaze presided over the ceremonies and received the pledge of the new Australian citizens.

Making the Australian Citizenship Pledge is the final step in becoming an Australian Citizen, and the Shire of Gnowangerup is proud to welcome those who have made this journey.



PROJECTS

Amelup Information Bay Upgrade

The Amelup Information Bay had a little makeover. After the new signage was created in 2020/21, we realised that the new sign was missing something..... A lovely new shelter.



FACILITIES

Gnowangerup Community Swimming Pool Swimming Pool

The Gnowangerup community swimming pool 2021/22 season took off on the 1st of November wasting no time to get things rolling the synchro club started its training on opening day followed by the swimming club in the days to follow the season kept its fast pace going into the December with seven Christmas and end of year parties as well as the usual events and activities.

Here is a brief overview of the 2021/22 Gnowangerup Community Swimming Pool season -

- 30 Family Season passes were sold;
- 16 Adult Season passes were sold;
- Four Children Season passes were sold;
- The synchro club consists of approximately 13 swimmers with weekly training sessions;
- Swimming club had approximately 50 members training over 3 days a week;
- 15 early morning swimmers have the option to swim 4 days a week resulting in an additional 146 patrons a year;
- Vacation lessons had 136 enrolments totalling in over 1600 patrons;
- During vacation lessons we assisted parents of children doing swimming lessons to raise money for the Katanning Scout troop with two sausage sizzle fundraisers helping them raise approximately \$1000 for equipment;
- We hosted in term swimming lessons for 14 One School Global, 119 Gnowangerup District High School, 46 Tambellup Primary School, 23 Borden Primary School, 21 Ongerup Primary School and this year we welcomed back 38 Nyabing Primary School students;
- Next it was carnival time with Gnowangerup District High School having 220 people for their swimming carnival;
- Broomhill Primary School bought across 48 people for their carnival day; and
- Our season was brought to a close on the 8th of April.
- Early in the year we were privileged to host Synchro WA state winning coach for all the community to come and have a go at something new. Followed later in the session by us hosting a round robin style synchro camp for Gnowangerup, Katanning, Albany, and Mt Barker clubs.

Price List:	
Adult (18 years and over)	\$4.75
Child (under 18 years old)	\$3.10
Aged Pensioner (must show card)	\$3.95
Infant / Child (3 years and under)	Free
Spectator (all ages)	Free
Family Season Pass	\$209.10
Adult Season Pass	\$130.15
Child Season Pass	\$78.85
Aged Pensioner Season Pass	\$88.23

Library Services



Gnowangerup

This year at the Gnowangerup Library, we were able to return to our guest author for Book Week celebrations after a hiatus due to COVID. Gabriel Evans was extremely well received by our local school community with approximately 75 in attendance.

The towns of Gnowangerup and Ongerup also each installed a 'Little Street Library' for the community to 'Take a book, Swap a book, Leave a book...'



Below is some of the great events and programmes our Library held for the community.

Gnowangerup



Ongerup



Community Financial Assistance Grants 2021/22

Each financial year, the Shire provides Community Financial Assistance Grants to community groups who were successful in their funding applications. Applications are open to all not-for-profit groups and range from \$500 applications to \$20,000 applications. Below is an overview of the grants provided to groups in 2021/22.

Name of Organisation	Approved Amount	Name of Project
Ongerup & Needilup District Museum	\$ 500	Wildflower Show
Ongerup Playgroup	\$ 1,300	Playgroup Equipment and Storage 2021
Yongergnow-Ongerup CRC	\$ 1,550	Ongerup Quiz Night 2021
GNP360	\$ 5,000	Horsepower Highway - Tractor 'Lucinda'
Borden Pavilion	\$ 5,000	Borden X Cup 2022
Ongerup Sporting Complex	\$ 5,000	New Carpet in Function Area
Gnowangerup CRC	\$ 5,000	2022 Summer Fair
Yongergnow Malleefowl Centre	\$ 8,635	Outdoor Maintenance and Essential Repairs
Ongerup Bowling Club	\$ 20,000	Resurface Existing Playing Surface and Surrounding Walk Way Banks
Gnowangerup Football Club	\$ 10,000	lights/dugouts
	\$ 61,985	

Council Operational Assistance 2021/22

Each year Council provides Operational Assistance to the Gnowangerup Sporting Complex, Ongerup Sporting Complex and the Borden Pavilion. The funding allocation is based on the utility costs that the complexes/pavilion paid in the previous year.

Sporting Complex/Pavilion	Approved Allocated
Gnowangerup Sporting Complex	\$12,265
Ongerup Sporting Complex	\$3,390
Borden Pavilion	\$8,142
	\$23,797

EMERGENCY MANAGEMENT

1.5 Support emergency services, risk mitigation, response and recovery

1.5.1 Work with the LEMC to continually improve emergency response planning and delivery

Local Emergency Management Committee Activities 2021/22

During the 2021/22 financial year we saw a continuation of the Covid-19 pandemic and remained one of the focal points of the Local Emergency Management Committee (LEMC). Wearing of facemasks inside buildings and workplaces became mandatory and the use of the SafeWA App became part of the daily routine.

Mandatory Covid-19 vaccine mandates (health mandate) were put in place by the State Government for all frontline workers which included health workers, Fire and Emergency Services staff and volunteers, Department of Education staff, etc. It was mandated that all frontline workers be triple vaccinated to remain operational. Failing to comply with the mandate resulted in resignation or temporary suspension/leave of absence of staff/volunteers.



Concerns were raised at LEMC meetings about the impact the health mandate was having on staffing levels at hospitals and volunteer numbers of the local bushfire brigades and the capability of the Shire to deal with emergencies.



The Shire of Gnowangerup was fortunate that most bushfire volunteers adhered to the mandate and no real impact was noticed in relation to the Shire's ability to actively assist in bushfire emergencies during the mandate period. Staff shortages at the Gnowangerup Hospital remained an area of major concern with the lack of available housing within the

Shire also being a contributing factor.

During February of 2022, four level 3 bushfire incidents were running concurrently in the Great Southern and South West, resulting in major constraints on the availability of reliable methods of communication services during these emergencies. Widespread power outages due to the fires caused mobile towers to go down, VHF radio communication towers over

subscribed and left towns and emergency services without ways of effective communication between themselves and their communities. The impact the lack of effective available communication had on these communities prompted the LEMC to conduct a simple desktop communications exercise with the aim to raise awareness of the importance of effective Public Information practices and to improve current methodologies and procedure in place.

The focus of the exercise was to explore the capability of:

- Community Involvement: Alerts and warnings and Public Information:
 - Messages to communities at all stages of emergency management are planned, coordinated, prompt, reliable and actionable.
 - The messages are clear consistent, accessible culturally and linguistically appropriate.

The exercise objectives were:

- To raise awareness of the importance of effective communications and public information to assist the community before, during and after an emergency.
- To identify and/or improve strategies to provide information to the community before, during and after an emergency. Strategies must be in line with the requirements of the capability framework and take into account restrictions that occur during emergencies such as power outages.

The outcome of the exercise can be found in the March 2022 LEMC meeting minutes.

Bushfire Brigades Activities 2021/22

At the October 2021 Bushfire Advisory Committee (BFAC) Meeting it was concluded that due to the updated Work Health and Safety Act 2020 the minimum acceptable level of training undertaken by a volunteer bushfire brigade member would be the completion of the DFES 1056 “Rural Fire Awareness” course.



This resulted in the Shire hosting a series of training sessions at various locations within the Shire. By the end of the 2021/22 financial year more than a 100 volunteers had completed the required Rural Fire Awareness course and more sessions were planned for later in the year.



The 2021/22 fire season was once again a busy and challenging time for our volunteer bushfire brigades. Not only were our brigades dealing with a few large incidents within our own Shire, but also went to assist with two level three incidents within the Great Southern, it being at the Shire of Denmark and the Shire of Jerramungup.

Incidents within our own Shire included three fairly large incidents and a number of smaller events. Attendance at these incidents were excellent as was witnessed at

the Wemyss Estate fire where more than 60 of our volunteers assisted on the day.

Despite the restrictions that the Covid-19 health mandate placed on emergency service volunteers, the Shire was very fortunate to not have been impacted too much by these restrictions.

Our brigade members should be commended for their dedication and hard work and the time they selflessly give to protect the communities within the Shire of Gnowangerup. With limited resources provided by DFES, the Shire heavily relies on farmer response units and would like

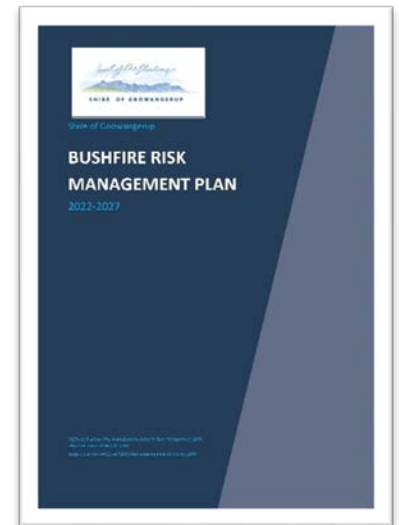


to thank each and every volunteer for their time and effort during the bushfire season.

Bushfire Risk Management Plan

The Shire of Gnowangerup Bushfire Risk Management Plan was endorsed by Council in March of 2022.

Since then, the Shire's Community Emergency Services Manager (CESM) along with staff and volunteers have been working hard to identify high risk areas within Shire owned or managed land that could benefit from the Mitigation Activity Fund (MAF) available for application for all Local Governments with an endorsed Bushfire Risk Management Plan. A submission for funding is aimed to be completed by August 2022 when the second round of MAF funding opens for submission. If successful, the Shire will be able to mitigate the high-risk areas identified on Shire owned or managed land around the Shire townsites and other areas within the Shire.



MANAGER OF WORKS

Implement Capital Works Plan

The 2021/2022 capital works program included a mixture of full reconstruction, reseal and gravel resheeting across several roads throughout the Shire. All scheduled works were completed except for Corakerup Rd gravel resheet and the Quinn St RAV reseal. This project were moved forward to the 2022/2023 program.

Approximately 20km of unsealed roads were gravel sheeted and 14km of roads bitumen resealed.

Road Name	Described works and Funding Source
Road Maintenance	<ul style="list-style-type: none"> • A total of \$1,328,550 was spent on road maintenance across the Shire road network in 2021/2022
Boxwood Hill – Ongerup Road	<ul style="list-style-type: none"> • 5km Reseal, widen shoulders and improve horizontal curves. • Total cost \$160,482 • Fully funded by Roads to Recovery
Magitup Road	<ul style="list-style-type: none"> • Gravel Sheeting • Total cost \$131,938 • Fully funded by Roads to Recovery
Rabbit Proof Fence Road	<ul style="list-style-type: none"> • Gravel Sheeting • Total cost \$128,474 • Fully funded by Roads to Recovery
Kwobrup Road	<ul style="list-style-type: none"> • Pavement reconstruction, widen running surface to 7.5m and seal • Total cost \$550,600 • Regional Road Group state contribution \$367,067 • Shire contribution \$183,533
Borden Bremer Bay Road	<ul style="list-style-type: none"> • Reseal 6km to protect pavement integrity • Total cost \$187,000 • Regional Road Group state contribution \$124,667 • Shire contribution \$62,333
Coromup Road	<ul style="list-style-type: none"> • Gravel Sheeting • Total cost \$323,272 • Fully funded by the Shire
Toompup Road South	<ul style="list-style-type: none"> • Gravel Sheeting • Total cost \$96,619 • Fully funded by LRCIP grant

Road Name	Described works and Funding Source
Boxwood Hill Ongerup Road	<ul style="list-style-type: none"> • Reseal 5km to preserve pavement integrity • Total cost \$85,612 • Fully Council funded
Gnowangerup – Tambellup Road	<ul style="list-style-type: none"> • Shoulder Widening • Total cost \$710,312 • Regional Road Safety Program
Quinn St Reseal	<ul style="list-style-type: none"> • Asphalt three intersections into CBH then reseal road from Hotel to Walsh Road • Total cost \$72,089 • Fully Council funded

Kwobrup Rd Stage 2 Reconstruction.

The continuation of Kwobrup Rd reconstruction was completed. This consisted of importing gravel for shoulder widening, ripping existing seal, adding a 100mm basecourse and reforming the road to comply with standards. The seal width was increased from 6.4m to 7.5m and linemarking was implemented, including edge lines for driver safety. As this road has a high percentage of heavy vehicles, the new works has vastly improved safety on this section of road.



Sealing Kwobrup Road



Kwobrup Road finished project

Quinn St RAV Reseal

Four intersections on Quinn and Cecil St in Gnowangerup were widened to accommodate the turning circles of Restricted Access Vehicles in the Gnowangerup Light Industrial Area. Drainage pits were removed and new side entry pits were installed, along with new kerbing. This resolved the issue of the back trailer of Road Trains mounting the kerb and damaging the Shire's infrastructure. This was a fully Council funded project.



Kerbing and sealing on the corner of Quinn and House St



Shoulder widening
Gnowangerup - Tambellup Rd

Gnowangerup – Tambellup Shoulder Widening

As part of the Commonwealth Government's Regional Road Safety Program, the Shire was awarded funding of \$710,312 to shoulder widen 12km of the Gnowangerup Tambellup Road. The project included sealing the shoulder to create an overall lane width of 4.5m. Audible edge line marking was also installed. This greatly improved the safety of the road. This was an initiative that was completed in association with Main Roads WA.

General Maintenance

A total of \$1,328,550 was spent on general maintenance throughout the financial year. This consisted of maintenance grading, gravel patching, pothole patching, road verge spraying and clearing drains and offshoots.

Future Capital Works for 2022/2023

In the 2022/2023 construction program we will carry on with a further 3km of widening on Kwobrup Road, as well as six gravel sheeting projects on various roads and 10km of bitumen resealing. We will continue to work on gaining RAV access to the industrial area in Gnowangerup.

ASSET AND WASTE MANAGEMENT COORDINATOR

Plant

The Shire continues with its plant replacement program, updating a Grader, two Side Tipper trailers, four utilities and two mowers.



Waste Management

Options were investigated to improve waste management. In particular staff looked at the FOGO program, discovering that there were considerable costs in the set up and ongoing processing of the material. Material quantities generated in the Shire would not make the program sustainable. The lack of outlets for the generated material was also of concern.

Drought funding

Drought funding saw numerous projects completed including:

- Renovation of the old CWA building at Borden for use by the North Stirlings Pallinup Natural Resources (NSPNR) Group, streetscape works, Multipurpose shed at the Borden.
- Streetscape works and garden retic at Ongerup
- Steam Tractor repaint, Old Police house works and complex playground at Gnowangerup.



Water projects

Water projects were conducted at Toompup, additional tanks and solar pump, and Magitup, repair works and spillway, Dams, along with a water harvesting project that utilised the Gnowangerup Aerodrome as a catchment for a new 32.5MI dam and two 250KI tanks. The project was officially opened by the Minister for Water Hon Dave Kelly MLA and Shire President Fiona Gaze.



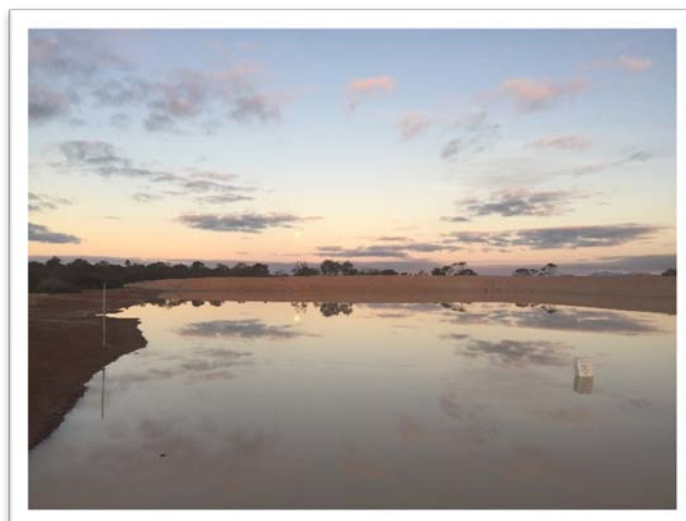
Aerodrome

The aerodrome underwent its first CASA inspection as a preliminary to reaching Final Certification.

As part of the certification process all required documentation including an Aerodrome manual, numerous sub plans were submitted for approval.

Further projects

The latter half of the year saw projects beginning as part of the new Local Roads and Community Infrastructure Grant. A new community electronic sign and new solar lighting on the pathway into the Gnowangerup Sporting complex were completed. Other projects associated with this grant will be carried out in the 2022/2023 year.



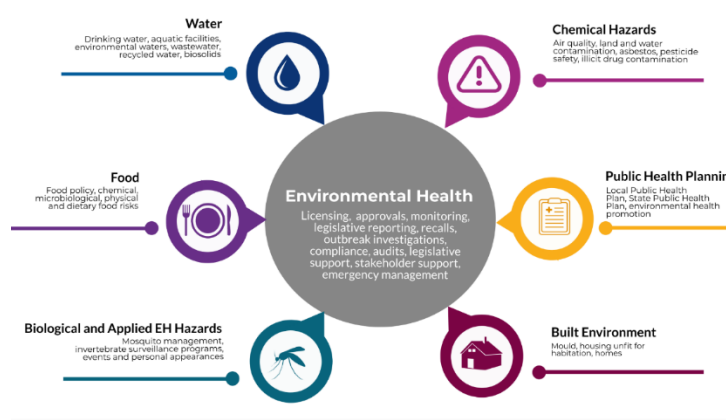
ENVIRONMENTAL HEALTH SERVICE ANNUAL REPORT

ENVIRONMENTAL HEALTH ADMINISTRATION

The Shire of Gnowangerup Environmental Health Service was recognized in the Environmental Health Team Awards as Highly Recommended by the Environmental Health Australia (Western Australia) Incorporated at the 2022 Annual Conference.

The Environmental Health Officer provides a part time service to the community at a 0.32 Full Time Equivalency. This is equivalent to about 2 hours per day for every week throughout the financial year.

Environmental Health Officers have many tasks required to be performed in the course of their duties. The duties are contained in a program as displayed on the Environmental Health page of the Community portal on the Shire’s website.



A link can be found at: <https://www.gnowangerup.wa.gov.au/community/services/environmental-health.aspx>

Complaints

Complaints investigated by the Environmental Health Officer were:

Type of Complaint	2020/2021	2021/2022
Misuse of pesticides & herbicides	5	0
Unclean & dilapidated buildings	0	6
Asbestos handling & disposal	1	0
Household & industrial effluent disposal	2	0
Environmental noise emission	1	0
Mosquito breeding & biting	0	132
Total Number	9	138

PUBLIC HEALTH PLANNING

Over the past 12 months, a public health plan has been written specifically for the Shire of Gnowangerup. The Shire Plan is designed to integrate with the Department of Health's State Public Health Plan and connect with the Shire of Gnowangerup Integrated Strategic Community Plan.

This Plan sets out strategies identified in the health research process merged with survey responses from the general population and incorporated into the final plan document. The Shire of Gnowangerup Public Health Plan 2022 – 2026 will guide Council in its decision making in the immediate future.

The Public Health Plan can be found at

<https://www.gnowangerup.wa.gov.au/community/services/environmental-health.aspx>

BIOLOGICAL AND APPLIED ENVIRONMENTAL HEALTH HAZARDS

COVID 19


Working with the Shire of Gnowangerup Local Emergency Management Committee (LEMC), the Environmental Health Officer has provided guidance on maximum accommodation numbers in public gatherings and other useful advice as required. While the pandemic has not yet abated, Council has worked closely with many local and government agencies and the local population.

Mosquito Control

Nuisance caused by mosquito breeding

In the spring – early summer period of 2021, biting mosquitoes invaded the townsite of Gnowangerup. Mosquito traps were deployed near the town's wastewater treatment plant and two locations in the townsite. The predominant mosquito found in the traps was *Aedes . camptorhynchus*. It is likely that breeding sources are within 3km of the trap location.

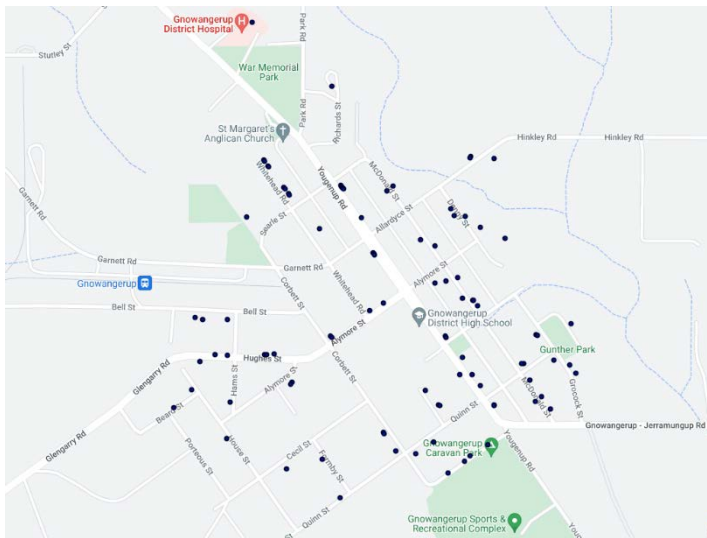
Using information gathered in the trapping program, larvicide was applied liberally over several weeks with a mechanical handheld spreading device to surface waters adjoining the wastewater treatment plant outlet, and in adjoining creeks, a number of residual larvicide blocks were placed.



Aedes camptorhynchus

- Known for spreading Ross River Virus & Barmah Forest Virus infections
- Vicious biter, severe pest for humans
- Located throughout Southern WA
- Breeds in coastal or inland brackish water and tidal salt marsh where samphire plants located (creeks in the Gnowangerup Shire have this plant in abundance)
- Active throughout the day
- Peak times of year are spring and early summer months

The location of complainants in the townsite area is shown in the following diagram.



Location of complainants (dots) in Gnowangerup for mosquitoes breeding in water ways adjoining the town's wastewater plant.

The likely source of the biting mosquitoes in the Gnowangerup Townsite and Ongerup Townsite is borne from the drainage trench connecting the wastewater treatment outlet to the Gnowangerup Creek, and in Ongerup, the drainage area at the rear of the wastewater treatment ponds, respectively.

The Gnowangerup trench is substantially filled with weeds and other plant material causing a substantial breeding zone for mosquitoes.

Council has written to the Water Corporation to request that a new outlet be installed to pipe the wastewater direct to the Gnowangerup Creek to discharge near the road bridge on the Ongerup – Gnowangerup Road.

Ongerup Wastewater Treatment Ponds

The extent of mosquito breeding in the bush area beyond the Lagoons has not been fully measured. It is Council's intention to measure the type and number of mosquitoes breeding in the area adjoining these ponds and to seek special facilities funding from the Department of Health through Contiguous Local Authorities Group (CLAG) funding to install underground leach drains or similar.



Ongoing Mosquito Surveillance

Council is intending to seek the services of the North Stirlings Pallinup Natural Resources (NSPNR) land care group to undertake mosquito breeding surveillance and treatment within five kilometres of townsite areas. The identified biting mosquitoes are known to breed in brackish water trapped in sapphire flats and salt bushes. As the Gnowangerup Creek and other creeks in the Shire, have an abundance of both, it is unlikely that this treatment option will remove all the mosquitos and only monitoring of the water ways and treatment of shallow pool breeding sites with larvicides will control the nuisance.

Formation of a CLAG

Working in co-operation with the Shires of Katanning and Broomehill-Tambellup and the Department of Health; the Shire of Gnowangerup has created a CLAG - a Contiguous Local Authorities Group. This CLAG is better known as the Upper Great Southern CLAG.

CLAGs are created between local governments working together with the Biological & Applied Environmental Health Hazards Unit of the Department to Health to share resources, provide training for field workers, provide larvicide for the treatment where mosquitoes are breeding in waterways and funding for education initiatives and advice to residents.

As part of the process to form a CLAG, the Shire of Gnowangerup created a mosquito management plan in consultation with the Department of Health. Funding towards the purchase of larvicides and mosquito equipment such as light traps is also provided by the Department of Health.

FOOD

A principal function of the Environmental Health Officer (EHO) is the monitoring of food preparation produced within the Shire and the monitoring of foods brought into the Shire. Each local government is an enforcement agency under the Food Act 2008 and the EHO is required by law to maintain surveillance of food products prepared and delivered in the local community.

Food surveillance is provided in the following ways:

- Inspection of food premises
- Approval of the construction of new food preparation areas
- Communicating written advice to food businesses
- Conducting food recalls and advising the community through Council's Facebook and the 3 community newsletters
- Food Handler training through the FoodSafe Online training portal
- Sampling of prepared foods purchased at food shops in the municipality



Inspection of Food Premises

Inspection of food premises by number was down this year due to influence of COVID 19 in the community.

Food Business Classification	Number of Food Businesses	Number of Food Business inspections during the Financial Year
Very Low / Exempt	1	0
Low Risk	2	3
Medium Risk	3	0
High Risk	12	13
Total Number	18	16

One food business closed during the financial year, although three more stopped trading for lengthy periods.

Food Recalls

Products Recalled	2020/2021	2021/2022
Confectionary products, chocolates	3	14
Fruit juices & fruit	1	2
Herbs & vegetables	4	1
Packaged sauces & pesto	2	1
Packaged food products (e.g., Noodles)	5	
Cakes / biscuits	3	6
Sparkling waters & wines 7 Milk	6	5
Fish products, prawn crackers, oysters	2	2
Meat products – Pate, Salami		3
Pizzas		2
Muesli		1
Total Number	26	37

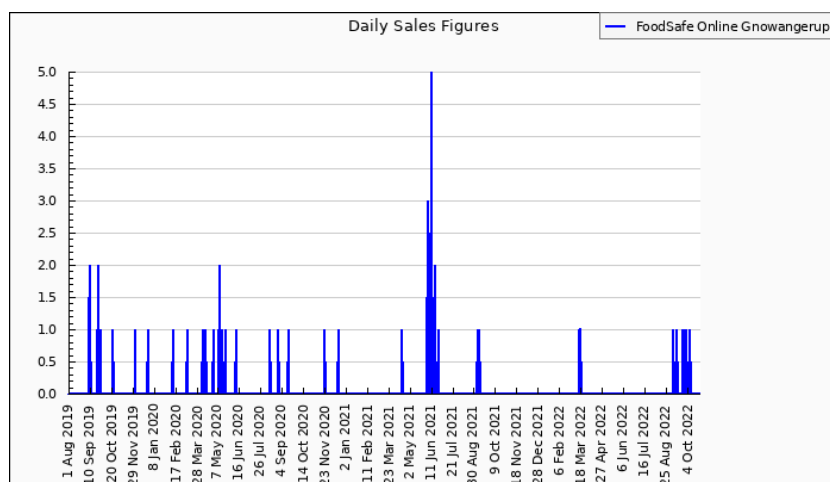
Distribution of Food Recall Notices

There was a substantial increase in the number of Food Recalls over the previous 12 months. All Food Recalls are assessed against the likelihood of being sold in the Gnowangerup Shire and the risk they pose by consumption. Where there is a high risk of contamination, food recalls are distributed by email to all food businesses in the Shire, posted onto Council's Facebook page and distributed to the community newsletters in Gnowangerup, Borden and Ongerup.

Food Handler Training

The Shire of Gnowangerup has an online portal for prospective food handlers (and persons wishing to work in the food industry), to undertake the FoodSafe Online training course This is a free service offered by the Environmental Health Australia (WA) Inc.

52 registrations since August 2019.



Food Sampling

Two opportunities were taken to work with the Department of Health (WA) and the Local Government Health Authorities Analytical Committee (LHAAC) to test locally produced foods. This type of program is conducted statewide and local governments are invited to participate.

Samples of minced meat were taken from Ongerup Farm Supplies & General Store and Saddlers Butchers to test for added preservatives. Preservatives are not permitted in minced meat. Both samples contained no preservatives.

Two locally manufactured prepared meals were sampled. These foods were purchased at the Ongerup Farm Supplies & General Store and Gnowangerup IGA. The foods were tested for the presence of harmful bacteria. Both samples were free of contamination.

All WA local governments contribute financially to LHAAC to test foods for chemicals and micro-organisms.

The LHAAC Scheme has been broadened recently to test samples of building products for the presence of asbestos fibres. This is an important service to assist small local governments through time efficiency to process samples and at an affordable price.

WATER

Drinking water used in food businesses and accommodation for hire is tested monthly for the presence of harmful micro-organisms. Samples are gathered by a Council Officer and dispatched to the PathWest Laboratory to be tested for harmful bacteria (drinking water) and bacteria and amoebae (swimming pool water).

Where contamination is found, the water source may be required to be closed until rectified and resampled or written advice requiring water to be boiled prior to consumption.

One sample of drinking water was detected following sampling and remedial action was taken to improve the water quality to an acceptable standard in accordance with the Australian Drinking Water Guidelines.

Water Samples Taken

Drinking Water

For Swimming Pools

Drinking Water			Swimming Pools		
Drinking Water (bacteria only)	2020- 2021	2021-2022	Swimming Pools (bacteria and amoebae)	2020 - 2021	2021 - 2022
12 sampling months @ 5 locations	60	60	7 sampling months @ 3 swimming pools One swimming pool closed.	28	21

Results of samples are conveyed electronically from PathWest to the Shire and then onto the sampling location.

CHEMICAL HAZARDS

The storage of used chemical containers used on farms is an area of concern. Council supports farmers returning one cubic metre drums (shuttles) and 125 litre containers to the local retailer to be refilled by the manufacturer and the triple rinsing then disposal for recycling option (Drum Muster).

Work has been undertaken to find a suitable location for the return of shuttles and 125 litre containers in the Ongerup Industrial Area. They are presently stored in the commercial area which is very close to the residential area of town.

The servicing of large spraying rigs needs to be better controlled to prevent the accidental release of chemicals during the servicing of these apparatus and the potential for pollution of ground water under these servicing areas.

BUILT ENVIRONMENT

Structures requiring construction or extension may require approval of the Environmental Health Officer. These may include:

- construction or alteration of food premises
- caravans or stalls at public events
- places storing chemicals
- onsite drainage systems
- rooms or buildings used for public assembly
- buildings that have fallen into neglect
- demolition of structures containing asbestos cement materials

There is an ongoing inspection and approval program for rooms or buildings used for public assembly. Those structures that completed a Certificate of Maximum Accommodation under the Health (Public Buildings) Regulations 1992 were:

- Gnowangerup Bowling Club
- Council Chambers and Meeting Room

Buildings being inspected and assessed against current health and building laws include:

- Ongerup Sports Centre
- Yongernow Mallee Fowl Centre
- Borden Pavilion
- Gnowangerup Hotel



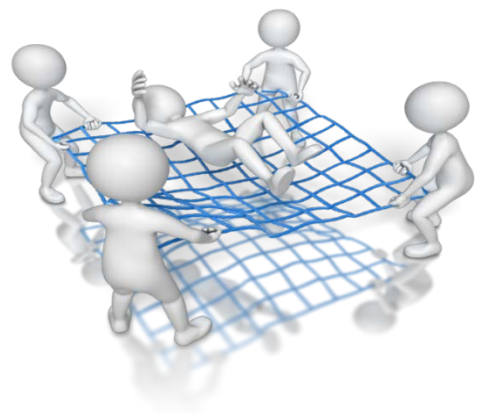
WORK HEALTH AND SAFETY ANNUAL MANAGEMENT REPORT

Our Vision: We work safely and efficiently

Our Aim: Every worker goes home safe and healthy every day

Our Priority: Is to provide skills, training, resources, and information

Throughout the 2021-22 year the organizations Occupational Safety and Health has undergone significant changes as the new Work Health and Safety (WHS) legislation was passed into law. This anticipated change required all local governments and businesses to re-assess their policies, procedures, and practices to remain compliant and provide documented evidence of that compliance.



The Shire assessed these new requirements by the following means:

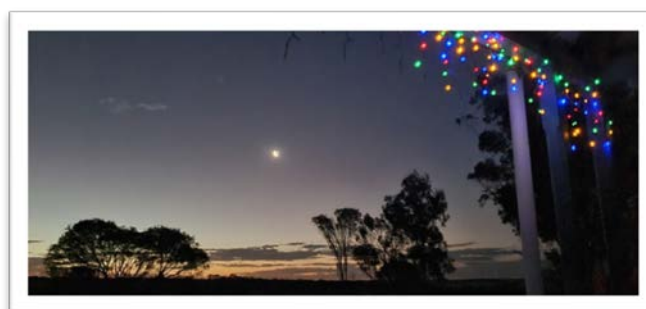
1. Identify and measure baseline metrics that indicate our performance levels.
2. Measure the effectiveness of hazard identification and control functions.
3. Determine and prioritise actions resulting from the Safety Management System data including:
 - a. External Audits
 - b. Internal Audits and Inspections
 - c. Incident Reports
 - d. Risk Assessment Reviews
 - e. Hazard and Near miss Reporting
 - f. Safety Committee/Team Meetings
 - g. Responsible Persons Actions & Performance measures.
 - h. Documented Engagement, Communication and Consultation processes



As a result, the Shire employed a subject matter expert to assist in upgrading the WHS Management System and to support the staff with training, information, and advice going forward.

Contributors to the WHS continuous improvement project

Attendee	Function
Bob Jarvis	CEO
Ian Graham / Cherie Delmage	Deputy CEO
Sharon Minter	Senior Finance Officer
Yvette Wheatcroft / Damon Lukins	Manager of Works
Geoffrey Carberry	Asset & Waste Management Coordinator
Anrie van Zyl	Finance & Emergency Services Officer
Rose Jasper	WHS Officer
Pam Lemin	Health and Safety Representative



Summary

Completed Actions

The actions that have been completed to 30 June 2022.

Note: some of the items are ongoing and still are being actioned.

Item	Comment	Date
Skytrust trial	A safety Management System that enables the Shire to capture incidents, hazards, risks, inspections, inductions, training, pre-start checks, injury management and asset compliance checks to name just a few. The trial ended in 2021 and the Shire agreed to continue with the program as it was seen as value for money and reduced the amount of duplication and margin for error in metric reporting. System is also set up to manage our Volunteer Bush Fire Brigade members training and certification.	November 2021
Skytrust implementation	Shire officers with the assistance of Skytrust set up the system and rolled out some training to key personnel. The work continues as more documents and modules are added.	Ongoing
Appointment of Work Health and Safety Officer	With the introduction of the new WHS legislation in March 2022 the Shire employed a professional WHS Officer to help with maintaining compliance and updating WHS Policies, Procedures and working documents	April 2022

Item	Comment	Date
New Health and Safety Representative	One of the administration staff resigned as the area HSR and due to increased workload	April 2022
New Work Health and Safety Policy	Was adopted by Council and now reflects the new legislation	June 2022
Work Health and Safety Committee Terms of Reference	Drafted in May 2022 and approved by committee	June 2022
Reviewed and updated Risk Management Policy and Framework	To satisfy the Local Government Regulation 17 and the new WHS legislation these documents have been reviewed and will go to Council in 2022/23	Ongoing
Work Health and Safety Strategic Plan	Presented to Council	June 2022
Work Health and Safety Management System Planning Framework	Created to implement the Skytrust QHSE system	May 2022
Work Health and Safety Management Plan	Created in May 2022 to deliver the strategic outcomes laid down in the WHS Strategic Plan	May 2022 and ongoing
Organisational Emergency Management Plan	Draft created in June 2022	June 2022 and ongoing
Procedures: WHS Procedural Manual (includes Safe Operating Procedures, Safe Work Method Statements, Job Safety Analysis, Policies, Safe Work Procedures, Quick Reference Guides, training materials and guidelines)	Currently under review to align with the new WHS legislation.	April 2022 and ongoing
WHS Inductions	Completed and uploaded to Skytrust May 2022, 89% staff have completed	Ongoing

Performance Summary

Performance Measure	2021/2022	2022/2023 Target
Workers Compensation Incident	2	1
External Audit	Nil	ISO 45008
Worksite inspections	Two inspections undertaken compliance measure between 60-75%	Depot - 82.91% Admin - 87%
Action Close Out Rate	Est.60%	90%
Contractor inductions	Four documented	100%

Potential Catastrophic and Major Incidents (Injury Incidents & Hazard Near Miss Reports)

NIL

Top 5 Hazards for focus

Priority	Hazard	Who	How often
1.	Caught between	Mechanic	Monthly
2.	Vehicular incidents	All	Daily
3.	Projectile	Works	Weekly
4.	Muscular / ergonomic stresses	All	Daily
5.	Faulty equipment causing harm/injury	All	Ongoing

BUILDING SURVEYOR

For the 2021/2022 financial year the following building approvals were issued by the Shire of Gnowangerup.

APPROVALS ISSUED: 20

TYPE

Uncertified Building Permits:	11
Certified Building Permits:	6
Occupancy Permits:	2
Demolition Permits:	1
Notices of Completion:	7

TYPES OF BUILDING PROJECTS

Houses New:	2
Houses: Alterations/Extensions etc:	1
Other Minor Buildings (Sheds, Garages etc.):	7
Commercial:	2
Civil:	1
Industrial & Agricultural:	3
Other:	2





SHIRE OF GNOWANGERUP
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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

"A progressive, inclusive and prosperous community built on opportunity"

Principal place of business:
28 Yougenup Road
GNOWANGERUP WA 6335

SHIRE OF GNOWANGERUP
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The attached financial report of the Shire of Gnowangerup 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 Gnowangerup 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 28th day of November 2022



Chief Executive Officer

David Nicholson

Name of Chief Executive Officer



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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
Revenue				
Rates	24(a),2(a)	4,227,138	4,223,193	4,134,054
Operating grants, subsidies and contributions	2(a)	2,795,285	896,348	1,670,788
Fees and charges	23(c),2(a)	349,915	305,559	346,915
Interest earnings	2(a)	42,550	37,455	58,628
Other revenue	2(a)	978,308	72,634	170,991
		8,393,196	5,535,189	6,381,376
Expenses				
Employee costs		(2,559,829)	(2,650,345)	(2,597,546)
Materials and contracts		(1,849,264)	(2,358,089)	(1,875,883)
Utility charges		(153,456)	(178,508)	(159,395)
Depreciation	9(a)	(2,438,401)	(2,291,412)	(2,331,548)
Finance costs	2(b)	(22,900)	(23,554)	(31,066)
Insurance		(214,067)	(251,066)	(211,119)
Other expenditure	2(b)	(280,085)	(383,351)	(196,392)
		(7,518,002)	(8,136,325)	(7,402,949)
		875,194	(2,601,136)	(1,021,573)
Non-operating grants, subsidies and contributions	2(a)	1,697,470	1,712,878	2,265,755
Profit on asset disposals	9(b)	206,992	-	16,408
Loss on asset disposals	9(b)	(29,643)	-	(20,544)
Fair value adjustments to financial assets at fair value through profit or loss		3,997	-	2,586
Loss on revaluation of land and buildings	7(a)	-	-	(451,374)
		1,878,816	1,712,878	1,812,831
Net result for the period	23(b)	2,754,010	(888,258)	791,258
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	-	-	4,069,440
Total other comprehensive income for the period	15	-	-	4,069,440
Total comprehensive income for the period		2,754,010	(888,258)	4,860,698

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



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

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	5,090,991	4,910,995
Trade and other receivables	5	1,171,683	388,105
Other financial assets	4(a)	7,341	370,948
Inventories	6	63,785	23,344
TOTAL CURRENT ASSETS		6,333,800	5,693,392
NON-CURRENT ASSETS			
Trade and other receivables	5	117,185	114,787
Other financial assets	4(b)	130,463	73,807
Property, plant and equipment	7	33,972,429	34,073,314
Infrastructure	8	92,253,067	90,416,058
Right-of-use assets	10(a)	10,464	4,184
TOTAL NON-CURRENT ASSETS		126,483,608	124,682,150
TOTAL ASSETS		132,817,408	130,375,542
CURRENT LIABILITIES			
Trade and other payables	11	440,794	398,278
Other liabilities	12	429,708	188,809
Lease liabilities	10(b)	4,218	4,322
Borrowings	13	105,243	556,783
Employee related provisions	14	334,196	394,658
TOTAL CURRENT LIABILITIES		1,314,159	1,542,850
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	9,200	-
Borrowings	13	519,588	564,832
Employee related provisions	14	42,041	89,450
TOTAL NON-CURRENT LIABILITIES		570,829	654,282
TOTAL LIABILITIES		1,884,988	2,197,132
NET ASSETS		130,932,420	128,178,410
EQUITY			
Retained surplus		46,195,142	43,421,134
Reserve accounts	27	2,118,697	2,138,695
Revaluation surplus	15	82,618,581	82,618,581
TOTAL EQUITY		130,932,420	128,178,410

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		42,788,388	1,980,183	78,549,141	123,317,712
Comprehensive income for the period					
Net result for the period		791,258	-	-	791,258
Other comprehensive income for the period	15	-	-	4,069,440	4,069,440
Total comprehensive income for the period		791,258	-	4,069,440	4,860,698
Transfers from reserves	27	111,000	(111,000)	-	-
Transfers to reserves	27	(269,512)	269,512	-	-
Balance as at 30 June 2021		43,421,134	2,138,695	82,618,581	128,178,410
Comprehensive income for the period					
Net result for the period		2,754,010	-	-	2,754,010
Other comprehensive income for the period	15	-	-	-	-
Total comprehensive income for the period		2,754,010	-	-	2,754,010
Transfers from reserves	27	288,591	(288,591)	-	-
Transfers to reserves	27	(268,593)	268,593	-	-
Balance as at 30 June 2022		46,195,142	2,118,697	82,618,581	130,932,420

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		4,197,754	4,223,193	4,103,720
Operating grants, subsidies and contributions		3,079,760	719,979	1,624,498
Fees and charges		349,915	305,559	344,554
Interest received		42,550	37,455	58,837
Goods and services tax received		646,286	-	505,582
Other revenue		139,710	72,634	167,156
		8,455,975	5,358,820	6,804,347
Payments				
Employee costs		(2,654,751)	(2,580,907)	(2,548,030)
Materials and contracts		(1,861,260)	(2,358,089)	(1,791,576)
Utility charges		(153,456)	(178,508)	(159,395)
Finance costs		(24,353)	(23,554)	(32,570)
Insurance paid		(214,067)	(251,066)	(211,119)
Goods and services tax paid		(605,281)	-	(544,925)
Other expenditure		(280,085)	(383,351)	(228,799)
		(5,793,253)	(5,775,475)	(5,516,414)
Net cash provided by (used in) operating activities	16(b)	2,662,722	(416,655)	1,287,933
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost - self supporting loans		(60,000)	(60,000)	(340,000)
Payments for purchase of property, plant & equipment	7(a)	(1,277,306)	(1,667,591)	(785,084)
Payments for construction of infrastructure	8(a)	(3,239,257)	(2,062,014)	(2,609,745)
Non-operating grants, subsidies and contributions		1,697,470	1,712,878	2,519,604
Proceeds from financial assets at amortised cost - self supporting loans		370,948	30,948	29,729
Proceeds from sale of property, plant & equipment	9(b)	530,310	362,000	158,636
Net cash provided by (used in) investing activities		(1,977,835)	(1,683,779)	(1,026,860)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	26(a)	(556,784)	(216,784)	(548,606)
Payments for principal portion of lease liabilities	26(c)	(8,107)	(5,945)	(12,661)
Proceeds from new borrowings	26(a)	60,000	60,000	680,000
Net cash provided by (used In) financing activities		(504,891)	(162,729)	118,733
Net increase (decrease) in cash held		179,996	(2,263,163)	379,806
Cash at beginning of year		4,910,995	4,910,875	4,531,189
Cash and cash equivalents at the end of the year	16(a)	5,090,991	2,647,712	4,910,995

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	25(b)	2,202,004	2,182,201	2,182,529
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	24(b)	249,883	246,462	244,252
Operating grants, subsidies and contributions		2,795,285	896,348	1,670,788
Fees and charges		349,915	305,559	346,915
Interest earnings		42,550	37,455	58,628
Other revenue		978,308	72,634	170,991
Profit on asset disposals	9(b)	206,992	-	16,408
Fair value adjustments to financial assets at fair value through profit or loss		3,997	-	2,586
		4,626,930	1,558,458	2,510,568
Expenditure from operating activities				
Employee costs		(2,559,829)	(2,650,345)	(2,597,546)
Materials and contracts		(1,849,264)	(2,358,089)	(1,875,883)
Utility charges		(153,456)	(178,508)	(159,395)
Depreciation		(2,438,401)	(2,291,412)	(2,331,548)
Finance costs		(22,900)	(23,554)	(31,066)
Insurance		(214,067)	(251,066)	(211,119)
Other expenditure		(280,085)	(383,351)	(196,392)
Loss on asset disposals	9(b)	(29,643)	-	(20,544)
Loss on revaluation of non-current assets		-	-	(451,374)
		(7,547,645)	(8,136,325)	(7,874,867)
Non-cash amounts excluded from operating activities	25(a)	2,207,248	2,360,850	2,814,460
Amount attributable to operating activities		(713,467)	(4,217,017)	(2,549,839)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,697,470	1,712,878	2,265,755
Proceeds from disposal of assets	9(b)	530,310	362,000	158,636
Proceeds from financial assets at amortised cost - self supporting loans	26(a)	370,948	30,948	29,729
Payments for financial assets at amortised cost - self supporting loans		(60,000)	(60,000)	(340,000)
Purchase of property, plant and equipment	7(a)	(1,277,306)	(1,667,591)	(785,084)
Purchase and construction of infrastructure	8(a)	(3,239,257)	(2,062,014)	(2,609,745)
		(1,977,835)	(1,683,779)	(1,280,709)
Amount attributable to investing activities		(1,977,835)	(1,683,779)	(1,280,709)
FINANCING ACTIVITIES				
Repayment of borrowings	26(a)	(556,784)	(216,784)	(548,606)
Proceeds from borrowings	26(a)	60,000	60,000	680,000
Payments for principal portion of lease liabilities	26(c)	(8,107)	(5,945)	(12,661)
Transfers to reserves (restricted assets)	27	(268,593)	(268,398)	(269,512)
Transfers from reserves (restricted assets)	27	288,591	173,000	111,000
Amount attributable to financing activities		(484,893)	(258,127)	(39,779)
Surplus/(deficit) before imposition of general rates		(974,191)	(3,976,722)	(1,687,798)
Total amount raised from general rates	24(a)	3,977,255	3,976,731	3,889,802
Surplus/(deficit) after imposition of general rates	25(b)	3,003,064	9	2,202,004

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

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

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

The local government reporting entity

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

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:

- Employee Expenses
- Other Financial Assets
- Property, Plant and Equipment
- Infrastructure
- Right-of-use Assets
- Lease Liabilities
- Borrowing Liabilities
- Provisions

**SHIRE OF GNOWANGERUP
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 - general rates	General rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Rates - Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Rates - Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations.
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and charges	Building, cemetery services, library fees, property hire, private works, planning, development, animal management services, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Output method based on provision of service or completion of works, or on payment and issue of the licence, registration or approval
Other revenue - Commissions	Commissions on licencing	Over time	Payment in full on sale	None	When assets are controlled
Other revenue - Reimbursements	Insurance claims and reimbursable expenses	Single point in time	Payment in arrears for claimable event	None	When claim is agreed or when reimbursement is agreed

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

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

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	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	-	-	4,187,854	39,284	4,227,138
Operating grants, subsidies and contributions	428,433	-	-	2,366,852	2,795,285
Fees and charges	196,942	-	21,439	131,534	349,915
Interest earnings	-	-	31,760	10,790	42,550
Other revenue	60,460	-	-	917,848	978,308
Non-operating grants, subsidies and contributions	-	1,697,470	-	-	1,697,470
Total	685,835	1,697,470	4,241,053	3,466,308	10,090,666

For the year ended 30 June 2021

Nature or type	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	-	-	4,098,759	35,295	4,134,054
Operating grants, subsidies and contributions	254,777	-	-	1,416,011	1,670,788
Fees and charges	191,524	-	22,312	133,079	346,915
Interest earnings	-	-	39,365	19,263	58,628
Other revenue	67,690	-	-	103,301	170,991
Non-operating grants, subsidies and contributions	-	2,265,755	-	-	2,265,755
Total	513,991	2,265,755	4,160,436	1,706,949	8,647,131

Interest earnings

Note	2022 Actual	2022 Budget	2021 Actual
Financial assets at amortised cost - self supporting loans	2,122	-	2,063
Interest on reserve funds	5,721	5,398	8,512
Rates instalment and penalty interest (refer Note 24(e))	31,760	25,111	39,976
Other interest earnings	2,947	6,946	8,077
	42,550	37,455	58,628

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report		26,700	28,750	23,500
- Other services		2,300	-	1,600
		29,000	28,750	25,100

Finance costs

Borrowings	26(a)	22,504	23,275	30,677
Lease liabilities	26(c)	396	279	389
		22,900	23,554	31,066

Other expenditure

Sundry expenses		280,085	383,351	196,392
		280,085	383,351	196,392

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

3. CASH AND CASH EQUIVALENTS

	Note	2022 \$	2021 \$
Cash at bank and on hand		5,090,991	4,910,995
Total cash and cash equivalents	16(a)	5,090,991	4,910,995
Held as			
- Unrestricted cash and cash equivalents		2,971,373	2,772,300
- Restricted cash and cash equivalents	16(a)	2,119,618	2,138,695
		5,090,991	4,910,995

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted financial assets

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

Details of restrictions on financial assets can be found at Note 27.

4. OTHER FINANCIAL ASSETS

(a) Current assets

		2022 \$	2021 \$
Financial assets at amortised cost		7,341	370,948
		7,341	370,948

Other financial assets at amortised cost

Self supporting loans receivable	25(b)	7,341	370,948
		7,341	370,948

Held as

- Unrestricted other financial assets at amortised cost		7,341	370,948
		7,341	370,948

(b) Non-current assets

Financial assets at amortised cost		52,659	-
Financial assets at fair value through profit and loss		77,804	73,807
		130,463	73,807

Financial assets at amortised cost

Self supporting loans receivable		52,659	-
		52,659	-

Financial assets at fair value through profit and loss

Units in Local Government House Trust		77,804	73,807
		77,804	73,807

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 26(a) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 22 (i)) due to the observable market rates.

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

Financial assets at fair value through profit and loss

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

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

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

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

5. TRADE AND OTHER RECEIVABLES

	Note	2022 \$	2021 \$
Current			
Rates receivable		277,971	248,410
Trade and other receivables		74,268	117,844
GST receivable		-	41,005
Allowance for credit losses of rates receivables	20(b)	(23,137)	(23,137)
Accrued Income		842,581	3,983
		<u>1,171,683</u>	<u>388,105</u>
Non-current			
Pensioner's rates and ESL deferred		117,185	114,787
		<u>117,185</u>	<u>114,787</u>

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 value is considered immaterial.

6. INVENTORIES

	Note	2022 \$	2021 \$
Current			
Fuel and materials		63,785	23,344
		<u>63,785</u>	<u>23,344</u>

The following movements in inventories occurred during the year:

Balance at beginning of year		23,344	15,194
Inventories expensed during the year		(214,115)	(155,611)
Additions to inventory		254,556	163,761
Balance at end of year		<u>63,785</u>	<u>23,344</u>

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 GNOWANGERUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Land	Buildings - non- specialised	Buildings - specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		1,006,621	2,034,440	22,748,234	25,789,295	50,120	3,931,707	29,771,122
Additions		30,619	-	246,741	277,360	42,580	465,144	785,084
Disposals		-	-	-	-	(3,083)	(159,689)	(162,772)
Revaluation increments / (decrements) transferred to revaluation surplus		12,833	(9,113)	5,078,383	5,082,103	-	-	5,082,103
Revaluation (loss) / reversals transferred to profit or loss		-	(451,374)	-	(451,374)	-	-	(451,374)
Depreciation	9(a)	-	(33,953)	(502,607)	(536,560)	(7,436)	(406,853)	(950,849)
Balance at 30 June 2021		1,050,073	1,540,000	27,570,751	30,160,824	82,181	3,830,309	34,073,314
Comprises:								
Gross balance amount at 30 June 2021		1,050,073	1,540,000	27,570,751	30,160,824	99,124	4,620,480	34,880,428
Accumulated depreciation at 30 June 2021		-	-	-	-	(16,943)	(790,171)	(807,114)
Balance at 30 June 2021		1,050,073	1,540,000	27,570,751	30,160,824	82,181	3,830,309	34,073,314
Additions		51,463	-	204,605	256,068	-	1,021,238	1,277,306
Disposals		-	-	-	-	-	(352,961)	(352,961)
Depreciation	9(a)	-	(29,000)	(569,752)	(598,752)	(16,848)	(409,630)	(1,025,230)
Balance at 30 June 2022		1,101,536	1,511,000	27,205,604	29,818,140	65,333	4,088,956	33,972,429
Comprises:								
Gross balance amount at 30 June 2022		1,101,536	1,540,000	27,775,356	30,416,892	99,124	5,072,568	35,588,584
Accumulated depreciation at 30 June 2022		-	(29,000)	(569,752)	(598,752)	(33,791)	(983,612)	(1,616,155)
Balance at 30 June 2022		1,101,536	1,511,000	27,205,604	29,818,140	65,333	4,088,956	33,972,429

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using observable or estimated open market values of similar assets adjusted for condition and comparability at their highest and best use	Independent registered valuers	June 2021	Price per hectare/market borrowing rate
Buildings - non-specialised	2	Market approach using observable or estimated open market values of similar assets adjusted for condition and comparability at their highest and best use	Independent registered valuer	June 2021	Available market information and utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition, residual values and remaining useful life assessment
Buildings - specialised	3	Cost approach using current replacement cost	Independent registered valuer	June 2021	Construction costs and current condition, residual values and remaining useful life assessment inputs
<p>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.</p> <p>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.</p>					
(ii) Cost					
Furniture and equipment		Cost approach	Cost		Purchase cost
Plant and equipment		Cost approach	Cost		Purchase cost

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

8. 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 footpaths	Other infrastructure drainage	Other infrastructure parks & ovals	Other infrastructure other	Other infrastructure airports	Other infrastructure sewer	Other infrastructure solid waste	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	75,736,145	713,898	3,570,461	5,882,351	654,047	3,062,237	230,359	337,660	90,187,158
Additions	1,992,967	-	-	262,613	298,485	55,680	-	-	2,609,745
Impairment (losses)	(1,012,663)	-	-	-	-	-	-	-	(1,012,663)
Depreciation	(831,061)	(14,872)	(74,366)	(272,770)	(45,618)	(110,331)	(4,975)	(14,189)	(1,368,182)
9(a)									
Balance at 30 June 2021	75,885,388	699,026	3,496,095	5,872,194	906,914	3,007,586	225,384	323,471	90,416,058
Comprises:									
Gross balance at 30 June 2021	78,298,583	743,644	3,718,282	6,684,786	1,016,569	3,338,580	239,529	342,936	94,382,909
Accumulated depreciation at 30 June 2021	(2,413,195)	(44,618)	(222,187)	(812,592)	(109,655)	(330,994)	(14,145)	(19,465)	(3,966,851)
Balance at 30 June 2021	75,885,388	699,026	3,496,095	5,872,194	906,914	3,007,586	225,384	323,471	90,416,058
Additions	3,136,344	-	-	51,287	51,626	-	-	-	3,239,257
Depreciation	(850,666)	(14,873)	(74,365)	(277,688)	(52,936)	(112,555)	(4,975)	(14,190)	(1,402,248)
9(a)									
Balance at 30 June 2022	78,171,066	684,153	3,421,730	5,645,793	905,604	2,895,031	220,409	309,281	92,253,067
Comprises:									
Gross balance at 30 June 2022	81,434,927	743,644	3,718,282	6,736,073	1,068,195	3,338,580	239,529	342,936	97,622,166
Accumulated depreciation at 30 June 2022	(3,263,861)	(59,491)	(296,552)	(1,090,280)	(162,591)	(443,549)	(19,120)	(33,655)	(5,369,099)
Balance at 30 June 2022	78,171,066	684,153	3,421,730	5,645,793	905,604	2,895,031	220,409	309,281	92,253,067

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

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure footpaths	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure drainage	3	Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure parks & ovals	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure other	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure airports	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure sewer	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs
Other infrastructure solid waste	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2018	Construction costs ; current condition, residual values and remaining useful life assessment (Level 3) inputs

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

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

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

9. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non-specialised	7(a)	29,000	33,955	33,953
Buildings - specialised	7(a)	569,752	442,340	502,607
Furniture and equipment	7(a)	16,848	7,435	7,436
Plant and equipment	7(a)	409,630	406,850	406,853
Infrastructure - roads	8(a)	850,666	857,535	831,061
Other infrastructure footpaths	8(a)	14,873	14,895	14,872
Other infrastructure drainage	8(a)	74,365	74,365	74,366
Other infrastructure parks & ovals	8(a)	277,688	272,770	272,770
Other infrastructure other	8(a)	52,936	45,620	45,618
Other infrastructure airports	8(a)	112,555	112,225	110,331
Other infrastructure sewer	8(a)	4,975	4,980	4,975
Other infrastructure solid waste	8(a)	14,190	14,190	14,189
Right-of-use assets - plant and equipment	10(a)	10,923	4,252	12,517
		2,438,401	2,291,412	2,331,548

Depreciation rates

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

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
Formation	not depreciated
Pavement	50 years
Road seals	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
- formation	not depreciated
- pavement	50 years
Footpaths - slab	20 years
Sewerage piping	25 to 80 years
Water supply piping and drainage systems	50 years
Right of use (plant and equipment)	Based on the shorter of lease term or useful life of the underlying asset
Airport infrastructure	13 to 100 years
Parks and ovals infrastructure	2 to 100 years
Other infrastructure	10 to 50 years
Solid waste infrastructure	15 to 25 years

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

9. 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Furniture and equipment	-	-	-	-	-	-	-	-	3,083	-	-	(3,083)
Plant and equipment	352,961	530,310	206,992	(29,643)	362,000	362,000	-	-	159,689	158,636	16,408	(17,461)
	352,961	530,310	206,992	(29,643)	362,000	362,000	-	-	162,772	158,636	16,408	(20,544)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Transport				
Isuzu D-Max 4x4 Space Cab	28,666	29,171	505	-
Z-Turn Husqvarna Mower	2,634	9,456	6,822	-
John Deere Mower	-	7,007	7,007	-
John Deere Grader	126,000	100,000	-	(26,000)
Isuzu D-Max Utility	13,246	27,272	14,026	-
Isuzu D-Max Utility	12,111	29,171	17,060	-
Isuzu D-Max 4x4 Space Cab	25,453	29,171	3,718	-
Haulmore Side Tipper	30,500	63,636	33,136	-
Bogie Axle Dolly	11,438	14,773	3,335	-
Haulmore Side Tipper	40,425	79,091	38,666	-
Duraquip Tandem Axle Dolly	15,688	12,045	-	(3,643)
Isuzu 300 SES Vehicle	46,800	129,517	82,717	-
	352,961	530,310	206,992	(29,643)

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

9. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

Depreciation

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

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

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

SHIRE OF GNOWANGERUP
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10. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - plant and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2020		16,701	16,701
Depreciation		(12,517)	(12,517)
Balance at 30 June 2021		4,184	4,184
Additions		17,203	17,203
Depreciation	9(a)	(10,923)	(10,923)
Balance at 30 June 2022		10,464	10,464

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	9(a)	(10,923)	(12,517)
Interest expense on lease liabilities	26(c)	(396)	(389)
Gains/(losses) from sale and leaseback transactions		4,322	0
Total amount recognised in the statement of comprehensive income		(6,997)	(12,906)
Total cash outflow from leases		(8,503)	(13,050)
(b) Lease Liabilities			
Current		4,218	4,322
Non-current		9,200	-
	26(c)	13,418	4,322

The Shire has one lease relating to plant and equipment. The lease term is for 4 years. Refer to Note 26.(c) for details of lease liabilities.

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 26(c).

Right-of-use assets - valuation measurement

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

Refer to Note 9 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 GNOWANGERUP
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FOR THE YEAR ENDED 30 JUNE 2022

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors	320,056	298,337
Prepaid rates	32,007	29,432
Accrued payroll liabilities	41,985	32,659
ATO liabilities	3,623	-
Bonds and deposits held	921	-
Accrued interest on loans	2,707	4,160
Accrued expenses	39,495	33,690
	440,794	398,278

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

12. OTHER LIABILITIES

Current

Contract liabilities

Reconciliation of changes in contract liabilities

Opening balance

Additions

Revenue from contracts with customers included as a contract liability at the start of the period

	2022	2021
	\$	\$
Contract liabilities	429,708	188,809
	429,708	188,809
Opening balance	188,809	19,423
Additions	429,708	188,809
Revenue from contracts with customers included as a contract liability at the start of the period	(188,809)	(19,423)
	429,708	188,809

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.

Reconciliation of changes in capital grant/contribution liabilities

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 22(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF GNOWANGERUP
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13. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Loans		105,243	519,588	624,831	556,783	564,832	1,121,615
Total secured borrowings	26(a)	105,243	519,588	624,831	556,783	564,832	1,121,615

Secured liabilities and assets pledged as security

Loans are secured by a floating charge over the assets of the Shire of Gnowangerup. Other loans relate to transferred receivables. Refer to Note 5.

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(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 26(a).

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

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual and Sick Leave

Long Service Leave

Non-current provisions

Long Service Leave

	2022	2021
	\$	\$
Annual and Sick Leave	169,062	244,957
Long Service Leave	165,134	149,701
	334,196	394,658
Long Service Leave	42,041	89,450
	42,041	89,450
	376,237	484,108

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

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

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

Note	2022	2021
	\$	\$
Less than 12 months after the reporting date	247,641	243,625
More than 12 months from reporting date	128,596	240,483
	376,237	484,108

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

15. REVALUATION SURPLUS

	2022	2022	2022	2021	2021	2021	Total	2021	2021
	Opening	Impairment	Closing	Opening	Revaluation	Revaluation	Movement on	Impairment	Closing
	Balance	Reversals	Balance	Balance	Increment	(Decrement)	Revaluation	Losses	Balance
	\$		\$	\$	\$	\$	\$		\$
Land - freehold land	827,285	-	827,285	814,452	12,833	-	12,833	-	827,285
Buildings - non-specialised	-	-	-	9,113	-	(9,113)	(9,113)	-	-
Buildings - specialised	23,542,322	-	23,542,322	18,463,939	5,078,383	-	5,078,383	-	23,542,322
Furniture and equipment	13,037	-	13,037	13,037	-	-	-	-	13,037
Plant and equipment	945,000	-	945,000	945,000	-	-	-	-	945,000
Infrastructure - roads	47,804,224	-	47,804,224	48,816,887	-	-	-	(1,012,663)	47,804,224
Other infrastructure footpaths	417,913	-	417,913	417,913	-	-	-	-	417,913
Other infrastructure drainage	3,408,530	-	3,408,530	3,408,530	-	-	-	-	3,408,530
Other infrastructure parks & ovals	1,903,113	-	1,903,113	1,903,113	-	-	-	-	1,903,113
Other infrastructure other	439,715	-	439,715	439,715	-	-	-	-	439,715
Other infrastructure airports	3,317,442	-	3,317,442	3,317,442	-	-	-	-	3,317,442
	82,618,581	-	82,618,581	78,549,141	5,091,216	(9,113)	5,082,103	(1,012,663)	82,618,581

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

16. 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	5,090,991	2,647,712	4,910,995

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	2,119,618	2,234,093	2,138,695
		<u>2,119,618</u>	<u>2,234,093</u>	<u>2,138,695</u>

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

Restricted reserve accounts	27	2,118,697	2,234,093	2,138,695
Bonds and deposits	11	921	-	-
Total restricted financial assets		<u>2,119,618</u>	<u>2,234,093</u>	<u>2,138,695</u>

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

Net result		2,754,010	(888,258)	791,258
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(3,997)	-	(2,586)
Depreciation/amortisation		2,438,401	2,291,412	2,331,548
(Profit)/loss on sale of asset		(177,349)	-	4,136
Loss on revaluation of fixed assets		-	-	451,374
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(785,976)	-	(83,888)
(Increase)/decrease in inventories		(40,441)	-	(8,150)
Increase/(decrease) in trade and other payables		42,516	-	114,309
Increase/(decrease) in employee related provisions		(107,871)	69,438	40,150
Increase/(decrease) in other liabilities		240,899	(176,369)	169,386
Non-operating grants, subsidies and contributions		(1,697,470)	(1,712,878)	(2,519,604)
Net cash provided by/(used in) operating activities		<u>2,662,722</u>	<u>(416,655)</u>	<u>1,287,933</u>

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	-	-
Bank overdraft at balance date	-	-
Credit card limit	10,000	10,000
Credit card balance at balance date	(880)	(1,306)
Total amount of credit unused	<u>9,120</u>	<u>8,694</u>

Loan facilities

Loan facilities - current	105,243	556,783
Loan facilities - non-current	519,588	564,832
Total facilities in use at balance date	<u>624,831</u>	<u>1,121,615</u>

Unused loan facilities at balance date

NIL NIL

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

17. CONTINGENT LIABILITIES

The Shire of Gnowangerup has identified the following sites, in relation to land owned, vested or leased, that is known to be, or suspected of being contaminated.

Lot 193 (16) Corbett St, Gnowangerup - Possibly contaminated, investigation required
 Lot 9319 Airport Road, Pallinup - Possibly contaminated, investigation required
 Lot 9196 Airport Road, Pallinup - Possibly contaminated, investigation required
 Lot 500 on DP77797 - Possibly contaminated, investigation required
 Reserve 23659 - Possibly contaminated, investigation required
 Lot 5631 on Plan 144307 - Possibly contaminated, investigation required
 Lot 150 on DP67780 - Possibly contaminated, investigation required
 62 Quinn Street Gnowangerup - Possibly contaminated, currently being investigated.

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

18. CAPITAL COMMITMENTS

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	155,600	72,568
- plant & equipment purchases	47,077	189,861
	202,677	262,429
Payable:		
- not later than one year	202,677	262,429

In 2021 the Shire had uncompleted contracted works for the Ongerup Childcare Facility totalling \$72,568 and \$189,861 for the purchase of a new triaxle side tipper, tandem dolly, and two diesel powered ride on mowers.

In 2022, the Shire had uncompleted contracted works for the Gnowangerup Tambellup Road totalling \$155,600 and \$47,077 for the purchase of a New Dual Cab Utility.

SHIRE OF GNOWANGERUP
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 \$
Councillor F Gaze			
President's annual allowance	15,529	15,529	15,315
Meeting attendance fees	16,224	16,224	16,000
Annual allowance for ICT expenses	669	669	673
Travel and accommodation expenses	1,602	3,140	926
	34,024	35,562	32,914
Councillor G Stewart			
Deputy President's annual allowance	3,883	3,883	3,065
Meeting attendance fees	8,112	8,112	8,000
Annual allowance for ICT expenses	669	669	673
	12,664	12,664	11,738
Councillor R House			
Meeting attendance fees	2,028	8,112	8,000
Annual allowance for ICT expenses	167	669	673
	2,195	8,781	8,673
Councillor C Thomas			
Meeting attendance fees	2,028	8,112	8,000
Annual allowance for ICT expenses	167	669	673
Travel and accommodation expenses		3,500	2,165
	2,195	12,281	10,838
Councillor S Hmeljak			
Meeting attendance fees	8,112	8,112	8,000
Annual allowance for ICT expenses	669	669	673
	8,781	8,781	8,673
Councillor K House			
Meeting attendance fees	2,028	8,112	8,000
Annual allowance for ICT expenses	167	669	673
	2,195	8,781	8,673
Councillor F Hmeljak			
Meeting attendance fees	2,028	8,112	8,000
Annual allowance for ICT expenses	167	669	673
	2,195	8,781	8,673
Councillor K O'Keefe			
Meeting attendance fees	8,112	8,112	8,000
Annual allowance for ICT expenses	669	669	673
	8,781	8,781	8,673
Councillor M Creagh			
Meeting attendance fees	8,112	8,112	8,000
Annual allowance for ICT expenses	669	669	673
	8,781	8,781	8,673
Councillor P Callaghan			
Meeting attendance fees	6,084	0	0
Annual allowance for ICT expenses	502	0	0
Travel and accommodation expenses	694	0	0
	7,280	0	0
Councillor R O'Meehan			
Meeting attendance fees	6,084	0	0
Annual allowance for ICT expenses	502	0	0
Travel and accommodation expenses	1,184	0	0
	7,770	0	0

SHIRE OF GNOWANGERUP
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 \$
Councillor A Martin			
Meeting attendance fees	6,084	0	0
Annual allowance for ICT expenses	502	0	0
	6,586	0	0
Councillor R Kiddle			
Meeting attendance fees	6,084	0	0
Annual allowance for ICT expenses	502	0	0
Travel and accommodation expenses	85	0	0
	6,671	0	0
	110,118	113,193	107,528

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

President's annual allowance	15,529	15,529	15,315
Deputy President's annual allowance	3,883	3,883	3,065
Meeting attendance fees	81,120	81,120	80,000
Annual allowance for ICT expenses	6,021	6,021	6,057
Travel and accommodation expenses	3,565	6,640	3,091
	110,118	113,193	107,528

(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	310,474	314,012
Post-employment benefits	40,043	38,774
Employee - other long-term benefits	4,429	6,707
Council member costs	110,118	107,528
	465,064	467,021

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.

**SHIRE OF GNOWANGERUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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19. RELATED PARTY TRANSACTIONS

(c) Transactions with related parties

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

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

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

Sale of goods and services
Purchase of goods and services

	2022 Actual	2021 Actual
	\$	\$
Sale of goods and services	616	228
Purchase of goods and services	5,835	20,737
Amounts payable to related parties:		
Trade and other payables	523	0

Amounts payable to related parties:

Trade and other payables

(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.

SHIRE OF GNOWANGERUP
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.

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.1703%	5,090,991	-	5,090,091	900
2021					
Cash and cash equivalents	0.3378%	4,910,995	-	4,910,095	900

Sensitivity

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

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

* Holding all other variables constant

	2022	2021
	\$	\$
	50,901	49,110

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 26(a).

SHIRE OF GNOWANGERUP
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
30 June 2022						
Rates receivable						
Expected credit loss	-	-	-	25.61%		
Gross carrying amount	12,893	111,809	62,940	90,329	277,971	5
Loss allowance	-	-	-	23,137	23,137	
30 June 2021						
Rates receivable						
Expected credit loss	-	-	-	14.51%		
Gross carrying amount	1,902	31,493	55,526	159,489	248,410	5
Loss allowance	-	-	-	23,137	23,137	

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

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
30 June 2022						
Trade and other receivables						
Expected credit loss	-	-	-	-		
Gross carrying amount	70,361	-	314	3,593	74,268	
Loss allowance	-	-	-	-	-	5
30 June 2021						
Trade and other receivables						
Expected credit loss	-	-	-	-		
Gross carrying amount	60,741	733	182	56,188	117,844	
Loss allowance	-	-	-	-	-	5

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

20. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

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

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
Opening loss allowance as at 1 July	\$ 23,137	\$ 23,137	\$ -	\$ -	\$ -	\$ -
Closing loss allowance at 30 June	23,137	23,137	-	-	-	-

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

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

SHIRE OF GNOWANGERUP
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 16(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
	\$	\$	\$	\$	\$
<u>2022</u>					
Trade and other payables	440,794	-	-	440,794	440,794
Borrowings	122,277	404,070	155,464	681,811	624,831
Lease liabilities	4,218	9,200	-	13,418	13,418
	567,289	413,270	155,464	1,136,023	1,079,043
<u>2021</u>					
Trade and other payables	398,278	-	-	398,278	398,278
Borrowings	581,075	396,252	223,526	1,200,853	1,121,615
Lease liabilities	4,322	-	-	4,322	4,322
	983,675	396,252	223,526	1,603,453	1,524,215

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

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire did not have any events occurring after the reporting date that have a significant effect on the financial statements.

22. 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 GNOWANGERUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

23. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

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

Objective	Description
<p>Governance To provide a decision making process for the efficient allocation of scarce resources</p>	Administration and operation of members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.
<p>General purpose funding To collect revenue to allow for the provision of services</p>	To collect revenue in the form of rates, interest and general purpose government grants to allow for the provision of services.
<p>Law, order, public safety To provide services to help ensure a safer and environmentally conscious community</p>	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<p>Health To provide an operational framework for environmental and community health</p>	Inspection of food outlets and their control, noise control and waste disposal compliance.
<p>Education and welfare To provide services to the elderly, children and youth</p>	The provision of pre-school facilities to relevant community groups and the support of youth in the community.
<p>Housing To provide and maintain staff and other housing</p>	Provision and maintenance of staff and other housing.
<p>Community amenities To provide services required by the community</p>	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
<p>Recreation and culture To establish and effectively manage infrastructure and resource which will help the social well being of the community</p>	Maintenance of public halls, civic centres, swimming pool, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.
<p>Transport To provide safe, effective and efficient transport services to the community</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>Economic services To help promote the shire and its economic wellbeing</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 services.
<p>Other property and services To monitor and control Shire's overheads operating accounts</p>	Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services.

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

23. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Governance	526	0	2,279
General purpose funding	4,112,626	4,103,422	4,035,261
Law, order, public safety	90,843	4,120	23,727
Health	1,622	350	480
Education and welfare	12,903	11,200	11,992
Housing	92,471	94,028	91,991
Community amenities	318,413	283,567	355,888
Recreation and culture	21,336	18,746	20,336
Transport	972,580	55	16,463
Economic services	16,326	23,357	29,078
Other property and services	169,254	99,996	142,087
	5,808,900	4,638,841	4,729,582

Grants, subsidies and contributions

Governance	3,000	0	1,000
General purpose funding	2,365,602	654,637	1,406,969
Law, order, public safety	71,567	71,567	105,298
Housing	(16,225)	0	0
Recreation and culture	1,002	1,102	0
Transport	1,902,683	1,339,691	1,587,152
Economic services	0	415,042	0
Other property and services	165,126	127,187	836,124
	4,492,755	2,609,226	3,936,543

Total Income

10,301,655 7,248,067 8,666,125

Expenses

Governance	(790,419)	(821,399)	(755,102)
General purpose funding	(99,384)	(101,929)	(61,069)
Law, order, public safety	(373,003)	(383,968)	(365,384)
Health	(282,537)	(299,375)	(297,998)
Education and welfare	(30,861)	(29,789)	(28,213)
Housing	(42,594)	(45,419)	(46,393)
Community amenities	(494,595)	(578,207)	(538,037)
Recreation and culture	(1,549,645)	(1,610,966)	(1,612,311)
Transport	(3,004,978)	(3,452,983)	(2,969,399)
Economic services	(124,325)	(161,221)	(249,778)
Other property and services	(755,304)	(651,069)	(951,183)
Total expenses	(7,547,645)	(8,136,325)	(7,874,867)

Net result for the period

2,754,010 (888,258) 791,258

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

23. FUNCTION AND ACTIVITY (Continued)

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
(c) Fees and Charges			
General purpose funding	15,540	13,800	15,435
Law, order, public safety	8,126	4,120	6,775
Health	1,396	100	193
Education and welfare	12,903	11,200	11,992
Housing	92,239	94,028	91,718
Community amenities	140,926	106,274	134,471
Recreation and culture	16,616	17,800	17,980
Transport	392	55	55
Economic services	16,237	23,282	28,853
Other property and services	45,540	34,900	39,443
	349,915	305,559	346,915
(d) Total Assets			
General purpose funding	4,462,833	3,469,039	
Law, order, public safety	1,618,718	1,700,421	
Health	509,694	523,539	
Education and welfare	156,320	159,000	
Housing	1,689,463	1,667,000	
Community amenities	1,853,666	1,859,497	
Recreation and culture	30,248,544	31,053,715	
Transport	90,174,826	87,673,376	
Economic services	333,892	346,396	
Other property and services	1,769,452	1,923,559	
	132,817,408	130,375,542	

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

24. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in	Number of	2021/22 Actual Rateable Value *	2021/22 Actual Rate Revenue	2021/22 Actual Interim Rates	2021/22 Actual Back Rates	2021/22 Actual Total Revenue	2021/22 Budget Rate Revenue	2021/22 Budget Interim Rate	2021/22 Budget Back Rate	2021/22 Budget Total Revenue	2020/21 Actual Total Revenue
Rate Description	Basis of valuation	\$	Properties	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
GRV Townsites	Gross rental valuation	0.157900	374	3,448,944	544,588	(2,154)	37	542,471	544,588	-	-	544,588	524,873
GRV Amelup Tourism	Gross rental valuation	0.157900	4	114,660	18,105	-	-	18,105	18,105	-	-	18,105	17,750
UV Rural	Unimproved valuation	0.008075	342	408,457,096	3,298,290	-	-	3,298,290	3,298,290	-	-	3,298,290	3,237,297
UV Mining	Unimproved valuation	0.008075	-	-	-	-	-	-	-	-	-	-	-
Sub-Total			720	412,020,700	3,860,983	(2,154)	37	3,858,866	3,860,983	-	-	3,860,983	3,779,920
Minimum payment		Minimum \$											
GRV Townsites	Gross rental valuation	780	120	209,407	93,600	1,560	-	95,160	93,600	-	-	93,600	95,625
GRV Amelup Tourism	Gross rental valuation	780	1	4,160	780	-	-	780	780	-	-	780	765
UV Rural	Unimproved valuation	780	28	1,504,904	21,840	-	-	21,840	21,840	-	-	21,840	18,360
UV Mining	Unimproved valuation	780	11	198,947	8,580	1,081	-	9,661	8,580	-	-	8,580	4,007
Sub-Total			160	1,917,418	124,800	2,641	-	127,441	124,800	-	-	124,800	118,757
			880	413,938,118	3,985,783	487	37	3,986,307	3,985,783	-	-	3,985,783	3,898,677
Concessions on general rates (Refer note 24(d))								(9,052)				(9,052)	(8,875)
Total amount raised from general rates								3,977,255				3,976,731	3,889,802

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

(b) Rates (excluding general rates)

Specified Area Rates/Waste Avoidance Resource Rate		Rate in	Minimum										
		\$	\$										
Gnowangerup Sporting Complex	Gross rental valuation	0.003665			10,455	4	-	10,459	10,454	-	-	10,454	10,609
Gnowangerup Sporting Complex	Unimproved valuation	0.000106			19,502	-	-	19,502	19,418	-	-	19,418	19,443
Borden Pavilion	Gross rental valuation	0.002490			562	-	-	562	562	-	-	562	506
Borden Pavilion	Unimproved valuation	0.000066			9,595	-	-	9,595	9,595	-	-	9,595	9,595
Ongerup Effluent	Gross rental valuation	0.078854			38,281	-	-	38,281	38,280	-	-	38,280	36,804
Waste Collection Rate	Gross rental valuation	0.000001	200		56,000	400	-	56,400	56,000	-	-	56,000	56,000
Waste Collection Rate	Unimproved valuation	0.000001	200		75,800	-	-	75,800	75,800	-	-	75,800	76,000
Ex-gratia Rates													
Exgratia Rates - CBH	Unimproved valuation				39,284	-	-	39,284	36,353	-	-	36,353	35,295
Sub-Total			400		249,479	404	-	249,883	246,462	-	-	246,462	244,252
Total amount raised from rates (excluding general rates)								249,883				246,462	244,252
(c) Total Rates								4,227,138				4,223,193	4,134,054

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

24. RATING INFORMATION (Continued)

(d) Specified Area Rate

Specified Area Rate	Purpose of the rate	Area/properties Rate Imposed	2021/22 Actual Rate Applied to Costs \$	2021/22 Actual Rate Set Aside to Reserve \$	2021/22 Actual Reserve Applied to Costs \$	2021/22 Budget Rate Applied to Costs \$	2021/22 Budget Rate Set Aside to Reserve \$	2021/22 Budget Reserve Applied to Costs \$
Gnowangerup Sporting Complex	To meet part of the loan repayments for the Gnowangerup Sporting Complex Facility.	Applied to all properties in the Old Gnowangerup Townsite Ward and Gnowangerup Rural Ward.	29,961	-	-	29,872	-	-
Borden Pavilion	To meet the loan repayments for the Borden Pavilion Facility.	Applied to all properties of the Old Borden Townsite Ward and the Borden Rural Ward.	10,157	-	-	10,157	-	-
Ongerup Effluent	To contribute towards the maintenance, renewal and replacement of the Ongerup	Applied to all properties in the Ongerup Townsite.	38,281	-	-	28,280	10,000	-
Waste Collection Rate	To contribute towards the maintenance, renewal and replacement of the waste facilities within the Shire.	Applied to all properties within the Shire.	132,200	-	-	131,600	-	-
			210,599	-	-	199,909	10,000	-

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

24. RATING INFORMATION (Continued)

(d) Discounts, Incentives, Concessions, & Write-offs
 Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Waiver/Concession	Discount %	Discount \$	2022 Actual \$	2022 Budget \$	2021 Actual \$
General rates	Rate	Concession	50.00%		9,052	9,052	8,875
					9,052	9,052	8,875
Total discounts/concessions (Note 24)					9,052	9,052	8,875

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
General rates	General rates on Assessment A213, A293, A314 and A556	To assist promote the tourist industry in the Amelup Tourism Precinct.	To provide a concession to tourism operators to stimulate tourism in the Amelup Tourism Precinct.

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

24. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	23/09/2021	0.0	0.00%	7.00%
Option Two				
First instalment	23/09/2021	0.0	0.00%	7.00%
Second instalment	23/11/2021	10.0	5.50%	7.00%
Third instalment	24/01/2022	10.0	5.50%	7.00%
Fourth instalment	24/03/2022	10.0	5.50%	7.00%

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Interest on unpaid rates	20,855	13,000	26,777
Interest on instalment plan	10,905	11,500	12,588
Charges on instalment plan	4,190	4,500	4,900
Interest on deferred rates	807	611	611
	36,757	29,611	44,876

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

25. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget	2020/21
	2021/22 (30 June 2022 Carried Forward)	(30 June 2022 Carried Forward)	(30 June 2021 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	9(b) (206,992)	-	(16,408)
Less: Fair value adjustments to financial assets at fair value through profit and loss	(3,997)	-	(2,586)
Add: Loss on disposal of assets	9(b) 29,643	-	20,544
Add: Loss on revaluation of fixed assets	8(a) -	-	451,374
Add: Depreciation	9(a) 2,438,401	2,291,412	2,331,548
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(2,398)	-	3,767
Employee benefit provisions	(47,409)	69,438	26,221
Non-cash amounts excluded from operating activities	2,207,248	2,360,850	2,814,460
(b) Surplus/(deficit) after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	27 (2,118,697)	(2,234,093)	(2,138,695)
Less: Financial assets at amortised cost - self supporting loans	4(a) (7,341)	-	(370,948)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	13 105,243	-	556,783
- Current portion of lease liabilities	10(b) 4,218	4,322	4,322
Total adjustments to net current assets	(2,016,577)	(2,229,771)	(1,948,538)
Net current assets used in the Rate Setting Statement			
Total current assets	6,333,800	3,059,477	5,693,392
Less: Total current liabilities	(1,314,159)	(829,697)	(1,542,850)
Less: Total adjustments to net current assets	(2,016,577)	(2,229,771)	(1,948,538)
Net current assets used in the Rate Setting Statement	3,003,064	9	2,202,004

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

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget						
		Principal at 1 July 2020	New Loans During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
GROH Housing		178,921	-	(87,602)	91,319	-	(91,319)	-	91,319	-	(91,319)	-
Staff Housing		404,000	-	(37,703)	366,297	-	(38,278)	328,019	336,264	-	(38,278)	297,986
Gnowangerup Community Centre		127,754	-	(18,189)	109,565	-	(19,330)	90,235	109,567	-	(19,330)	90,237
Borden Pavilion		56,003	-	(17,880)	38,123	-	(18,657)	19,467	38,120	-	(18,656)	19,464
Gnowangerup Synthetic Surface		162,864	-	(17,503)	145,361	-	(18,252)	127,110	145,363	-	(18,252)	127,111
Total		929,542	-	(178,877)	750,665	-	(185,836)	564,831	720,633	-	(185,835)	534,798
Self Supporting Loans												
Gnowangerup Sporting Complex		42,009	-	(20,582)	21,427	-	(21,426)	-	21,426	-	(21,426)	-
Borden Pavilion		18,670	-	(9,147)	9,523	-	(9,522)	-	9,523	-	(9,523)	-
Ongerup Bowls Club		-	-	-	0	60,000	-	60,000	-	60,000	-	60,000
Ongerup Community Development		-	680,000	(340,000)	340,000	-	(340,000)	-	-	-	-	-
Total Self Supporting Loans		60,679	680,000	(369,729)	370,950	60,000	(370,948)	60,000	30,949	60,000	(30,949)	60,000
Total Borrowings		990,221	680,000	(548,606)	1,121,615	60,000	(556,784)	624,831	751,582	60,000	(216,784)	594,798

* WA Treasury Corporation

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

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending
						30 June 2022	30 June 2022	30 June 2021
						\$	\$	\$
GROH Housing		Housing	277	WATC*	4.20%	(1,964)	(2,886)	(5,720)
Staff Housing		Housing	281	WATC*	1.52%	(5,269)	(5,423)	(5,847)
Gnowangerup Community Centre		Recreation and culture	273	WATC*	6.18%	(6,334)	(6,625)	(7,484)
Borden Pavilion		Recreation and culture	278	WATC*	4.29%	(1,245)	(1,437)	(2,028)
Gnowangerup Synthetic Surface		Recreation and culture	279	WATC*	4.23%	(5,901)	(5,958)	(6,651)
Total						(20,713)	(22,329)	(27,730)
Self Supporting Loans Interest Repayments								
Gnowangerup Sporting Complex		Recreation and culture	275	WATC*	4.06%	(581)	(655)	(1,428)
Borden Pavilion		Recreation and culture	276	WATC*	4.06%	(258)	(291)	(635)
Ongerup Bowls Club		Recreation and culture	283	WATC*	1.2251%	(496)	-	-
Ongerup Community Development		Other property and services	282	WATC*	0.52%	(456)	-	(884)
Total Self Supporting Loans Interest Repayments						(1,791)	(946)	(2,947)
Total Interest Repayments	2(b)					(22,504)	(23,275)	(30,677)

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26. 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		
					\$	\$	\$	\$		
Ongerup Bowls Club	WATC*	Debenture	5	1.2251%	60,000	60,000	60,000	60,000	3,349	-
					60,000	60,000	60,000	60,000	3,349	-

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2020	New Leases During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Photocopier Lease		16,983	-	(12,661)	4,322	-	(4,322)	-	4,322	-	(1,634)	2,688
Photocopier Lease		-	-	-	-	17,203	(3,785)	13,418	-	18,240	(4,311)	13,929
Total Lease Liabilities	10(b)	16,983	-	(12,661)	4,322	17,203	(8,107)	13,418	4,322	18,240	(5,945)	16,617

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
						\$	\$	\$	
Photocopier Lease		Other property and services	1	LeaseIT Ltd	3.50%	-	(30)	(389)	4
Photocopier Lease		Other property and services	2	3E Advantage	3.01%	(396)	(249)	-	4
Total Interest Repayments	2(b)					(396)	(279)	(389)	

SHIRE OF GNOWANGERUP
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27. RESERVE ACCOUNTS

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave	197,701	30,528	(64,000)	164,229	197,701	30,546	-	228,247	166,982	30,719	-	197,701
(b) Plant & equipment	733,474	123,834	(111,000)	746,308	733,474	123,834	(111,000)	746,308	741,293	103,181	(111,000)	733,474
(c) Ongerup effluent	47,220	10,127	-	57,347	47,220	10,118	-	57,338	37,060	10,160	-	47,220
(d) Area Promotion	30,656	82	-	30,738	30,656	77	-	30,733	30,525	131	-	30,656
(e) Swimming Pool	294,439	56,788	-	351,227	294,439	56,736	-	351,175	237,416	57,023	-	294,439
(f) Land Development	193,380	518	(51,591)	142,307	193,380	483	-	193,863	192,554	826	-	193,380
(g) Computer Replacement	53,265	5,142	-	58,407	53,265	5,133	-	58,398	48,058	5,207	-	53,265
(h) Waste Disposal	250,900	671	-	251,571	250,900	627	-	251,527	249,827	1,073	-	250,900
(i) Future Funds	205,400	549	-	205,949	205,400	514	-	205,914	144,773	60,627	-	205,400
(j) Liquid Waste Facility	31,831	85	-	31,916	31,831	79	-	31,910	31,695	136	-	31,831
(k) COVID-19	100,429	269	(62,000)	38,698	100,429	251	(62,000)	38,680	100,000	429	-	100,429
(l) Aerodrome	-	40,000	-	40,000	-	40,000	-	40,000	-	-	-	-
	2,138,695	268,593	(288,591)	2,118,697	2,138,695	268,398	(173,000)	2,234,093	1,980,183	269,512	(111,000)	2,138,695

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) Leave	Ongoing	to be used to fund annual and long service leave requirements.
(b) Plant & equipment	Ongoing	to be used for the purchase of major plant.
(c) Ongerup effluent	Ongoing	to be used for the maintenance of the Ongerup Effluent System.
(d) Area Promotion	Ongoing	to be used for the promotion of the Gnowangerup Shire.
(e) Swimming Pool	Ongoing	to be used to assist with upgrade of the Gnowangerup Swimming Pool.
(f) Land Development	Ongoing	to be used to fund the purchase or development of land and buildings and building renewal.
(g) Computer Replacement	Ongoing	to be used to fund the maintenance and replacement of the administration computer system.
(h) Waste Disposal	Ongoing	to be used to fund waste disposal in the Shire, including rehabilitation, transfer stations and post closure of sites.
(i) Future Funds	Ongoing	to be used for contributions towards major externally grant funded projects and programs within the Shire of Gnowangerup.
(j) Liquid Waste Facility	Ongoing	to be used to fund the maintenance, renewal and upgrade of the liquid waste facility.
(k) COVID-19	Ongoing	to be used to fund any project, programme or activity of any kind which contributes to the recovery of the Shire of Gnowangerup from the COVID-19 pandemic.
(l) Aerodrome	Ongoing	to be used to fund the construction of new assets and the upgrade, renewal and replacement of existing assets located at the Gnowangerup airport.



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Gnowangerup

To the Councillors of the Shire of Gnowangerup

Opinion

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

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

In my opinion, the financial report is:

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

Basis for opinion

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

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

Other information

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

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

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Gnowangerup 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.



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
29 November 2022