

## **Shire of Northam**

Minutes
Audit & Risk Management
Committee
29 November 2024



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#### 1 DECLARATION OF OPENING

The Chairperson, Deputy President, Cr A J Mencshelyi, declared the meeting open at 4:45 pm.

#### 2 ACKNOWLEDGEMENT OF COUNTRY

The Presiding Member, Cr A J Mencshelyi, acknowledged the Traditional Owners of the land on which we meet, the Ballardong and Whadjuk people of the Nyoongar nation and paid our respects to Elders, past present and emerging.

#### 3 ATTENDANCE

#### 3.1 ATTENDEES

#### Committee

Presiding Member A J Mencshelyi
Shire President C R Antonio
Councillors H J Appleton
M I Girak

Staff:

Executive Manager Corporate Services C J Young
Finance Manager K Matanga
Governance Officer T P Van Beek

**Guests:** 

Dry Kirkness - Director Robert Hall(via teams)

#### 3.2 APOLOGIES

#### Committee:

Councillor M P Ryan

Staff:

Chief Executive Officer D J Terelinck
Manager Governance & Risk A C McCall

#### 3.3 APPROVED LEAVE OF ABSENCE

Nil.



#### 3.4 ABSENT

**Guest:** 

Office of the Auditor General

D Delville

#### 4 DISCLOSURE OF INTERESTS

Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.

As defined in section 5.60A of the Local Government Act 1995, a **financial interest** occurs where a Councillor / Committee Member, or a person with whom the Councillor / Committee Member is closely associated, has a direct or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.

As defined in section 5.61 of the Local Government Act 1995, an **indirect financial** interest includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

As defined in section 5.60B of the Local Government Act 1995, a person has a **proximity interest** in a matter if the matter concerns a proposed change to a planning scheme affecting land that adjoins the person's land; or a proposed change to the zoning or use of land that adjoins the person's land; or a proposed development (as defined in section 5.63(5)) of land that adjoins the person's land.

As defined in clause 22 of the Local Government (Model Code of Conduct) Regulations 2021, an **impartiality interest** means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.

Nil.



#### 5 CONFIRMATION OF MINUTES

## 5.1 CONFIRMATION OF MINUTES FROM THE AUDIT AND RISK MANAGEMENT COMMITTEE MEETING HELD 05 SEPTEMBER 2024

#### **RECOMMENDATION / COMMITTEE DECISION**

Minute No: AU.303

Moved: Cr H J Appleton Seconded: President C R Antonio

That the minutes of the Audit and Risk Management Committee Meeting held on 05 September 2024 be COMFIRMED as a true and correct record of that meeting.

CARRIED 4/0

**For:** Cr A J Mencshelyi, President C R Antonio, Cr H J Appleton and Cr M I Girak

**Against:** Nil

#### 6 COMMITTEE REPORTS

#### 6.1 Shire of Northam Annual Report 2023/24

File Reference:	8.2.7.5		
Reporting Officer:	Kudzai Matanga (Finance Manager), Alysha Mccall		
	(Manager Governance and Risk), Britt Hadlow		
	(Community Development Officer)		
Responsible Officer:	Colin Young (Executive Manager Corporate		
	Services)		
Officer Declaration of	Nil		
Interest:			
Voting Requirement:	Absolute Majority		
Press release to be	Public Notice		
issued:			

#### **BRIEF**

The Audit Exit Meeting for 2023/24 financial audit will be conducted by Dry Kirkness auditors who were contracted by the Office of the Auditor General to perform the Shire's financial audit and will include presentation of their audit opinion.



The Audit and Risk Management Committee to review the draft 2023/24 Annual Report and Annual Financial Report for the Shire of Northam and endorse to Council.

#### **ATTACHMENTS**

- 1. Audit Exit Meeting Agenda 2024 Shire of Northam [6.1.1 1 page]
- 2. Shire of Northam Annual Report 2023/24 [6.1.2 134 pages]
- 3. Management representation letter- Shire of Northam 30 June 2024 [6.1.3 5 pages]
- 4. Shire of Northam- Annual Audit Completion Report 2024 [6.1.4 14 pages]

#### A. BACKGROUND / DETAILS

The agenda for the Audit Exit Meeting produced by the Office of the Auditor General and Dry Kirkness is included as Attachment 6.1.1.

The draft Annual Report for the year ended 30 June 2024 has been compiled and is included as Attachment 6.1.2. The Audited Financial Report as at 30 June 2024 (which will be incorporated into the Annual Report) is included as Attachment 6.1.3. The Annual Financial Report will be signed by the Chief Executive Officer and the Auditor General.

The 2023/24 financial audit was conducted by Dry Kirkness and the audit involved extensive review of the Shire's transactions and accounting entries with a focus on occurrence, completeness, accuracy and valuation. The audit also involved review of regulation compliance, both local government regulations and those set by Australian Accounting Standard Board. The associated Management Letters are included as Attachments 6.1.4 and 6.1.5.

#### **B. CONSIDERATIONS**

#### **B.1** Strategic Community / Corporate Business Plan

<u>Performance Area: Performance.</u> Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Priority Action 12.1.1: Provide the community with an annual explanation of the Shire's short term financial commitments and overall financial health.

#### **B.2** Financial / Resource Implications



Audit fees and advertising costs for the availability of the Annual Report and Annual Electors Meeting are included in the Shire's 2024/25 budget.

#### **B.3** Legislative Compliance

#### Local Government (Audit) Regulations 1996 Section 9A

- CEO to provide documents to Auditor General carrying out financial audit
- (1) In this regulation audit document means (a) the strategic community plan as defined in the Local Government (Administration) Regulations 1996 regulation 19BA; or (b) the corporate business plan as defined in the Local Government (Administration) Regulations 1996 regulation 19BA; or (c) another plan or informing strategy specified by the Auditor General; or (d) another document specified by the Auditor General.
- (2) The CEO must provide a copy of an audit document to the Auditor General within 14 days after the Auditor General requests it for the purposes of a financial audit under Part 7 Division 3A of the Act.

#### Local Government Act 1995 Section 5.53 Annual Reports

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain -
- (a) a report from the mayor or president; and
- (b) a report from the CEO; and
- [(c), (d) deleted]
- (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and (f) the financial report for the financial year; and
- (g) such information as may be prescribed in relation to the payments made to employees; and
- (h) the auditor's report for the financial year under section 7.9(1) or 7.12AD(1) for the financial year; and
- (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
- (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including
- (i) the number of complaints recorded in the register of complaints, and
- (ii) how the recorded complaints were dealt with; and
- (iii) any other details that the regulations may require; and
- (i) such other information as may be prescribed.



#### <u>Local Government Act 1995 Section 5.54 Acceptance of Annual Reports</u>

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.
- \* Absolute majority required.
- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

Local Government Act 1995 Section 5.55 Notice of Annual Reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

#### **B.4** Policy Implications

Nil.

#### **B.5** Stakeholder Engagement / Consultation

Subject to the 2023/24 Annual Report being endorsed at the Ordinary Council Meeting on 18 December 2024, public notice of the Annual Report and Annual Electors Meeting will be placed in the Shire of Northam newsletter by 20 December 2024. Notices will also be placed on the Shire Notice Boards, Facebook, and the Shire's website.

The Annual Report will be presented at the Annual Electors Meeting proposed to be held in January 2025.

#### **B.6** Risk Implications

Refer to Risk Matrix here.

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Figures not reflecting	Unlikely(2) x	There are processes
	the true financial	Medium (3) =	in place to ensure
	situation	Low (6)	compliance with
			relevant financial
			standards and
			legislation.
Health &	Nil.		
Safety			
Reputation	Nil.		



Service Interruption	Nil.		
Compliance	Report not being accepted by Council	Unlikely (2) x Medium (3) = Low (6)	There are processes in place to ensure compliance with relevant Finance policy, standards, and legislation.
Property	Nil.		
Environment	Nil.		

#### **B.7** Natural Environment Considerations

The Annual Report will be advertised and available for download on the Shire of Northam's website and will only be provided in hard copy on request.

#### C. OFFICER'S COMMENT

The table below outlines the reconciliation between the budgeted surplus and the actual surplus as presented in the Financial Statement. The adjustments will be carried out as part of the budget review process. The adjustments relate to timing and as such have no net effect on the overall budget.

Reconciliation of Surplus		<u>\$</u>	
Budgeted Surplus 23/24		6,514,467.00	
Accrued Revenue		531,558.00	
Accrued Expenditure	-	324,128.00	
Financial Report Actual Surplus	-	6,721,897.00	
Unallocated		0.00	

The 2023/24 Annual Report is presented as a draft, noting that prior to consideration at the December Ordinary Council Meeting:

- 1. The Annual Financial Report will be incorporated into the Annual Report to form one document; and
- 2. There may be minor changes to the layout and formatting of the Annual Report.



#### **RECOMMENDATION**

That the Audit & Risk Management Committee ENDORSES the following recommendations being presented to Council:

- That Council, BY ABSOLUTE MAJORITY, in accordance with Sections 5.53 and 5.54 of the Local Government Act 1995, ACCEPTS the Annual Report for the 2023/24 financial year; and
- 2. That Council, BY ABSOLUTE MAJORITY, in accordance with Section 5.55 of the *Local Government Act 1995*, AUTHORISES the Chief Executive Officer to give public notice of the availability of the Annual Report from Friday, 20 December 2024.

#### MOTION / COMMITTEE DECISION

Minute No: AU.304

Moved: Cr M I Girak Seconded: Cr H J Appleton

That the Audit & Risk Management Committee BY ABSOLUTE MAJORITY, ENDORSES the following recommendations being presented to Council:

- That Council, BY ABSOLUTE MAJORITY, in accordance with Sections 5.53 and 5.54 of the Local Government Act 1995, ACCEPTS the Annual Report for the 2023/24 financial year subject to the following amendments to Attachment 6.1.2;
  - a. Page 78 incorrect allowance information shown in table.
  - b. Various formatting adjustments as determined by the Chief Executive Officer.
- 2. That Council, BY ABSOLUTE MAJORITY, in accordance with Section 5.55 of the Local Government Act 1995, AUTHORISES the Chief Executive Officer to give public notice of the availability of the Annual Report from Friday, 20 December 2024.

CARRIED 4/0
BY ABSOLUTE MAJORITY

**For:** Cr A J Mencshelyi, President C R Antonio, Cr H J Appleton and Cr M I Girak

Against: Nil

Reason for Change to the Motion:

The Committee formed the view that a number of adjustments were required in the Annual Report 2023/24.



#### Discussion:

Mr R Hall provided a summary of the Audit Completion Report provided in the attachments. It was noted that in the audit conducted in 2023 a number of findings were identified regarding IT, procurement and excess annual leave, the 2024 audit has found that most of these findings have been addressed adequately, with exception to excess annual leave.

Mr R Hall concluded the discussion advising that there is nothing in the changes to the terms of the Local Government Regulations that has been flagged to have an affect on the Shire of Northam's audit next year, noting that this can change quickly.

Mr R Hall left the meeting at 5:08 pm.





**CLIENT NAME: SHIRE OF NORTHAM** 

YEAR END: 30 JUNE 2024 EXIT MEETING AGENDA

Date of Meeting: 29 November 2024

Time: 4:30 pm

Location: 395 Fitzgerald Street, Northam WA 6401 / Video/teleconference

Attendees: Cr Chris Antonio (Shire President)

Cr A J (Attila) Mencshelyi (Audit Committee Chair)

Cr M P (Michael) Ryan Cr M I (Maria) Girak Cr H (Hayden) Appleton Mrs Debbie Terelinck (CEO)

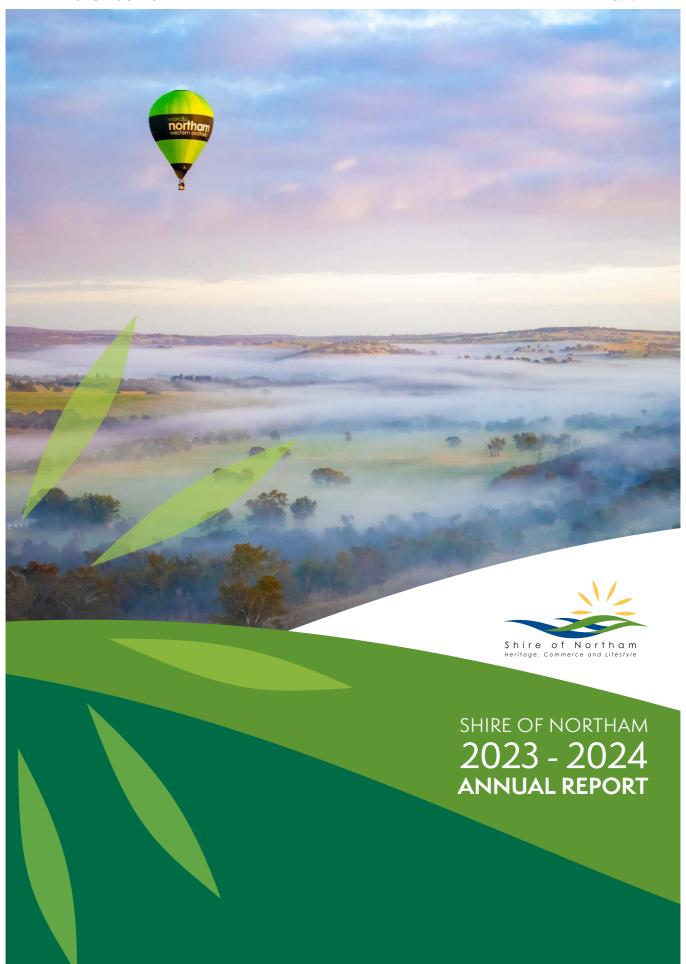
Mr Colin Young (Executive Manager Corporate Services)

Ms Kudzai Matanga Ms Alysha McCall

(David Delvalle (Assistant Director, OAG) Robert Hall (Dry Kirkness Audit Director)

#### **DISCUSSION POINTS**

1.	INTRODUCTION
2.	EXECUTIVE SUMMARY
3.	INDEPENDENCE
4.	COMPLIANCE WITH LAWS AND REGULATIONS AND FRAUD
5.	KEY AUDIT MATTERS AND AUDIT OUTCOMES
6.	AUDIT MISSTATEMENTS
7.	AUDIT FINDINGS
8.	KEY CHANGES FOR NEXT YEAR





#### PURPOSE OF THE ANNUAL REPORT

The Western Australian Local Government Act 1995 requires every local government to produce an Annual Report by 31 December each year.

The Annual Report details the Shire's performance, achievements, challenges and progress towards realising the Community goals and aspirations identified in the Council Plan 2022-2032.

Through the Shire's Plan for the Future, other corporate and guiding documents, the different roles undertaken, and services provided as a local government, it is the aim of the Shire to meet the ever changing needs and expectations of the community.

In addition, the Annual Report:

- Is an essential tool to inform the community and key stakeholders about achievements, challenges and future plans.
- Promotes greater community awareness of the Shire's programs and services which contribute to a high quality of life for residents, visitors, and stakeholders.
- Demonstrates the Shire's performance against the long-term vision of the Strategic Community Plan, and the projects and priorities detailed within the Shire's Corporate Business Plan that combined forms the Council Plan.
- Provides information about the Shire's organisational performance; and
- Illustrates the Shire's commitment to accountable and transparent governance.

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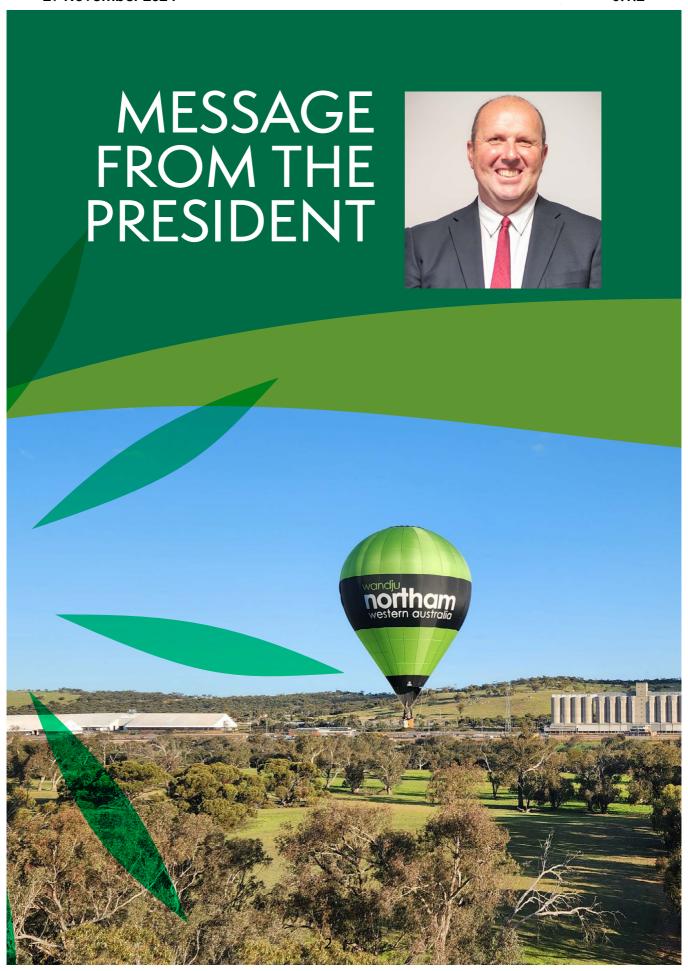
bilya river koort heart boodja land



ACKNOWLEDGEMENT OF COUNTRY

The Shire of Northam would like to acknowledge the Traditional Custodians of the land on which we live, the Ballardong and Whadjuk people of the Nyoongar nation and pay our respects to Elders, past, present, and emerging.

We thank them for the contributions made to life in the Shire of Northam and to this Region.



### Kiya Wandju, hello and welcome

Please find the following summary of some the major achievements of the Shire of Northam for the 2023-2024 year. In addition to working with the Northam Shire Council for the past twelve months, we continue to update our Council Plan, which incorporates the Strategic Community and Corporate Business Plans. I believe that our Council has, and continues to, deliver on the best possible outcomes for all residents and ratepayers by continuing to work with relevant stakeholders.

# OUR PLAN FOR THE FUTURE

The Shire of Northam's Council Plan – "Our plan for the future", now 2 years in – provides guidance and direction for Council. This plan includes details from both our Strategic Community Plan and Corporate Business Plans into one, easy to read, document. It is continually being reviewed and updated, with a focus on informing the community exactly what we have achieved and completed.

> People Planet Place Prosperity Performance

Each of the measures are documented and reviewed continually as part of the plan.

The Shire aims to deliver responsible, sustainable services in a manner that preserves and enhances our environment and lifestyle while respecting our heritage and facilitating economic growth. We will achieve this by:

**Advocating** Being a voice for the local community on key issues.

**Partnering** Forming strategic alliances in the interests of the community.

**Funding** Helping to fund organisations to deliver essential community services .

**Facilitating** Helping to make it possible or easier to meet community needs.

**Providing** Directly providing a range of services to meet community needs.

**Regulating** Regulating compliance with legislation, regulations and local laws.



#### **COUNCILLORS**

During the recent Local Government elections held in October 2023, we reduced the number of Elected Members from 10 to 8, and at the same time the public had the opportunity to directly elect a Shire President which brings the total number of Members sitting on Council to 9. We are lucky in the Shire of Northam to continue to have a team of dedicated Councillors. I thank every Councillor for their continued commitment. I acknowledge and thank retired Councillors Rob Tinetti and Dave Galloway for the commitment over their tenures on Council. Welcome to returning and newly elected Councillors, Cr Julie Williams, Cr Chris Poulton and Cr Maria Girak. A special thanks is made to Cr Attila Mencshelyi, and previously Cr Michael Ryan for the continued support and dedication shown, helping me to fulfill my role as President, and their own role as Deputy Shire President.

#### CHIEF EXECUTIVE OFFICER

In October 2023, the Shire of Northam welcomed our new Chief Executive Officer (CEO), Ms Debbie Terelinck to the Shire of Northam. This was following the resignation of our prior CEO Mr Jason Whiteaker. Ms Terelinck has a vast and wide experience working within the local government sector and has proven to be a fantastic addition to the Shire of Northam team. Ms Terelinck most recently worked as the Director of Community and Place with the City of Wanneroo, and has worked in senior positions at the City of Subiaco, the City of Joondalup and the WA Local Government Association.

#### STRATEGIC DRIVERS

The Shire of Northam's six key strategic drivers form part of the Council Plan. These drivers identify areas on where to focus our efforts to benefit the Shire. These key drivers continue to be:

· The agricultural sector

- Transport and logistics
- Government agencies and service sectors
- · Location, commutable to and from Perth
- Strong infrastructure connections to Perth and mining centres
- · Continued status as a regional centre.

#### **DEVELOPMENTS**

As highlighted in our Council Plan, there are examples of recent achievements to assist and develop our community. Examples of these are demonstrated by the 2nd birthday celebration of the Northam Re-Store and the recognition of the Shire being a Waterwise Gold Council, both of which forms part of the Planet section of our plan, the development of the EV Charging Station in Northam, which forms part of both the Planet and Place sections of our plan.

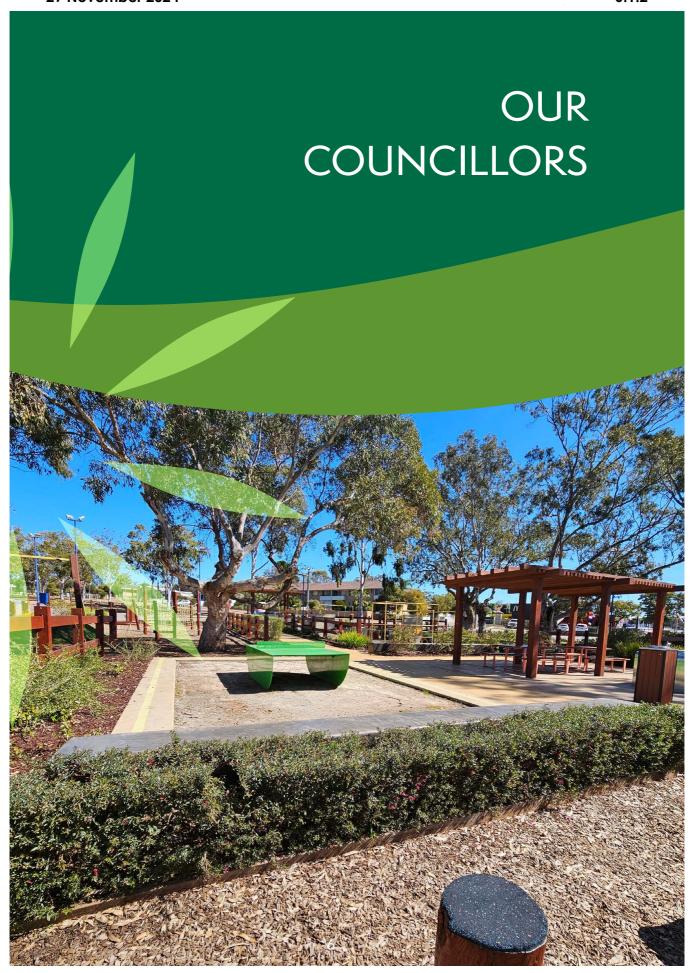
#### **EVENTS**

The Shire of Northam continues to host and facilitate a variety of cornerstone events. These include over the past 12 months the Northam Motorsport Festival "Celebrating Women in Motorsport", the WA Day Football match between West Coast Eagles and Perth Football Club, the annual Bilya Festival as part of the Avon Descent White Water Race, and the annual NAIDOC Week celebrations, recognising our cultural heritage.

The Shire of Northam is here to be responsive, deliver sustainable services, and to preserve and enhance our environment and lifestyle, while respecting our heritage and facilitate economic growth. Together, we can continue to work together to ensure that our Shire, the Shire of Northam, continues to grow and flourish.

#### Chris Antonio

Shire President





COMMITTEES, ADVISORY GROUPS AND WORKING GROUPS	Audit & Risk Management Committee	Chief Executive Officer Review & Selection Committee	Community Grants Assessment Committee	Community Safety Committee	Bush Fire Advisory Committee
PRESIDENT Chris Antonio	•	•	•		
DEPUTY PRESIDENT Attila Mencshelyi	•	•	•	•	•
COUNCILLOR Michael Ryan	•	•			
COUNCILLOR Julie Williams		•		•	
COUNCILLOR Des Hughes			•		
COUNCILLOR Chris Poulton					
COUNCILLOR Maria Girak	•				•
COUNCILLOR Hayden Appleton	•		•		
COUNCILLOR <b>Lisa Biglin</b>		•	•		



Chris Antonio
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Term Expires: 2027



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Term Expires: 2025



OUTGOING MEMBER
Rob Tinetti
COUNCILLOR
Term Expired: 2023



OUTGOING MEMBER
Dave Galloway
COUNCILLOR
Term Expired: 2023

# CEO REPORT 2023 -2024

It is my pleasure to provide my first update as the new Chief Executive Officer on the performance of the Shire of Northam for the 2023/24 financial year.





I am pleased to report on our solid performance in governance, financial management and project delivery in 2023/24. Project delivery has significantly improved in 2023/24 with the completion of the roads program in both rural and residential areas of the Shire, infrastructure upgrades to the Bakers Hill Recreation Precinct, improvements to the Bert Hawke Oval storage and spectator facilities, installation of an electronic scoreboard and entry statement sign at the Henry Street Oval and installation of a dual-use path along Mitchell Avenue to Mt Ommaney. In addition, works have commenced on major upgrades to the Northam Bike Hub including the BMX track, carpark and infrastructure upgrades next to the Visitor Centre to accommodate Synergy's EV charging stations and procuring specialist services to undertake the upgrades to the former Northam Railway Station Precinct.

The focus on economic development and liveability across the Shire of Northam has continued, particularly in relation to supporting major developments such as the proposed AvonWest Logistics and Enterprise Hub that will integrate interstate rail freight networks with Restricted Access Vehicle (RAV7) road networks for servicing Perth, the Eastern States, and the Avon and Wheatbelt regions in WA. The Shire has also been advocating to the State Government for the expansion of the Avon Industrial Park as all blocks currently on offer have been sold. The expansion will see future development of Stages 3 and 4 and increase the ability for more businesses to locate within the Shire of Northam.

It was also pleasing to see the population growth that has occurred in the Shire over the past 12 months. According to the Regional Australia Institute, the Shire has seen a 151% increase in capital city movers into the Shire, from mid-2023 to mid-2024, compared to 12 months ago. Liveability aspects such as access to affordable acreage, natural environment, health and education services, and sense of community are key factors contributing to the growth.

The Corporate Services team, led by Colin Young, has continued to manage the financial performance

and reporting for the Shire and ensure we are prepared for audits and implement any findings in a timely manner. The Shire's Long-Term Financial Plan was reviewed and adopted by Council to focus on providing financial sustainability for future generations. The Corporate Services team has also been supporting the renewal of our information technology with a new payroll system ready to go live and significant work undertaken to transition to a new financial management system. In addition, the Shire's CCTV Plan was adopted, and work has commenced on implementing key initiatives from the Plan such as upgrading existing CCTV infrastructure and exploring the acquisition of mobile CCTV for hot spots. Customer service is a strong focus of the Shire, and work has progressed on implementing a new After-Hours Call Centre to ensure calls outside business hours are triaged and managed as needed.

Our Development Services team, led by Chadd Hunt, has developed a new Local Planning Strategy to guide the Shire's development over the coming decade. This important Strategy aligns with the vision and aims of the Council Plan 2022–2032 and introduces flexibility to promote sound planning and economic development. The Strategy is with

the State Government awaiting endorsement. The Development Services team also provides services to residents, developers, and builders to facilitate planning and development of residential, commercial, and industrial infrastructure throughout the Shire. Emergency management remains a strong focus, from supporting our local volunteer emergency service responders, to undertaking mitigation works to reduce the severity and impact of disasters such as bushfires and flooding. The Shire's Ranger service continues to provide valuable support to our community through encouraging responsible animal ownership, investigating incidents such as dog attacks, and implementing laws that contribute to a safe community.

The Community Services team, led for most of the year by Janice Byers, has delivered and supported premium events such as the annual Motorsport Festival and Bilya Festival, as well as introducing new small-scale activations like movie nights, local markets in Northam, Baker's Hill, and Wundowie, and supporting Shop Local days. Aligned with the Shire's vision of providing a caring and inclusive community, Council adopted a new Access and Inclusion Plan and reported on initiatives undertaken to promote accessibility in 2023/24, including the provision of additional disabled parking bays, offering sensory-appropriate zones at events, and commencing planning for an All-Abilities Playground.

The Shire continued to support, through various grant programs, donations and fee waivers, community activations and activities including the Northam Town Team events, the activities of 8 Progress and Community Associations, local sporting clubs, and not-for-profit organisations. A new initiative introduced in 2023/24 was holding a forum for the 8 Progress and Community Associations to share information and network. Workshops on topics like grant funding and governance were facilitated for local sporting and community groups.

In terms of community infrastructure, investigation work has commenced on understanding potential upgrades to the Wundowie Pool, introducing a RV Park in Bakers Hill, and upgrades to the Northam Re-Use Water Scheme.

The Engineering Services team, led by our newest Executive Manager, Paul Devcic, has focused on delivering roads, footpaths, and drainage programs



across the Shire, commencing projects such as the long-awaited upgrades to the Northam Bike Hub and the carpark and associated works to support Synergy's EV Charging Stations near the Northam Visitor Centre. The team has also focused on improving data collection and analysis for various classes of assets, including roads, footpaths, drainage, bridges, and buildings, to inform future asset management decisions. This work in asset management will continue into the next financial year and is important to ensure the Shire meets the infrastructure needs of our growing population. The maintenance of parks, reserves, and gardens remains an on-going challenge for the Shire and will continue to be a focus over the coming year.

The Office of the CEO that supports governance, risk management, and human resources has introduced initiatives including staff service milestone and recognition awards, a systems-based approach to work health and safety, more regular communications, improved staff onboarding, a major review of the Delegations Register, recording and live-streaming of Council meetings, and significant improvements to leasing arrangements.

It has been a pleasure to be the new CEO of the Shire, and I extend my sincere thanks and appreciation to the community, Council Members, and staff for making me feel so welcome and for their support over what has been an exciting and sometimes challenging introduction to the Shire of Northam.

## **Debbie Terelinck**Chief Executive Officer

# **EXECUTIVE STAFF**



CHIEF EXECUTIVE OFFICER
Debbie Terelinck

**DUTIES** 

- CEO Administrative Functions
- Governance & Council Support
- Human Resources
- Work, Health & Safety



EXECUTIVE MANAGER
CORPORATE SERVICES
Colin Young

- Finance
- Procurement
- Light Fleet Management
- Customer Service
  - ICT



EXECUTIVE MANAGER
DEVELOPMENT SERVICES
Chadd Hunt

- Ranger Services
- Environment & Waste
  - Health & Building
    - Planning
    - Emergency
    - Management
- Bushfire Mitigation



EXECUTIVE MANAGER
ENGINEERING SERVICES
Paul Devcic

- Project Development
  - Parks, Gardens
     & Streetscapes
  - Engineering & Civil Design
- Asset Management

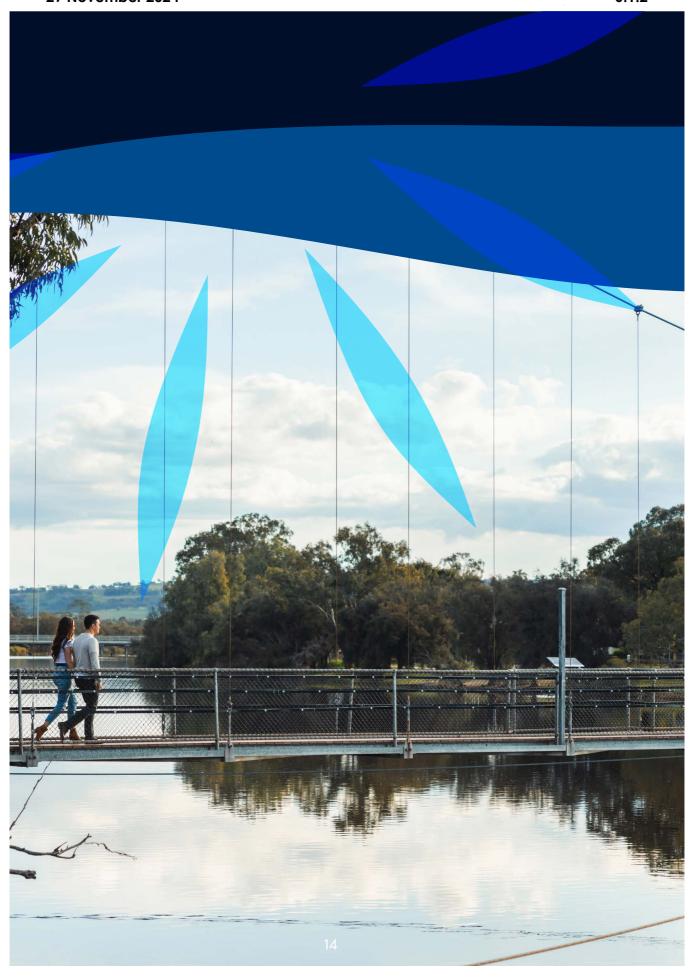


EXECUTIVE MANAGER COMMUNITY SERVICES

Various Acting
Officers

- Recreation & Youth Services
- Activation & Communication
- Community
   Development
   & Tourism
- Library & Aged Care Services

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# VISION FOR THE FUTURE

The Shire of Northam is a vibrant, growing community that is safe, caring and inclusive. We are recognised as a community that values our heritage, preserves our environment and promotes our commerce.

In order to achieve this Vision, the Council will commit to display:

**LEADERSHIP** To recognise the community's expectations to provide leadership

**RESPECT** To respect differences in age, culture, values and opinions.

**TEAMWORK** To achieve through the efforts of the team.

**EXCELLENCE** To aspire to one standard.

**OPENNESS** To engender trust through openness.



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In order to achieve our Vision the Shire of Northam has established an organisational Mission commitment, which is:

To deliver responsive, sustainable services in a manner that preserves and enhances our environment and lifestyle whilst respecting our heritage and facilitating economic growth.

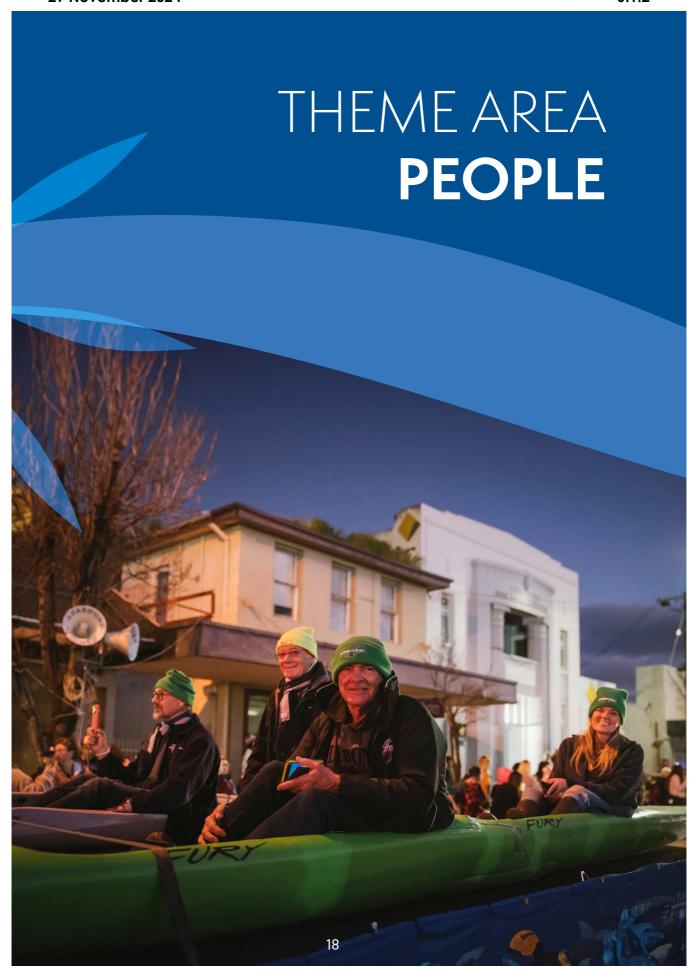
In order to achieve this Mission, the organisation will commit to being:

SAFE Focus on importance of safety in the organisation.

OPEN Engage in two-way communication, with transparency and trust.

ACCOUNTABLE Know what you are responsible for, take ownership and deliver accordingly.

Demonstrate respect for other's skills, knowledge and differing value systems.



#### JULY

NAIDOC Week Shire Assisted Celebration

#### **AUGUST**

Northam Bilya Festival Shire Event Street Parade

Avon Descent Shire Supported

#### **SEPTEMBER**

Northam Festival of Ballooning Shire Event
Women's World Ballooning Shire Supported
Championship
Agricultural Show Shire Assisted

Wundowie Iron Festival Shire Supported

Star Gazing Shire Event

#### **OCTOBER**

NACHA Heritage Festival Shire Assisted

Turn Up In Blue Day Shire Assisted

Northam Motorcycle State Championships

#### **NOVEMBER**

Sunday Shopday Shire Event

#### **DECEMBER**

Wundowie Twilight Markets Shire Event
Bakers Hill Christmas Markets Shire Event
Carols On Fitzgerald Shire Assisted
Bobby Hill Event Shire Assisted
Community Christmas Movie Shire Event

#### **JANUARY**

Australia Day & Citizen of the Year Awards
School's Out Star Gazing
Shire Event

#### **FEBRUARY**

Northam Vintage Shire Assisted Swap Meet

# COMMUNITY EVENTS

The Shire of Northam had another big year for events, with some unexpected additions such as the Bobby Hill Recognition event and the WA Weekend WAFL game.

Following on from last year Northam was privileged to host the Women's World Hot Air Balloon Championship, which also provided the opportunity for the Northam Festival of Ballooning. We continued our Astro Tourism efforts with multiple star gazing events and additional activations in Wundowie, Bakers Hill and the Northam CBD including a Christmas market series.

#### **MARCH**

Bakers Hill Family Day Shire Assisted

#### **APRIL**

Dark Sky Star Gazing Shire Event
Anzac Day Shire Assisted
Northam Motor Sport Festival Shire Assisted

#### MAY

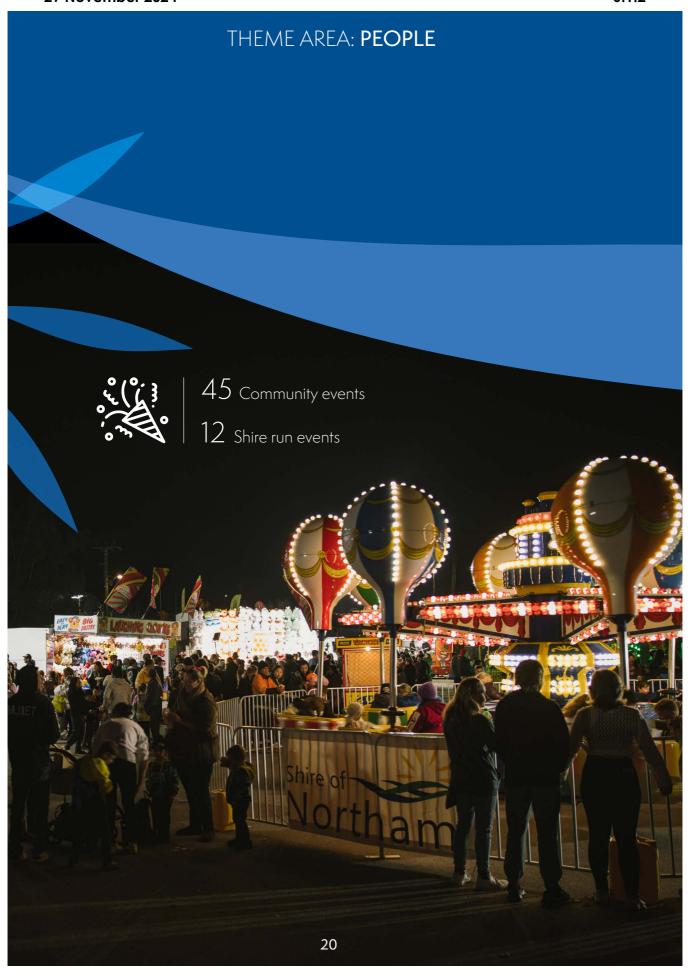
Mother's Day Movie & Shire Event Markets

Mother's Day Classic Shire Assisted

Thank a Volunteer Shire Assisted

#### JUNE

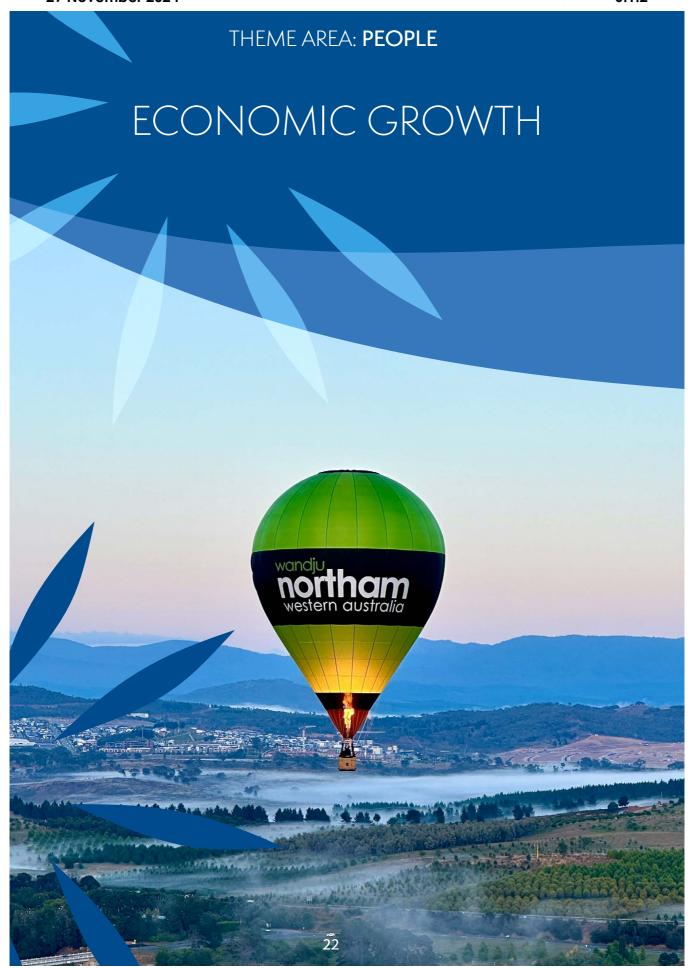
WAFL Northam Cup Shire Assisted
The Almost Free Markets Shire Assisted



## THEME AREA: **PEOPLE**









### WOMEN'S WORLD HOT AIR BALLOONING CHAMPIONSHIP

Thirty women from thirteen nations piloted Hot Air Balloons across Northam as they competed in the 2023 Women's World Hot Air Balloon Championship.

To launch the start of the Championship, on 2 September 2023 the Shire of Northam provided the official opening ceremony as part of the Festival of Ballooning. All pilots were paraded up Minson Avenue in some of the area's classic cars, courtesy of the Avon Valley Vintage Vehicle Association. Teams were high fived by the crowd with St Joseph's Primary School students waving their nations flags, leading them to the stage where they were introduced, and the official segment of the ceremony was conducted.

A free family friendly event saw the Soundshell ablaze with energy as multiple WA musicians took to the Women's Rock Stage to perform songs from some of the world's most iconic and empowering female artists. Our amazing MC Zalia Joi provided much entertainment and information regarding our attractions and the competition, between introducing each group, including the exceptional Katy Steele.

Bernard Park saw over 5000 festival attendees enjoying an array of entertainment and food that included Windward Ballooning providing an interactive Hot Air Balloon Display. Patrons could get up close to witness the burners or climb into a basket as well as chat with the pilots who would be competing for selfies and autographs.

In a salute to all nations involved, the carpark was transformed into a food hall with a variety of different cuisines from around the world, including sensational Asian inspired steamed buns and delicious Dutch pancakes.

The rest of Bernard Park was immersed in activity with children's entertainment such as the Wipeout Challenge and interactive craft stalls. APM Communities provided a chill out zone and local agencies provided market stalls with items for sale on offer as well as health and wellbeing information and services.

Competition started on 5 September due to unfavorable weather conditions, and flights continued throughout the week. Spectators flooded Northam as they came to view the pilots as they showcased their precision skill and technique at varying winds and altitudes.

The weeks competition finished on 9 September and proved to be a positive outcome for Australia's own Nicola Scaife, now a three-time world champion!

A huge congratulations to Northam Ballooning Events who orchestrated the smooth running of the championship, with all competitors, officials and support crews.



# CASE STUDY

### NORTHAM MOTOR SPORT FESTIVAL

The Northam Motor Sport Festival is a major event on the Shire of Northam calendar and an event not to be missed. 2024 proved to be the best yet. This year the event celebrated Women in Australian Motorsports, and with the Vintage Sports Car Club of WA and the Shire of Northam's meticulous organisation and generous sponsorship from local businesses such as ELS Mechanical and Bendigo Bank, 2024 saw record entries for both races over the weekend.

Saturday 27 April 2024 saw the much anticipated return of the Mt Ommaney Hill Climb. Mitchell Avenue was bumper to bumper with 50 eager competitors lined up, ready for their thrilling run at the hill, while spectators formed quite a crowd, eagerly climbing their way to the top. The Northam CBD was converted to a high speed racetrack on Sunday 28 April for the annual Flying Fifty competition, also known as the Around the Houses race. The Bilya Koort Boodja Centre became the race headquarters, providing the perfect view of the starting line on Minson Avenue.

This year saw some major changes to the race set up, with the Pit area moving to Perdaman's car park, providing entry via Wellington Street and exit onto the track via Gordon Street. Whilst new challenges were created with this change in location, it proved to be a worthwhile addition. The area enabled competitors more space and ease of organisation, and spectators were able to roam the area admiring all the entries. It also provided a lovely flow for the various activities that took place over the

course of the day, making the event even more enjoyable for everyone involved.

Families were able to entertain the children with interactive stalls from Bunnings and the Avon Valley Art Society, who hosted the very successful Cardboard Car Challenge. In the spirit of the event, the Shire provided Mario Kart, Daytona, and Sega Rally games for visitors to test their skills, as well as the professional services of Wheatbelt Facepainting. Local businesses opened specially for the event, such as Lucy's Tearooms, Zax & Co, and Hotel 190, which provided a licensed area with a great view of the track and the race.

Bernard Park was the last location on the map, and it did not disappoint. A variety of food trucks and sporting clubs provided a range of food and refreshments positioned in front of the soundshell. The big winner was the Classic Car Display and Show "n" Shine competition, sponsored by Shannon's, that consumed the Bernard Park car park. With over 70 vehicles from car clubs across WA, the overflow ran the full length of Minson Avenue, from Grey Street to Peel Terrace. Thanks to the tireless support from local organisations, including the Grass Valley Progress Association, AVVVA, and Northam Ag Society, the 2024 Northam Motor Sport Festival saw over 5000 spectators attend. With continued improvement and community spirit, we are all looking forward to next year.



# DISABILITY ACCESS & INCLUSION

In previous years the Shire has produced a Disability, Access and Inclusion Plan (DAIP), as well as an Equal Employment Opportunity Plan (EEO).

To improve this process the Shire has developed the Access and Inclusion Plan 2024 – 2028. This plan will be reviewed and reported to relevant bodies on an annual basis.

The Shire of Northam is committed to ensuring that the community is accessible for and inclusive of people with disability, their families, and carers.

The Shire interprets an accessible and inclusive community as one in which all Shire functions, facilities, and services (both in-house and contracted) are open, available, and accessible to people with disability, providing them with the same opportunities, rights and responsibilities as other people in the community.

The Shire is also committed to building an inclusive and diverse workforce that is reflective of the community we serve. We do this by incorporating Equal Employment Opportunity, Diversity and Inclusion principles through employment policies and practices, and delivering on the initiatives and targets in both our Access and Inclusion Plan and Reconciliation Action Plan.

# KILLARA SERVICES



464

Transport Trips



8867

Brokerage Hours (Including Transport)



15448

Respite Hours (including Cottage Respite & Centre Based Respite)



84/

Social Support Hours



Killara is an Adult Day & Respite Centre proudly sponsored by the Shire of Northam and funded by the Commonwealth Home Support Program (CHSP).

Killara Adult Day & Respite Centre is an entry level, non-clinical facility located in Northam. This means, to attend our facility, eligibility screening applies.

The following services are provided at Killara Adult Day & Respite Centre:

### Cottage Respite

Flexible respite options are available seven days a week, 24 hours a day, including normal business hours, early mornings, afternoons, evenings, overnights and weekends.

For carers who are employed, studying or looking for work, Cottage respite is available to suit the hours needed.

Cottage respite is generally planned but we can meet most requests for unplanned and emergency respite.

Cottage respite is provided at the purpose-built facility based at Killara Adult Day & Respite Centre, 2 Burgoyne Street Northam.

### Centre Based Respite

Centre Based Respite (CBR) for all older Australians is provided in Northam. A variety of activities are offered at Killara Adult Day & Respite Centre. CBR hours are usually flexible and can be accommodated accordingly. CBR is normally combined with Cottage respite.



### Social Support Group

Currently Killara Adult Day & Respite Centre offers a Social Support Group at the Killara Day Building every Thursday from 10am – 2.30pm.

### Social Support Individual

Special outings are arranged each month for lowneeds consumers who are reasonably mobile.

### Transport

Transport is available for eligible consumers to be able to access the community, attend appointments and attend Killara Adult Day & Respite Centre.

Activities at Killara Adult Day & Respite Centre over the year includes:

- Client's 104th Birthday Celebration
- Killara Armchair Travel to Tasmania & Mexico
- Killara Cruise Ship
- Killara Under the Sea
- Killara Rock 'n' Roll Day
- Volleyball WA visit
- · Killara Ballooning Thursday Activity
- King's Coronation Day
- Easter 2024 Thursday Activity
- Killara Planes, Trains & Automobiles theme for April 2024
- Killara Biggest Morning Tea/ Alice in Wonderland theme for May/June 2024





This year, the library purchased a tablet to be loaned to housebound patrons who have difficulty accessing eResources. Using our tablet gives them confidence in using the technology and encourages them to buy their own.

More than 2,000 patrons signed in to use the public computers, and the free Wi-Fi gets used every day. We answered over 4,500 reference enquiries. Visitors to the RV site at Wundowie love to come in, and find out more about the town, and pick up a free book from the Wundowie Library. We had some tables at the Northam Town Team Nearly Free swap meet, and gave away discarded library books.

Events held during the year included:

- A presentation on the background to the Town Council building and Northam Library
- A "Meet the author" with Katie Stewart
- Our regular sessions for 0 5 years olds
- · Lego Club; and
- School holiday events.

The Swan Room and mezzanine floor were booked for 146 hours by community groups looking for a place to meet, and online students needing a space to do exams.



patrons borrowed items from both libraries

45

Housebound Community

Members used

our delivery service

28,070

items were issued

17,859

visits to the libraries

392

events were run, with 1,265 attendees







### YOUTH SERVICES

The Shire continued to offer youth focused initiatives by delivering a range of diversionary activities and programs across the Shire. These activities and programs were offered in collaboration with a variety of local agencies.

The Shire delivered a school holiday program within all four holiday breaks. Programs included a variety of genres such as:

- · A Comedy Workshop.
- Cultural Walks.
- Cricket "Come and Try".
- Tennis Clinics.
- "Culture Through Sport" Program.
- Tee-ball.
- · Golf.
- Arts Games through the Institute of Indigenous Wellbeing and Sport.
- Skateboard/Scooter Workshops and Clinics.
- Rikki Grace Basketball Clinic.
- Little Athletics "Come and Try".
- Arts and Crafts.
- · Kids Fitness Clinics.
- 3v3 Basketball Clinic.
- · Touch Football "Come and Try".
- · Wheelchair Basketball.
- · Archery; and
- A Netball Development Clinic.

The Shire is a member of the local youth engagement working group and participated in two group sessions held in 2023/24 the focus of the group is to provide input and feedback on the types of programs and activities that will support local youth within the Shire.

The Shire also partnered with the local PCYC to offer two youth events a 'Blue Light Pool Party' at the Northam Aquatic Facility and 'Night Hoops' at the Recreation Centre.

The Blue Light Pool Party was well received with over 200 youth aged between 10 and 19 years attending, with educational Information and displays available from WA Police, Royal Life Saving Society WA, Headspace & PCYC.

The Shire secured a \$10,000 grant from the Youth Affairs Council WA that funded the Night Hoops event which was held in May and June and offered five Friday night sessions. The event provided basketball, healthy food, educational information and a safe space. Youth were provided access to a bus shuttle service. It was fantastic to see approximately 40-50 young people in attendance at each session.



### NORTHAM AQUATIC FACILITY

The Northam Aquatic Facility commenced the season on 18 September 2023 and closed on 21 April 2024. Usage data indicated consistent figures in comparison to the previous season.

The Shire was provided the opportunity to participate in the Kidsport Regional Pool Pilot Program (KRPPP) that was offered by the Department of Local Government, Sport and Cultural Industries to enable eligible Western Australia children aged 5 – 18 years to work on their swimming skills by offering a free season pass over the 2024 summer period. Although the program started late at the end of February 2024, 30 individuals took up the offer.

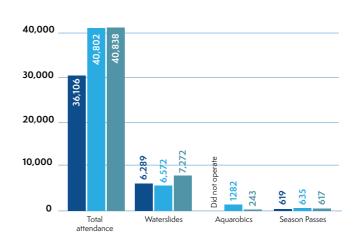
The Shire was awarded its 2023/24 Gold Waterwise status with the Water Corporation through its committed water efficiency management plans, these included:

- Demonstrating data collection of water meters.
- · Reviewing of backwashing procedures.
- Ensuring water fixtures and fittings comply with flow rates.
- Cleaning with mop and brooms to reduce water; and
- Using mulch and waterwise plants in surrounding gardens.

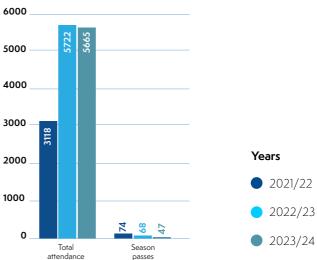
The Aquatic Facility hosted its traditional community events that included the annual Northam short course classic, back to school pool party and Australia Day celebrations.

### **Northam Aquatic Statistics**

50,000



### **Wundowie Pool Statistics**





### RECREATION & AQUATIC SERVICES

The Recreation Centre facilitates the local basketball, netball, indoor hockey and football clubs and associations regular season competitions, these sporting competitions continued in 2023/24.

In addition to club-based competition the Shire held casual sports competitions that included netball and basketball. The courts were utilised for volleyball, floorball, and indoor soccer by the local school community as well as facilitating the Junior & Senior Netball WA school cups and one school Global Carnival.

In 2023/24 there were 1,087 bookings received for the Recreation Centre including the hire of meeting rooms and the multi-use sports courts, 534 sports ground hire bookings, and 205 pool related bookings.

Improvements to the Recreation Centre facilities included the replacement of a freestanding commercial oven, installation of a new water bottle filling station to the outdoor courts and replacement of projectors and laptops used for hire in the meeting rooms.

### WUNDOWIE SWIMMING POOL

The Wundowie swimming pool commenced its season on 4 November 2023 and closed 7 April 2024. The Shire collaborated with LGIS and RLSSWA to conduct a safety audit of the pool facilities. As a result, the Shire received a positive 98% compliance rating from the audit. The Shire maintained Gold

Waterwise status from the Water Corporation program for the Wundowie pool in its ongoing efforts to reduce water usage.

It is noted that season pass holder numbers slightly decreased however total attendance figures remained consistent for the season. The annual Christmas Tree and Australia Day events were both held and enjoyed by the community.

#### SPORTING & CILIB DEVELOPMENT

The Shire completed several sporting capital improvement infrastructure projects that included a new electronic entry statement board at the Northam Recreation Precinct entrance, a new electronic scoreboard and goal barriers on Henry Street Oval. Multiple storage sheds and shade structures were constructed and installed at Bert Hawke recreational precinct. The existing skate structures were refurbished and installed at the Bakers Hill recreation precinct.

A free online volunteer engagement planning session was delivered on the 15 May for all local club and community representatives and had 15 registrations for the session.

Programs such as the pool recovery sessions were offered to the local senior football clubs to promote water therapy to their athletes.

The Shire supported the promotion and startup of a new local sporting club Northam Touch Football and is working closely with the Wundowie Progress Association for the startup of a local Tee-ball program.

The Northam BMX Club and Shire collaborated to complete the detailed design and tender for the BMX Track upgrade due for completion early next financial year.

The year saw continued communications and growth of the Shire of Northam Clubs Facebook page that currently has over 1400 members, and provides our local sporting community continual updates of sporting events and/or information.





### SPORTING EVENTS

### **Bobby Hill Homecoming Recognition**

Held on 21 December 2023 to celebrate local sporting star Bobby Hill who was a team member in the 2023 AFL Premiership team Collingwood and won the Norm Smith medal for best on ground in the Grand Final.

## WAFL Round 9 Perth vs West Coast Eagles

Held on 2 June 2024 a partnership between the Shire, Perth Football Club, WAFL and West Coast Eagles and local sporting groups. This game was very successful with estimated 4,000 in attendance. The event supported local schools and local sporting groups, and provided significant exposure across the State, with the game being televised.

## Wheatbelt Goldfields Regional Netball Championships

Held on 15 June 2024 the Shire hosted the championships for the first time in 12 years. There were 35 teams from across the Wheatbelt & Goldfields that competed. The local Northam Netball Association made 4 out of 6 grand finals, and won the under 16 age group competition.



## MotorCross State MX & ATV Championships

Held on 14 and 15 October 2023, the Shire supported the local state championships with infrastructure and in-kind services. The event was well attended by the local community and attracted riders from around the State.

### WATERWISE GOLD STATUS AWARD

At the May 2024 Water Corporation's Waterwise Awards, the Shire of Northam received Gold status in two categories – Waterwise Council and Waterwise Aquatic Centre.

The Waterwise Council Gold Status was awarded for demonstrating innovation and leadership in creating Waterwise Communities and the Waterwise Aquatic Centre Gold status was awarded for the Wundowie Pool demonstrating best practice water management in an Aquatic Centre.

The awarding of the Waterwise Council Gold status achieves one of the priority actions from our Council Plan 2022-2032.



#### **Quick Response Grants**

Local not for profit community groups and sporting clubs can apply for small grants of up to \$2,000 anytime throughout the year. 18 applications received

17 projects supported

\$20,690 of funds awarded.

### **Community Development Grants**

Local not for profit community groups and sporting clubs can apply for larger, strategic projects valued between \$5,000 - \$20,000. Applications opened in August and closed in October.

4 applications received

4 projects supported

\$78,902 of funds awarded.

### Progress Association Annual Allocations

All community progress associations were invited to apply for an allocation of Shire funds for community projects in 2023/2024. Applications were received from:

- Bakers Hill Progress & Recreation Association for the Bakers Hill Australia Day Breakfast.
- Spencers Brook Progress Association for community engagement events .
- Wundowie Progress Association for the Wundowie Australia Day event and bench seating around the Wundowie oval and basketball courts.

All projects were supported with \$12,275 of funds awarded.

## ANNUAL COMMUNITY EVENT ALLOCATIONS

The Shire of Northam issued \$86,600 in sponsorships through the Community Events allocation to a group of community organisations with a long history of delivering successful events and commemorations within the Shire of Northam.

These included:

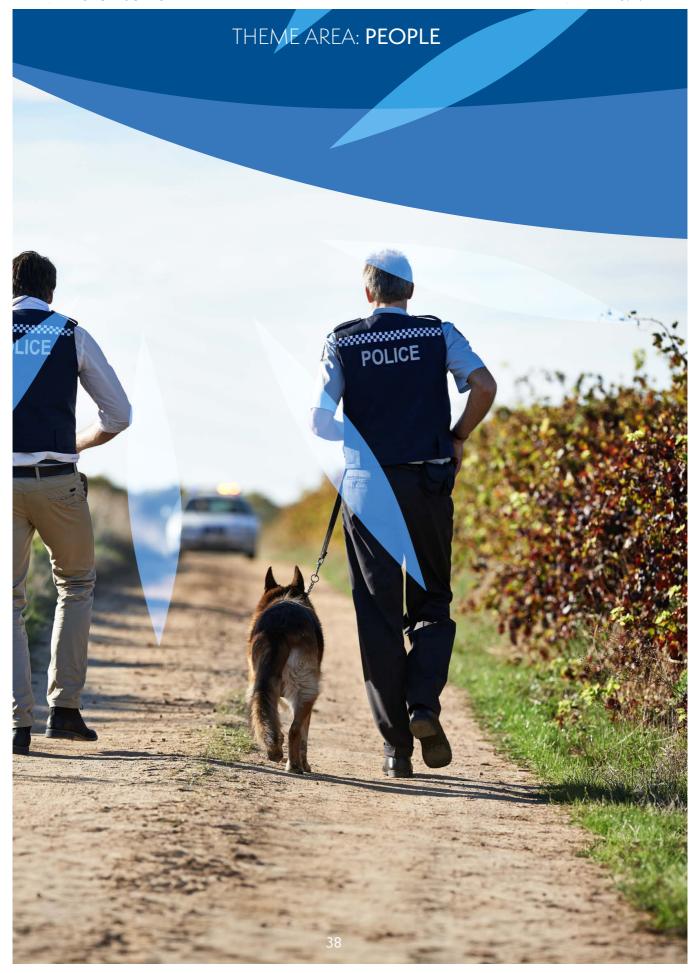
- Wundowie Progress Association for the Wundowie Iron Festival
- Bridgeley Church of Christ & the Northam Chamber of Commerce for Carols on Fitzgerald
- Avon Valley Arts Society for the Northam Art Prize
- Northam Agricultural Society for the Northam Farmers Show
- Northam RSL for the ANZAC Day Dawn Service and March
- Northam Theatre Group for theatre productions at the Link Theatr,
- Avon Valley Vintage Vehicle Association for the Vintage Vehicle Swap Meet
- Vintage Sports Car Club of WA for the Northam Motorsport Festival (Flying Fifty)

## EDUCATIONAL PRIZES & DONATIONS

Every school within the Shire of Northam, and the Northam campus of Central Regional Tafe is given a donation towards their end of year educational prizes. We also provided a donation to P&C and P&F groups to assist with their fundraising efforts.

# WUNDOWIE TO NORTHAM COMMUNITY TRANSPORT

The Wundowie to Northam Community Transport expanded its run into the El Caballo Lifestyle Village this year. Operating on the second and fourth Thursday of each month, excluding January, the service transported a total of 134 passengers with 86 of the passengers from Wundowie and 48 from El Caballo



# COMMUNITY SAFETY & CRIME PREVENTION

The Shire of Northam Community Safety Committee works proactively with the local Police, stakeholders from a range of government departments and service providers, local advisory groups and community representatives. This year we introduced the Community Safety Corner article in the Northam Advertiser, recommended to Council the endorsement of a CCTV Strategy, supported events such as the Turn Up in Blue Day with community safety and wellbeing merchandise, and learned why we should be advocating for a needle exchange program.

This year there was minimal difference in the overall reports of criminal activity throughout the Shire compared to the previous year. One of the key messages of the Community Safety Committee is to report all crime. Without your information, Police cannot act!

### REPORTS OF CRIME IN THE SHIRE OF NORTHAM 2022/23 COMPARED TO 2023/24

Offence Category	Number of Counts 2022/2023	Number of Counts 2023/2024	Percentage Change
Arson	24	10	-58.3%
Assault (excludes family)	103	106	2.9%
Burglary	127	93	-26.8%
Deprivation of Liberty	2	2	0.0%
Disorderly Conduct	51	36	-29.4
Drug Offences	268	321	19.8%
Graffiti	9	5	-44.4%
Homicide	0	0	0
Liquor Offences	2	3	50.0%
Offences Against Animals	3	1	-66.7%
Property Damage	204	230	12.7%
Robbery	6	2	-66.7%
Sexual Offences	24	37	54.2%
Stealing	404	439	8.7%
Stealing of Motor Vehicle	31	20	-35.5%
Transport Offences	90	82	-8.9%

Source: WA Local Government Association



## WASTE

The Shire of Northam operates two Waste Management Facilities; Old Quarry Road Waste Management Facility in Northam, which is our main facility and accepts both solid and liquid wastes; and Inkpen Road Waste Management Facility in Copley, which is a small landfill serving the communities of Bakers Hill and Wundowie.

Both facilities are managed by Avon Waste on behalf of the Shire and Avon Waste is also responsible kerbside collection throughout the Shire.

In February 2024, the Shire undertook WALGA's Bin Tagging program. As a result of the project, contamination in kerbside has decreased by 2.1%!

### 2023 WASTESORTED AWARDS

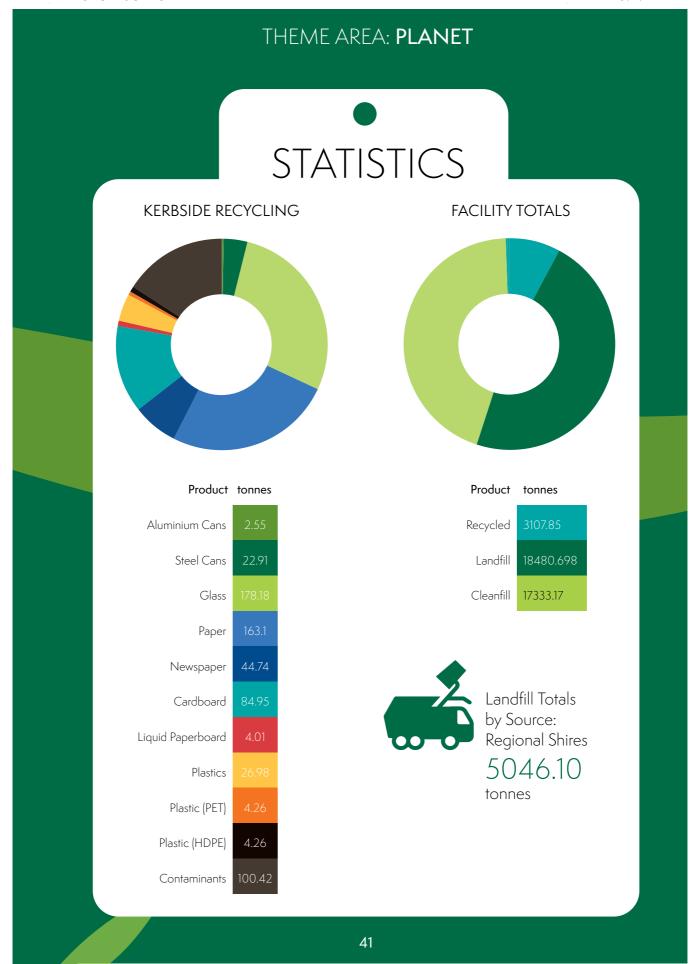
In September 2023 the Shire of Northam was recognised at the 2023 WasteSorted Awards for their outstanding achievement for its Old Quarry Road Transfer Station and Northam Re-Store Project receiving the Regional Local Government/Regional Council Award.

This project has paved the way in source separation and reduction to landfill. Since its opening on 1 August 2022, the community has supported the new facility, resulting in the diversion of an additional 300,000 kg of materials from landfill. The project has enabled increased recycling solutions and for products such as E-Waste, tyres and mattresses.

The Northam Re-Store has also been enthusiastically embraced beyond original expectations and is a major success story for Northam.

Shire President Chris Antonio said "Thank you to the Waste Authority, for both the generous grant and the support, in assisting us in making this project possible.

We hope to continue to introduce innovation solutions to lead the way in resource and waste management by continuing to work towards a greener future, implementing waste solutions and working towards Zero Waste to Landfill by 2030. We will continue to work with both our great community and the Waste Authority in reducing waste to landfill" Shire President Chris Antonio added.





# BUSHFIRE MITIGATION ACTIVITIES

The Shire of Northam in collaboration with the Department of Fire and Emergency Services (DFES) have funded 19 bushfire mitigation projects throughout the Shire in the 2023/2024 period to the value of \$150,000.

These works included asset protection of the Old Quarry Waste Management Facility and Emergency Water Tank Supplies. In addition, works were undertaken to reduce fuel loads, and upgrading and maintenance of firebreaks near critical infrastructure.

Through this arrangement the Shire has secured funding up to \$115,000 for future bushfire mitigation projects in 2024/25. These works are being undertaken to provide protection of infrastructure through a combination of mechanical works, spraying and prescribed burning (conditions permitting).

# EMERGENCY SERVICES

With 10 Volunteer Bush Fire Brigades, 1 SES Unit and 2 Volunteer Fire and Rescue Brigades, the Shire of Northam is fortunate to have almost 300 emergency services volunteers providing services. Their ongoing commitment to their community is invaluable. By providing this selfless contribution we drastically and positively impact the risk of bush fire and other emergencies in the Shire of Northam.

The Shire of Northam like many other areas of the State and country are experiencing the impacts of climate change evidenced by scientific data, early onset and extensions of the fire season in addition to a higher prevalence of bush fires in the last 12 months.

With volunteers attending a total of 313 incidents for the year, this represents an enormous contribution by our incredible volunteers. Disappointingly, this also included 27 fires deemed suspicious or deliberate. Incidents of note include a large scale fire burning on the border of a large Department of Biodiversity, Conservation and Attractions parcel of land in the early part of the fire season. This incident was professionally managed exclusively by volunteers for almost 2 weeks. The efforts and expertise demonstrated prevented the loss of life and property and prevented the ingress of the fire into a large forest area that would have drastically influenced the outcome.

### **AUSTRALIAN WARNING SYSTEM**

This year saw changes to the the Australian Warning System (AWS). The AWS delivers a nationally consistent approach to emergency information by using a standardised set of warning levels, colours and icons, supported by clear action statements to keep people safe.

Adopting nationally consistent alerts and warnings is part of the Next Generation Warnings Project that aims to deliver more localised and targeted emergency information than ever before.





Volunteers attended about 313 incidents



bushfire mitigation projects throughout the Shire

# ENVIRONMENTAL SUSTAINABILITY

During the 2023/24 financial year, environmental sustainability activities focused on providing advice and assistance with stakeholder advisory groups, engineering road widening projects, fire mitigation works, targeted weed spraying programs, development and rezoning applications, private and community native planting, rehabilitation, environmental mapping and the production of reports for illegal clearing complaints for submission to the Department of Water and





The annual 'Tree Subsidy Program' and the 'Native Plant Giveaway' increased in size, supplying nearly 12,000 tube stock plants to residents through the very popular programs for large and small landowners. The two programs provided over 50 locally occurring native species and included trees, shrubs, ground covers and reeds to accommodate the different soil types and conditions across the Local Government area. In addition to the tube stock plants available, over 2,500 biodegradable tree guards were also sold to residents to assist with providing additional protection to the plants as they establish.

Three rehabilitation projects were completed with the focus being on improving the biodiversity, health and aesthetics of the Avon River.

**Project 1:** The north island in the Town Pool area of the Avon River was stabilised and rehabilitated. This was achieved by working with volunteers from the Avon Valley Environmental Society and students from





Curtin University. The project involved moving 10 tonnes of rock, soil and mulch by hand with the use of a barge over to the island. Rock and sandbags filled with soil medium were used to stabilise the perimeter and build up vegetation bed areas so that native tube stock could be planted to improve the degraded condition of the island.

**Project 2:** Focused on improving the ecological quality of land adjacent to the Avon River by establishing a native plant feature garden that showcases the species of the Wheatbelt. This was done at the new Northam RV Park to benefit visitors and the residents that utilise the walk trails in the area. The aim of the feature garden is to showcase species from the Wheatbelt area and to offer a reference location for species identification, while improving the ecological diversity of the river foreshore area. Advanced native plants were utilised in this project and were planted using biodegradable plant cocoons that provide a water reservoir while the plants establish. This environmental sustainability initiative was a very innovative approach used to trial the effectiveness of using a self-contained water reservoir around newly planted natives and will establish the feasibility of applying this method to other projects



such as street trees where the ability to irrigate is limited.

Prior to the planting of over 270 advance native plants, the location was prepared with the addition of new soil medium and mulch. Volunteers from Avon Valley Environmental Society, St Joseph's Primary and St Joseph's High School were involved with multiple



facets of the project throughout the year with the final planting being completed in June.

**Project 3:** Involved the infill planting of 1,500 native tube stock plants along the river foreshore from the Northam RV Park to Jessop Place and the establishment of a natural barrier hedge using natives along the path adjacent to the RV Park. The low lying

# CARBON FOOTPRINT

For the 2023/24 financial year the carbon footprint of the Shire equated to 34,548 tCO2-e. This figure includes the landfill facilities, electricity, gas, fuel and water consumption. Through the Power Purchase Agreement, which now sources 75% green renewable energy for contestable sites the Shire was able to offset 297 tCO2-e. The Solar PV Installations saved 222 tCO2-e, and the landfill diversions saved 6509 tCO2-e.

In summary Electrical consumption decreased by 0.8% from previous year.

Fuel consumption increased by 3.6%.

Gas consumption increased by 33%.

Water increased by 26% (due to long summer).

Waste emissions increased 18%.

The green renewable energy from the Power Purchase Agreement and Solar Power covered 53% of the Shire's electrical needs.

natural barrier aims to provide visual amenity for people viewing the river wildlife from the path, while creating a buffer from the path to the river's edge that will provide additional protection for fauna by restricting domestic pet access and foot traffic in the riparian zone. This project was completed under a Wheatbelt NRM grant and used volunteers from the Clontarf group associated with Northam Senior High School to assist with planting the natives and natural barrier hedge.

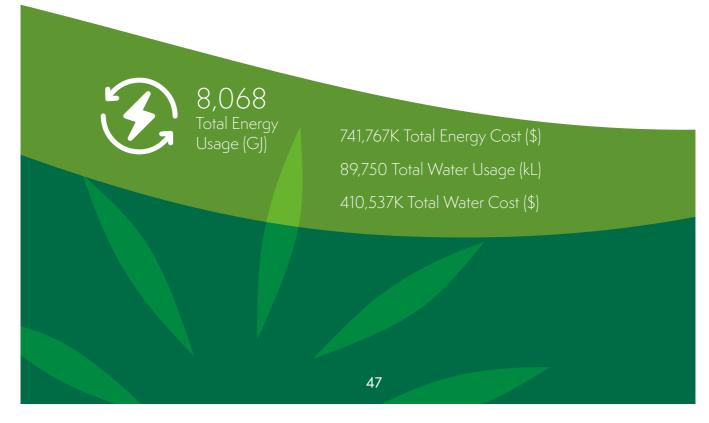
Targeted spraying programs focused on the spot spraying of weeds around the Town Pool area of the Avon river between the bridges, the foreshore from the Northam RV Park to Jessop Place and the foreshore adjacent to the weir. The aim of the project is to eradicate the weeds to allow for the natives planted in the area to establish with minimal competition.

In line with environmental sustainability, the Shire continues to monitor energy consumption and emissions associated with the organisation. The Shire now has the ability to capture the landfill, fuel and gas consumption, in addition to the utility data and monitor Shire operations through a centralised webbased platform. This platform provides the analytical tools to closely monitor the performance of individual assets, identify areas for improvements, pinpoint potential water leaks, monitor tariff costs for power

and analyse the effectiveness of energy efficiency installations and initiatives. This information is crucial for establishing a carbon footprint baseline and direction the Shire should be taking to reduce its net carbon emissions.

In addition to the adoption of the climate change declaration, the Shire continues with the development of an adaptation and mitigation strategy that will outline the Shire's position in relation to actions to be taken to reduce the carbon footprint of operations to achieve the environmental objectives in line with the state and federal government and identify mitigation measures to build resilience in the community to better prepare the Shire for the projected changes predicted with climate change.

Environmental sustainable initiatives currently in place include the Power Purchase Agreement (PPA), solar installation on Shire owned buildings, thermal covers on swimming pools, solar heating for a selection of swimming pools, the retrofitting of LED lights in Shire buildings, Hydrowise irrigation controllers and the utilisation of reclaimed water on a large proportion of Shire owned open spaces.



# HEALTH

### PUBLIC HEALTH PLAN 2023 - 2028

This year the Public Health Plan 2023 – 2028 was implemented. The plan provides a framework to address Public Health needs with the intent to enhance the health and wellbeing of residents within the Shire of Northam. Public Health Plans are a requirement of the *Public Health Act 2016*, with Local Governments required to have a plan in place by June 2026.



### FOOD ACT 2008

Routine inspections of food premises were conducted as required with 103 businesses within the Shire being assessed according to their food risk ratings. Promotion and provision of materials were distributed to all medium and high-risk businesses deemed to fall under the new requirements of the Food Standards Code 3.2.2A, which includes mandatory training of food handling supervisors. The new requirement came into effect on 8 December 2023.

Compliance with these new requirements is currently at 75% across the Shire, with the remaining food business owners and food handling staff undertaking training to ensure they meet the requirements by the end of 2024. Food safety programs such as 'FoodSafe' on the Shire of Northam's website continue to be a requirement for all street traders, stallholders and new food businesses, with the course receiving an update early this year.

This year has seen an increase in food businesses registrations, with 8 new food businesses registered in the Shire. These businesses must meet the requirements of the Food Act 2008 and the associated FSANZ Food Standards Code.

Guidance was provided to new food business premises, and those looking to make modifications to their existing food business premises. Businesses were advised on how to best meet the requirements of the Food Act 2008 and the FSANZ Food Standards Code with reference to the Australian Standard 4674-2004: Construction and fit out of food premises, which is currently undergoing a review.

## MONITORING & CONTROL OF WATER IN PUBLIC PLACES

The monitoring and control of water within the Shire was conducted with routine sampling to test the water quality of the river, public swimming pools and the recycled water irrigation system. This year's Avon River sampling results have been consistent with previous years. The Avon River is safe for use for secondary recreational activities (kayaking, wading and canoeing) as per Department of Health guidelines. Potentially dangerous amoeba organisms have been detected on occasion in the Avon River during the warmer months of the year. To alert the public of the possible dangers associated with

amoeba organisms, signs have been erected along the river's edge in key locations.

Recycled water irrigation results have improved since last year, with various modifications being implemented by the Shire to ensure that the recycled water quality meets the requirements for use as determined by the Department of Health. Further improvements are expected with the installation of additional infrastructure at the Clarke Street Dam.

### **PUBLIC EVENTS**

Public Events were assessed to ensure public safety and compliance, with approvals, attendance and inspections conducted as required.

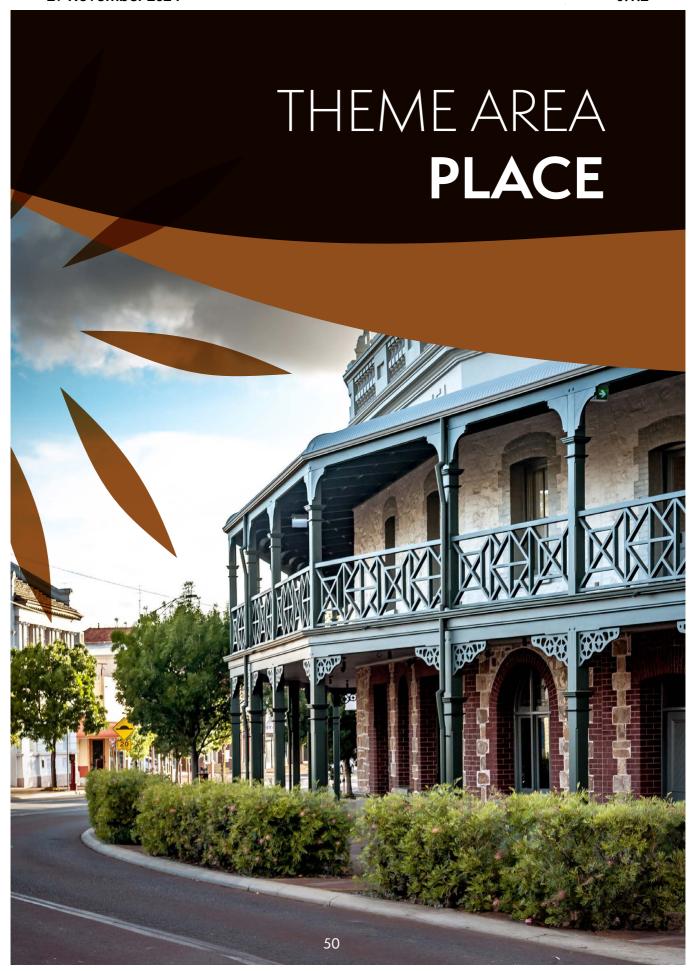
### PUBLIC BUILDINGS & HEALTH

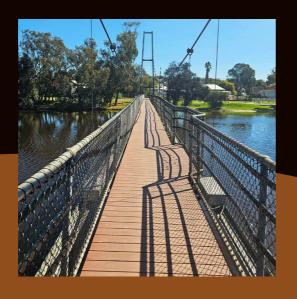
Several Public Buildings were inspected, with changes being made to ensure compliance with the Health (Public Buildings) Regulations 1992, so that buildings used for public events and gatherings are safe for use by the public.

Beauty therapy and skin penetration businesses continue to gain popularity, with 5 new businesses receiving compliance certificates for meeting the requirements of the Code of Practice for Skin Penetration Procedures 1998. Inspections of hairdressing salons as well as skin penetration/body piercing parlours were conducted as required.

Neglected and dilapidated houses were inspected with work orders and condemnation notices being issued to the owners of the premises as required.

The primary Act for dealing with public health issues is the Health (Miscellaneous Provisions) Act 1911, which is slowly being repealed, with stage 5A of the Public Health Act 2016 coming into place on 4 June 2024. Stages 5B and 5C dates have yet to be confirmed, with the Department of Health anticipating all of stage 5 to be complete by the end of 2026. The implementation of stage 5 of the Public Health Act 2016 will see a variety of changes to how public health is approached.







# LOCAL PLANNING STRATEGY & SCHEME REVIEW

The draft amended Local Planning Strategy was adopted by Council at the March 2024 meeting and is in the final stages of approval from the Western Australian Planning Commission.

The amended Strategy will provide the strategic direction for the development of the Shire and amendment of the Local Planning Scheme to provide greater flexibility to facilitate sustainable development.

A series of scheme amendments will be drafted and initiated in the coming year to implement the recommendations in the Strategy, which will include introduction of a regional centre-type zone for the Northam townsite and a Rural Townsite zone for the townsites in the Shire. Both zones will provide flexibility to encourage sustainable and vibrant communities.

### SCHEME AMENDMENTS

Local Planning Scheme Amendment 17 was gazetted during this period, which rezoned 2 portions of the Avon Logistics Hub on Yilgarn Avenue from Environmental Conservation to Light and Service Industry to facilitate the development and to establish an environmental corridor.

Amendment 19 was initiated during this period to rezone rural land on Chedaring Road for rural living and environmental conservation to facilitate subdivision.

### STATUTORY PLANNING

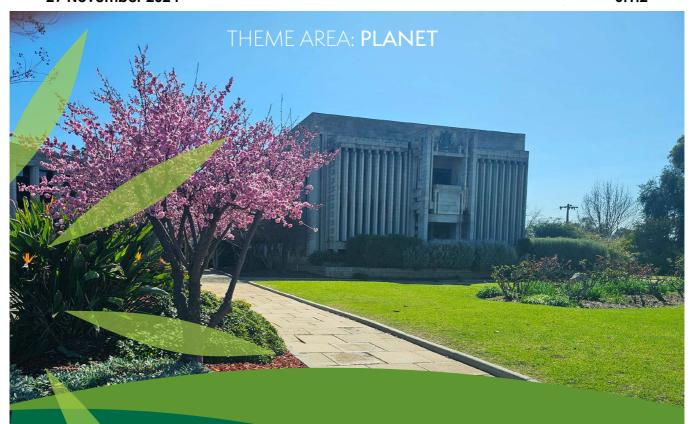
### **Development Applications**

A total of 148 development applications were determined by the Shire of Northam to the value of \$43,013,024 during the 2023/24 financial year compared to 110 to the value of \$24,679,366 during the 2022/23 financial year and 137 to the value of \$38,607,507 during the 2021/22 financial year.

The growth areas continued to be in the western portion of the Shire in rural living areas of Wundowie and Bakers Hill, with infill medium density development in the Northam townsite continuing to increase.

Of these, 142 applications were determined by staff under delegated authority from Council. The average timeframe for determining development applications in this period was 16 days.

During this period, major developments included approval of 2 new shops at Northam Village Square and a gymnasium and childcare complex in Fitzgerald Street.



### SUBDIVISION

During 2023/24, 23 subdivision referrals were received from the Western Australian Planning Commission and responded to, with 15 subdivision clearances being issued.

Subdivision activity has been spread throughout the Shire, including an increase in residential infill and light industrial development in the Northam townsite with this trend expecting to continue.

### **BUILT HERITAGE**

A grant from the Heritage Council of WA enabled the Shire to review the Local Heritage Survey and develop a historical overview of Northam.

The next stage will be to update the Heritage List and develop a local planning policy to better protect and guide development of heritage places.

### **DEVELOPMENT COMPLIANCE**

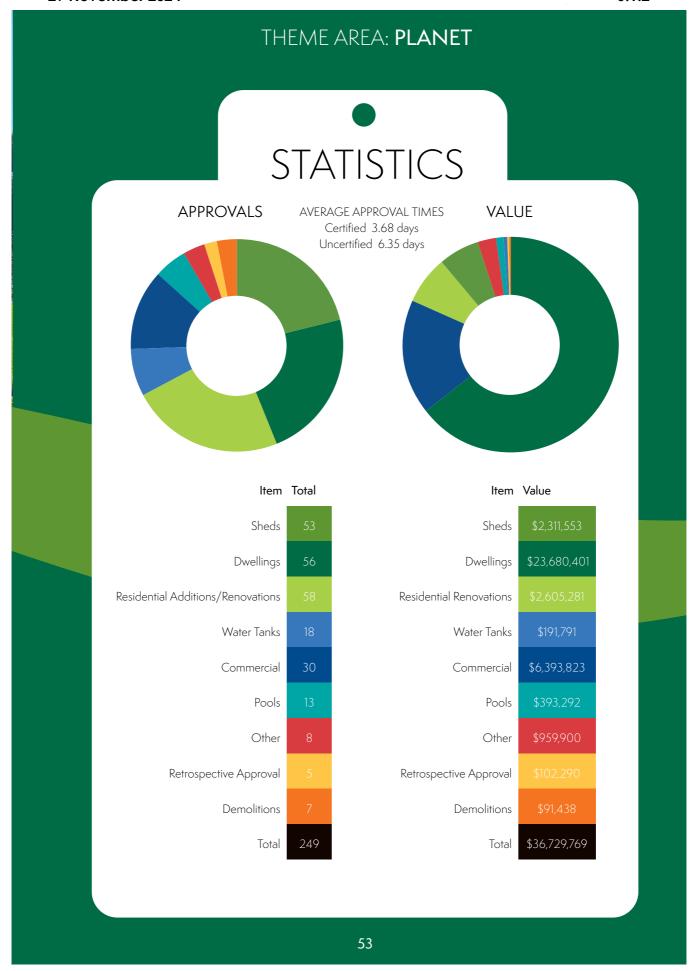
Development compliance formed an important par of statutory planning activities in 2023/24. There are a total of 528 swimming pools within the Shire of Northam, with 203 swimming pool/spa barriers being inspected in the 4 yearly cycle. A number of unauthorised buildings and land uses are being investigated together with audits of the housing sector.

### **BUILDING PERMITS**

The past year has been challenging for the housing sector due to a shortage of trades and building materials.

This has resulted in an abnormally high rate of Building Permits having time extended to allow builders time to source the required building materials and trades

Despite this, houses continue to be constructed, with the Mauravillo Estate being the main focus for housing construction in the Shire of Northam.



# ENGINEERING SERVICES

### PARKS & GARDENS

Northam ovals and parks accommodated a number of high-profile events in the past year, to name just a few:

- · Bilya Festival
- Avon Football League Grand Final
- Northam Festival of Ballooning
- Wundowie Iron Festival
- Bakers Hill Christmas Fair

- Northam Vintage Swap Meet
- WAFL Perth vs Eagles Game
- Northam Agricultural Show
- Various other Sporting Club events
- School sporting events

During the long, hot summer, the State experienced significant storms, adversely impacting several towns along the Goldfields Agricultural Water Scheme. This led to severe water restrictions within the Shire of Northam at different stages, which affected recreational facilities, parks, and gardens. The Parks & Gardens team worked hard to restore our recreational facilities in-time for winter sports. Henry Street Oval featured in a televised event for the Western Australian Football League, playing host to Perth Demons and West Cost Eagles, with commentators praising both the condition of the oval and the beauty of Northam.

The Shire's townsites were maintained under road sweeping and street tree management services.



### **ROADWORKS PROJECTS**

The Shire of Northam is responsible for the following:

- · Road maintenance
- · Culvert and drainage pipe cleaning
- · Road signs and guideposts
- Footpaths
- · Traffic management
- Storm events clean up
- · Ad-hoc duties to assist with events.

The following Capital Road Projects were completed in the 2023/24 financial year:

Grass Valley South Road – Reconstruction Grass Valley North Road – Reconstruction Forrest Street – Resurfacing

Fitzgerald Street – Resurfacing

Mitchell Street – Bike Network Upgrade

Wellington Street – Footpath works

Kenndy Street – Bike Network Upgrade

Beering Road – Gravel Re-sheeting

Smith Road – Gravel Re-sheeting

Mokine Road - Widening & Seal

Linley Valley Road - Widening & Seal

Leeder Road - Widening & Seal

Beavis Place - Asphalt Overlay & Line-marking

Henry Street – Asphalt Overlay & Line-marking

Hawke Avenue – New Entrance & Drainage Upgrades

Fitzgerald Street - New ACROD Bay

Chidlow Street – Extension of the Footpath Network

East Street - Extension of the Footpath Network

Mudulla Way - Extension of the Footpath Network

Peel Terrace - Extension of the Footpath Network.

Upgrades at the Wundowie Playground and RV site including:

- · New entry way into RV from Hawke Ave
- Extension of tent area for Wundowie RV Park and playground fencing.

There was a focus on improvement of Parks facilities to better cater for the needs of residents and stakeholders. This included some minor capital improvements to several parks within the Shire.

The Shire continues to work on redevelopment of the Avon River bank and the Central Business District. Four Landscapes Studio has been commissioned to assist in development of a Streetscape Concept plan for the Central Business District. Greenfield Technical Services were engaged to capture the Shire's road pavement condition to inform future works programs.

### **BUILDING WORKS**

Throughout the Shire there were numerous improvements on general building maintenance and capital projects in 2023/24.

The following projects were completed within the building portfolio of the Shire:

- The installation of electric vehicle charging stations for fleet vehicles at the Works Depot, Shire Administration Centre and Killara.
- · Expansion of the Cemetery.
- Purpose-built Shire Depot facility (78 Byfield Street, Northam).
- Works to Killara Cottage 2 to enable leasing to Essential Personnel.
- Sanding and re-coating of timber floors of the Town Hall, Quellington and Southern Brook Halls
- New septic system at the dog pound to deal with the washing of floors.
- Installation of 3 phase power on the forecourt of the Henry Street Oval for events.
- Installation of handrails to steps at Clackline Hall.



# RANGER SERVICES

Ranger Services has had a busy year with increasing requests for their services in most areas of responsibility. The service primarily encourages and enforces compliance of Local and State Laws in respect to pets, livestock, parking, off-road vehicles, abandoned vehicles, fire hazard reduction, wildlife care and removal referrals, littering, illegal camping, overseeing the new Recreation Vehicle (RV) areas and caring for the Northam white swan colony.

A concerted increased focus has been directed into community education to encourage compliance of local and state legislation. The focus has been on interagency cooperation, connecting with communities, schools and collaborating with external government and non-government organisations.







A total of 297 infringements issued for 2023/24 compared to 2022/23 where 138 infringements were issued. Although this is an increase from the 2022/23 period it is still lower than a total of 409 in the 2021/22 financial year.

There has been an increase in the issuing of fire infringements and work orders which could be attributed to the increase in new landowners buying and settling in a rural area without having the previous knowledge of fire safety required in rural areas. Early warning notices prior to the commencement of the fire order requirements were again issued to prompt completion of required works on time.

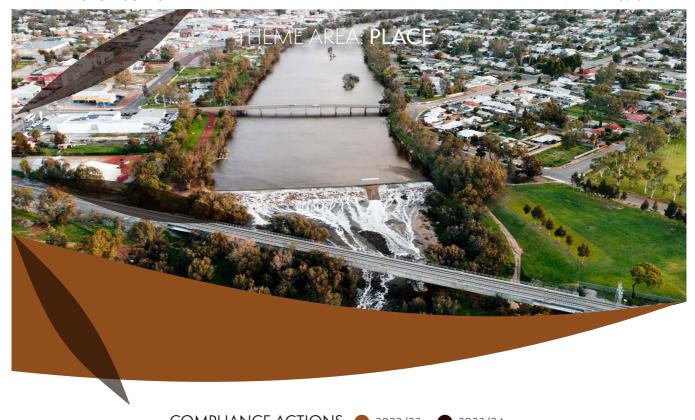
Dog attack investigations have increased slightly, with 56 investigations undertaken in 2023/24 compared to 2022/23 where 40 investigations were undertaken. This could be attributed to the related media messages, information sessions and public

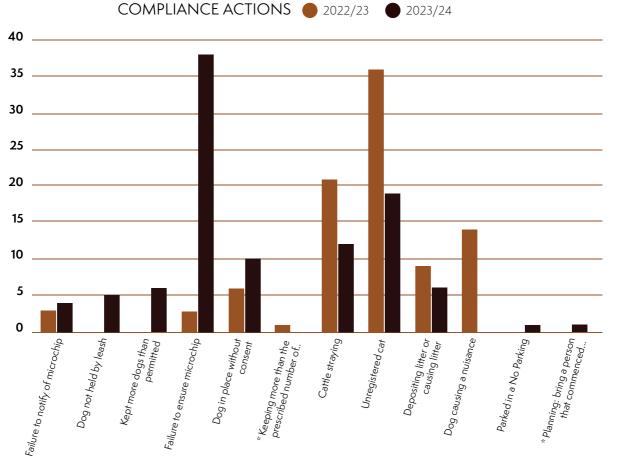
awareness programs that have been continuous for the period.

Impounding of dogs has remained relatively stable with the impounding of 165 dogs in 2023/24, compared to 2022/23 where 166 dogs were impounded, some of which could be attributed to the financial crisis that the community has been undergoing. There was a decrease of 66 impounded cats in 2023/24 compared to 166 in 2022/23.

However, in the 2022/23 financial year cats having 2 breeding seasons which may have contributed to the high impound statistics. Rangers continue to work with the Northam Swan Guardians community group. Approaches have been made to Government agencies requesting assistance in increasing our swan gene pool for further breeding.

Free dog leads are also issued to encourage residents to control their dogs.





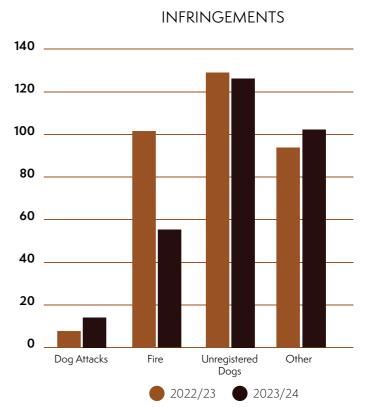
<sup>\*</sup> Keeping more than the prescribed number of dangerous dogs

<sup>\*</sup> Planning: bring a person that commenced, continued or carried out development contrary to planning scheme

#### THEME AREA: PLACE







The 2023/24 Christmas period saw ARC Infrastructure donate a pallet of dog and cat food to those within the community who needed assistance. Colouring books about responsible dog and cat ownership are distributed to children when appropriate.

Excitingly, the Shire of Northam has engaged a Trainee Ranger and this young person was a volunteer with the Rangers for a 12-month period prior to employment.

A range of information sheets and regular compliance information updates were provided. These are distributed via the Shire's social media and communications channels, posters on community notice boards, local media and advertising whenever appropriate. Our outgoing customer correspondence is also supported by a range of information sheets/brochures.

Regular targeted parking patrols are conducted as per the *Parking and Parking Facilities Local Law 2008*. Problem areas are identified, with warning parking notices distributed in the first instance followed by infringements if warning notices are not complied with. Parking around our schools continues to be a particular problem with parents and carers continuing to park in a dangerous manner jeopardising community safety.

## THEME AREA PROSPERITY

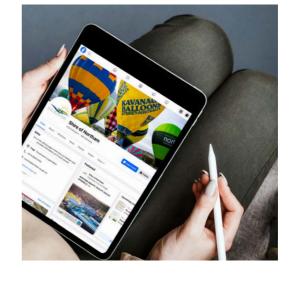


#### THEME AREA: PROSPERITY

## NORTHAM VISITORS CENTRE

This year Council formalised its commitment to tourism in the region, through the signing of a Memorandum of Understanding to work in partnership with the Shires of York, Toodyay, Goomalling, and Beverley to promote the Avon Valley as a tourism destination.

Through collaboration and a coordinated approach to tourism marketing, it is anticipated that we will be able to reach a wider audience and achieve greater outcomes.



#### SOCIAL MEDIA STATISTICS

#### VISIT NORTHAM





### TOTAL VISITORS **7,009**







#### SHIRE OF NORTHAM





#### **BILYA KOORT BOODJA CENTRE**





THEME AREA: PROSPERITY

# BILYA KOORT BOODJA CENTRE FOR NYOONGAR CULTURE & ENVIRONMENTAL KNOWLEDGE

The 2023/24 year started off on a high for the Bilya Koort Boodja (BKB) Centre, as we welcomed the community in joining us to celebrate NAIDOC 2023, one of the most significant dates on the Aboriginal & Torres Strait Islander calendar. The national theme for NAIDOC Week 2023 was "For Our Elders", so as such staff and volunteers ensured our Elders were well looked after with a serving of traditional Roo stew & damper. The fire pit was lit, keeping everyone warm, on a cold Makuru day as we gathered around for the cultural celebrations including a smoking ceremony and didgeridoo performance by Daniel Garlett and traditional dance performance by the Dadajaal Dance Group.

Support for this event was provided by the Department of Communities, Wanslea, Keedac, Northam PCYC & Lucy's Tearooms.

Throughout the year we continued to welcome visitors from near and far, including the international hot air balloon teams who were in Northam for the Women's World Hot Air Balloon Championships. There was an increase in room hire and tour bookings this year, mostly attributed to word of mouth resulting from the excellent service provided by our dedicated team of staff, who have continued to work with our Ballardong Elders, learning from their cultural knowledge and inspirational life experiences.

Stage 2 of the interactive and immersive experience was completed, with the generous assistance of the State Government. Personal stories of Elders were recorded on Ballardong country, so as not to be lost. These are viewable through the interactive map table. Stage 2 also included new projections and graphics, and upgrades and repairs to existing infrastructure.





#### THEME AREA: PROSPERITY

The Shire of Northam's Gross Regional Product was \$720 million in the year ending June 2023, growing 1.2% from the previous year.

Gross Regional Product (GRP) is a measure of size or net wealth generated by the local economy. Changes in this figure over time can represent changes in employment, productivity or the types of industries in the area.

The table below lists the last ten years of Gross Regional Product Measures:

#### SHIRE OF NORTHAM -GROSS REGIONAL PRODUCT MEASURES:

Year ending June	Headline GRP \$m	% change from previous year	Local industry GRP \$m	Local residents GRP \$m	Local industry to resident's ratio
2023	723	+1.2	579	575	1.01
2022	714	+5.8	566	561	1.01
2021	676	+5.6	548	546	1.00
2020	639	-4.2	536	539	1.00
2019	667	-4.6	539	549	0.98
2018	700	-5.0	544	560	0.97
2017	736	-10.8	548	564	0.97
2016	826	+0.5	559	580	0.96
2015	822	-2.5	550	584	0.94
2014	843	+0.5	547	597	0.92

Source: National Institute of Economic and Industry Research (NIEIR) ©2024.2023. Compiled and presented in economy.id by.id (informed decisions).

### BILYA KOORT BOODJA CENTRE STATISTICS



Total Centre Visitors 4,893

Total Exhibition Entries 1,473

Annual Memberships 31



## STRATEGIC COMMUNITY PLAN & CORPORATE BUSINESS PLAN (OUR PLAN FOR THE FUT



## (OUR PLAN FOR THE FUTURE 2022-2032)

Our plan for the Future 2022-2032 Council Plan forms part of the Integrated Planning and Reporting Framework and combines our Strategic Community Plan and Corporate Business Plan into one succinct document.

## STRATEGIC COMMUNITY PLAN COMPONENT

The Strategic Community Plan component of the Council Plan was developed in 2022, based on both current and anticipated resources and capacity, demographic trends, and the aspirations of our community which based on extensive public consultation.

Importantly the plan has been developed to guide our Council in carrying out its functions as a Local Government to use our best endeavours to meet the needs of current and future generations through an integration of service delivery, environmental protection, social advancement and economic prosperity.

The life of the Strategic Community Plan component of the Council Plan is 10 years, with interim reviews to occur in 2026 and 2030, prior to a complete review being undertaken in 2032. To help guide us on our journey Council has established a range of performance indicators.

These performance areas assist Council's decision making with regards to service delivery, determining major projects and overall focus for a 10-year period to deliver outcomes for our rate payers, businesses, industry, the wider community and Wheatbelt Region, now and for future generations to come.





#### CORPORATE BUSINESS PLAN

The Corporate Business Plan component of the Council Plan is reviewed annually. The Corporate Business Plan component sets out our priorities for dealing with the aim and aspirations of the community in the district.

The Corporate Business Plan component is utilised to guide our internal business planning by identifying the actions we will be taking to achieve the objectives identified within the Strategic Community Plan component. To facilitate this the Shire of Northam has annual delivery plans for each Department, which articulate the specific actons to be delivered on an annual basis.

## REVIEW OF OUR PLAN FOR THE FUTURE

The Corporate Business Plan component has a four year life cycle, however is reviewed on an annual basis and the Strategic Community Plan component is reviewed every four years, 2026 and 2030, with a final review in 2032.

The purpose of the review is to ensure the information remains relevant to the ever changing needs of our community and to update and report on what we have already done, determine what we may need to reconsider, and what resources might need to be allocated.

Three key areas that are focussed on during the review process are:

- Where are we now?
- · Where do we want to be?
- · How do we get there?

In 2023/24 there were no changes to the Strategic Community Plan portion of the Council Plan, however there were minor amendments made to the Corporate Business Plan component.

The adjustments were made to ensure the deliverables were able to be met within the ensuing 12 months, based on internal and external changes.

There are 5 core performance areas, aspirations and aims/objectives that have been identified to categorise our communities' aspirations within the Council Plan, which assist the Shire in determining future planning:

#### PERFORMANCE AREA 1: PEOPLE

**Aspiration:** A healthy, connected and safe community with access to quality services.

#### Aims & Objectives:

- 1. A safer community.
- 2. A caring and Inclusive community.
- 3. A happy & healthy community.

#### Focus for 2024/25:

2.1.2 – Advocate to attract new businesses to meet youth and family leisure needs.

3.1.1 – Advocate for attraction and retention of specialist and ancillary health services in Northam.

#### PERFORMANCE AREA 3: PLACE

**Aspiration:** Responsibly planned towns and rural communities.

#### Aims & Objectives:

- 1. Urban and rural environments are sensibly planned and developed.
- 2. Attractive and welcoming places.
- 3. Safe, efficent and sustainable movement of people and vehicles.

#### Focus for 2024/25:

7.1 – Provide sufficient land and development opportunities to enable local communities to grow.

7.2 – Ensure community access to safe and diverse housing options.

## PERFORMANCE AREA 5: **PERFORMANCE**

**Aspiration:** Open and accountable leadership with effective governance.

#### Aims & Objectives:

- 1. Excellence in organisational performance and customer service.
- 2. A well informed and engaged community.

#### Focus for 2024/25:

12.4 – Have a happy, competent and committed workforce that lives local.

#### PERFORMANCE AREA 2: PLANET

Aspiration: Leading in Sustainability.

#### Aims & Objectives:

- 1. Healthy and attractive natural habitats, rivers and waterways.
- 2. A resilent community.
- 3. A shared responsibility for climate action and sustainability.

#### Focus for 2024/25:

4.1 – Create a healthy and attractive river system to enhance sustainability, recreation, and tourism

6.1 – Lead by example through the use of promotion of sustainable practices.

## PERFORMANCE AREA 4: **PROSPERITY**

Aspiration: A diverse and growing economy.

#### Aims & Objectives:

- 1. An attractive destination for investors, business and visitors; helping to grow the economy and local jobs.
- 2. Quality education opportunites for everyone.

#### Focus for 2024/25:

10.1 – Pursue economic growth, innovation and diversification.

10.3 – Revitalise and activate town centres.

11.1 – Advocate for improved access to education, training and personal development opportunities.

More information on the upcoming priority actions and initiatives can be viewed in the Council Plan 2022-2032, available on the Shire of Northam Website:

www.northam.wa.gov.au/documents/1223/
council-plan-2022-2032

## GOVERNANCE AND LEADERSHIP



#### **HUMAN RESOURCES**

Workforce planning is part of Shire of Northam's business and financial planning processes and is informed by business plans and strategies, both organisation-wide and within its departments.

People and Culture, Organisational Development (OD) and Human Resources (HR) strategies are informed by workforce planning to ensure the organisation responds effectively to challenge and change.

The Workforce Plan is informed by relevant Plans and Strategies. In turn, the Workforce Plan links to budget and business planning, as well as providing the road map for actions relating to the workforce across the entire employee lifecycle.

This program of activity is largely focused on developing our people and our organisation with a remit across the complete end-to-end employee experience.

Data gathered through employee surveys together with other sources, is fed back into the workforce planning process which informs and supports the next program of work relating to people and organisational development.

The Shire has a range of mechanisms in place to ensure the workplace is inclusive, diverse, and free from harassment and discrimination including:

- Protocols governing diversity, equal employment opportunity, recruitment, grievance resolution, employee relations and psychosocial hazards.
- · Employee training and development; and
- Ensuring compliance with State and Federal Acts and Regulations relating to employment.

#### Statistics:

- Employees: 149
- Full-Time Equivalent: 96
- Permanent: **77.2%**
- Fixed term: **6%**
- Casual: **16.8%**
- Management Tier 1: 1
- Management Tier 2: 4
- Management Tier 3: 9

#### Diversity:

- People with disability 2.7%
- Aboriginal and Torres Strait Islander people:
   8.1%
- Culturally and linguistically diverse people:
   0.7%

#### Age Profile:

- Aged 24 and under 20.1%
- Aged 25-44: 37.6%
- Aged 45 and over: 42.3%

#### **Gender Profile:**

- Female **57.7%**
- Male: 42.3%

#### **WORK HEALTH & SAFETY**

During 2023/24 the Shire of Northam has achieved the following in the Work Health and Safety space:

- Undertook monthly workplace inspections through designated safety representatives.
- Reviewed the process for workplace inspections and these are now conducted through electronic means ensuring the inspections are recorded accurately.
- Continued communications on updates to the new Work Health and Safety Act 2020 and accompanying regulations.
- Focus on the implications and transition requirements for this legislation for the organisation, managers, employees, contractors, and volunteers.
- Reviewed the process for completing Safe Work Method Statements and replaced some with Safe Operating Procedures (SOP's) and reviewed the Take 5 process.

#### RISK MANAGEMENT

Risk management is an integral part of the Shire's decision making process.

The Council acknowledges that risk management is a fundamental element of good business practice. Council's Risk Management Policy defines the principles that establish and maintain an integrated risk management system across all strategic and operational functions of the Shire, including project and event management.

Over the 2023/24 financial year, the Shire continued to work towards fulfilling the actions identified in the Regulation 17 review from 2022/23, with only 4 items that remain outstanding.

#### Actions completed:

1 July 2022 - 30 June 2023: **4** 1 July 2023 - 30 June 2024: **13** Outstanding: **4** 

#### RISK REGISTER

The Shire of Northam Risk Register is regularly monitored and reviewed with overdue and non-compliant risk treatment strategies reported to the Audit and Risk Management Committee each quarter.

In 2023/24, the Shire undertook a quarterly review of its Risk Register, with a focus on one classification at each review. Over the year, Council reviewed the following classifications:

- Strategic
- Property & Reputation
- · Health & Safety
- Financial

#### As at 30 June 2024 there were:

Identified risks: 40

Identified risk treatments: 137

#### INTERNAL AUDIT PROGRAM

The internal audit program continued over the 2023/24 period. The program focused on a range of areas to monitor compliance with legislation, policies and processes and assist the Shire in improving areas such as Customer Service, Complaint Management, Compliance and Procurement & Record Keeping processes. Each area is audited monthly, and then reported to the Audit & Risk Management Committee and Council to review on a quarterly basis.

## Overall average compliance scores over 2023/24:

Customer Service Requests: 54%

• Compliant Management: **65%** 

Compliance: 93%Procurement: 95%

• Record Management: 81%

Overall: 78%

#### COMPLIANCE AUDIT RETURN

The Annual Compliance Audit Return (CAR) is an annual audit of statutory compliance within specific areas as determined by the Department of Local Government, Sport and Cultural Industries in accordance with regulation 14 of the Local Government (Audit) Regulations 1996. The purpose of the return is to examine Shire's organisational compliance activities and identify areas for improvement.

The completed return must be submitted to the DLGSC by 31 March of the following year. One of the Audit and Risk Management Committee's functions is to review the CAR prior to Council adoption, before the final submission is made.

For the CAR submitted for the calendar year 1 January to 31 December 2023, the Shire received 99%, with 1 non-compliance being that some purchase orders did not comply with the Shire's Procurement Policy.

#### LOCAL GOVERNMENT ELECTIONS

On Saturday 21 October 2023, the Shire held the Ordinary Local Government Election. Council engaged the Western Australian Electoral Commission to use a postal voting system to conduct the election, and supported the Shire through the process by providing a Returning Officer, general advice and training as required.

Nominations for the Election opened on 30 August 2023 and closed at 4.00pm on 7 September 2023. Nominations were called for the vacant position of Shire President and 3 vacant East Ward Council positions for a 4 year term, expiring on 16 October 2027.

At the close of nominations, the Returning Officer had accepted 3 nominations for President, and 4 nominations for Councillor.

Due to the Local Government Act 1995 reforms, as the Shire of Northam is a Class 2 Local Government, this election round required the President to be elected by popular community vote, which differs from previous years where the President was elected by the Council.

The mail out containing a ballot paper for the President election, a ballot paper for the Councillor election and all candidate profiles were conducted on 15 September 2023. A total of 7,924 election packages were sent to electors across the District.

Unlike State elections, it is not mandatory to vote in a Local Government election, however section 4.62 of the *Local Government Act 1995* requires that there must be at least one polling place in the District open between the hours of 8.00am and 6.00pm on Election Day. This polling place was located at Shire of Northam, 395 Fitzgerald Street, Northam.

Staff at this polling place accepted hand-delivered voting packages and issued replacement and provisional voting papers. A total of 13 voting packages representing 0.16% of the total number of packages, were processed or replaced on election day.

The counting method of the votes also differed from the 2021 election. Under the *Local Government Act 1995* Reforms, Optional Preferential Voting was introduced replacing the "First Past the Post" voting method. The purpose is to bring the counting method

into line with State elections, and to strengthen democracy by giving ratepayers a greater choice of candidates.

A total of 2,235 votes were received for the President election, with 2,212 votes being accepted, and 1,500 votes were received for the East Ward Councillor election with 1,486 being accepted. Votes are unable to be accepted if they have not been returned to the Electoral Commission correctly. Some of the reasons votes were rejected were:

- The elector not being able to be appropriately identified.
- The voting declaration envelope not being signed.
- The ballot papers were not included in the envelope.

Of the 3 candidates nominated for Shire President, President Chris Antonio was elected to the role, and of the 4 East Ward Councillors nominated, Cr Maria Girak and Cr Julie Williams were re-elected, and Cr Chris Poulton was elected as a new Councillor.

The Shire farewelled Mr David Galloway and Mr Rob Tinetti who chose not to re-nominate for Council in the 2023 election.

Number of Decisions made by Council in 2023/24: 282

#### **COUNCIL MEETINGS ATTENDED:**

	Attended	Leave of Absence	Apology	Absent
President Antonio	32	0	0	0
Cr Williams	30	0	2	0
Cr Ryan	25	3	4	0
Cr Mencshelyi	31	0	1	0
Cr Girak	25	4	3	0
Cr Hughes	31	1	0	0
Cr Appleton	30	0	2	0
Cr Biglin	32	0	0	0
Cr Poulton	18	0	2	0
Cr Tinetti	9	0	3	0
Cr Galloway	12	0	0	0



#### COMMITTEE MEETINGS ATTENDED:

The following committees were established over the 2023/24 period:

- Audit & Risk Management Committee
- Bush Fire Advisory Committee
- Chief Executive Officer Review Committee
- Community Safety Committee
- Local Emergency Management Committee (disbanded as a Committee of Council October 2023)

	Attended	Leave of Absence	Apology	Absent
President Antonio	13	0	0	0
Cr Williams	11	0	1	0
Cr Ryan	6	1	0	5
Cr Mencshelyi	20	0	0	0
Cr Girak	5	0	1	1
Cr Hughes	4	0	0	0
Cr Appleton	5	0	0	0
Cr Biglin	6	0	0	0
Cr Poulton	0	0	0	0
Cr Tinetti	0	0	0	0
Cr Galloway	1	0	0	0

#### MANDATORY ELECTED MEMBER TRAINING:

	Understanding Local Government	Serving on Council	Meeting Procedures	Conflicts of Interest	Understanding Financial Reports and Budgets
President Antonio	Completed 2019	Completed 2019	Completed 2017	Completed 2019	Completed 2019
Cr Mencshelyi	Completed 2022	Completed 2022	Completed 2022	Completed 2022	Completed 2022
Cr Ryan	Completed 2022	Completed 2022	Completed 2022	Completed 2022	Completed 2022
Cr Girak	Completed 2019	Completed 2020	Completed 2020	Completed 2019	Completed 2020
Cr Appleton	Completed 2022	Completed 2022	Completed 2022	Completed 2022	Completed 2022
Cr Hughes	Completed 2022	Completed 2022	Completed 2022	Completed 2022	Completed 2022
Cr Williams	Completed 2020	Completed 2020	Completed 2020	Completed 2020	Completed 2020
Cr Biglin	Completed 2023	Completed 2023	Completed 2023	Completed 2023	Completed 2024
Cr Poulton	Completed 2023	In Progress	In Progress	Completed 2024	Completed 2024
Cr Galloway	Completed 2019	Completed 2020	Completed 2020	Completed 2019	Completed 2020
Cr Tinetti	Completed 2020	Completed 2020	Completed 2020	Completed 2020	Completed 2020

Note: Under the *Local Government Act 1995*, mandatory training needs to be completed within 12 months of a Council Member being elected.

#### NON MANDATORY ELECTED MEMBER TRAINING:

	Delegated Authority Register Training	Emergency Management	Introduction to Local Government	Procurement in Local Government - The Basics	Introduction to Planning
President Antonio	Completed 2024	N/A	N/A	N/A	N/A
Cr Mencshelyi	Completed 2024	N/A	N/A	N/A	N/A
Cr Ryan	Completed 2024	N/A	N/A	N/A	N/A
Cr Girak	N/A	Completed 2024	Completed 2024	In Progress	In Progress
Cr Appleton	N/A	N/A	N/A	N/A	N/A
Cr Hughes	Completed 2024	N/A	N/A	N/A	N/A
Cr Williams	Completed 2024	N/A	N/A	N/A	N/A
Cr Biglin	Completed 2024	N/A	N/A	N/A	N/A
Cr Poulton	N/A	N/A	N/A	N/A	N/A
Cr Galloway	N/A	N/A	N/A	N/A	N/A
Cr Tinetti	N/A	N/A	N/A	N/A	N/A

Local Government Convention 2023 attendees: President Chris Antonio, Cr Julie Williams, Cr Attila Mencshelyi

#### **EMPLOYEE REMUNERATION:**

In 2023/24, the remuneration provided to the CEO was \$317,410.

In accordance with part 5 of the Local Government (Administration) Regulations 1996 the table below demonstrates the number of employees entitled to and in receipt of an annual salary over \$130,000.

	No. of Employees		No. of Employees
\$130,000 to \$139,000	0	\$230,000 to \$239,000	0
\$140,000 to \$149,000	0	\$240,000 to \$249,000	0
\$150,000 to \$159,000	0	\$250,000 to \$259,000	0
\$160,000 to \$169,000	3	\$260,000 to \$269,000	1
\$170,000 to \$179,000	0	\$270,000 to \$279,000	0
\$180,000 to \$189,000	1	\$280,000 to \$289,000	0
\$190,000 to \$199,000	0	\$290,000 to \$299,000	0
\$200,000 to \$209,000	0	\$300,000 to \$309,000	0
\$210,000 to \$219,000	0	\$310,000 to \$319,000	0
\$220,000 to \$229,000	0	\$320,000 to \$329,000	0

#### COUNCILLOR ALLOWANCES:

	President Allowance	Deputy President Allowance	Travel Allowance / Reimbursement	Annual Meeting Fees	IT Allowance	Total
President Antonio	\$45,000.00	-	\$10,705.90	\$23,600.00	\$3,118.79	\$82,424.69
Cr Appleton	-		-	\$19,750.00	\$3,118.79	\$22,868.79
Cr Biglin	-	-	\$2,415.06	\$19,750.00	\$3,118.79	\$25,283.85
Cr Girak	-	-	-	\$19,750.00	\$3,118.79	\$22,868.79
Cr Hughes	-	-	-	\$19,750.00	\$3,118.79	\$22,868.79
Cr Mencshelyi Councillor/Deputy President	-	\$7,839.04	\$4,145.84	\$19,750.00	\$3,118.76	\$34,853.67
Cr Poulton	-	-	\$1,018.36	\$13,776.89	\$2,227.20	\$17,022.45
Cr Ryan Deputy President/ Councillor	-	\$3,428.94	-	\$19,750.00	\$3,118.79	\$26,297.73
Cr Williams	-	-	\$1,681.59	\$19,750.00	\$3,118.79	\$24,550.38
Cr Tinetti	-	-	-	\$6,019.68	\$950.59	\$6,970.27
Cr Galloway	-	-	\$443.80	\$6,019.68	\$950.59	\$7,414.07

#### FEE WAIVERS:

Person/Party	Waiver Requested	Fee Waived
Mr Stan Malinowski	Application Fee - Extension of Public Building License for Community Event	\$102.00
Northam Hockey Club	Bert Hawk Oval - Hire of Turk for 2 day Hockey Clinic	\$724.00
Northam Chamber of Commerce	Blanket Stallholder Insurance Cover	\$165.00
Ms Esther Bliss Northam Town	Event Application Fee - "Pink Up Northam" Event	\$154.00
Teams	Northam Town Hall - Hire Fee for "Almost Free" Event	\$115.00
Bakers Hill Progress & Recreation Association	Event Application Fee and Blanket Stallholders Fee - Bakers Hill Community Christmas Fair	\$871.00
Touch Football WA	Jubilee Oval - Hire fees for Touch Football Event	\$60.00
Share & Care Community Services Group Inc	Northam Recreation Centre - 2x Pool passes for Community Service purpose	\$526.00
Volleyball WA	Northam Recreation Centre - Court Hire for Senior & Adaptive Volleyball	\$77.00
	Northam Recreation Centre - Day Meeting Room Hire and Equipment Fees	\$196.00
Western Australian Council of Social Services (WACOSS)	Northam Recreation Centre - Day Meeting Room Hire and Equipment Fees	\$371.00
	Northam Recreation Centre - Day Meeting Room Hire and Equipment Fees	\$185.50
Youth Futures WA	Northam Recreation Centre - Hire for Pipeline Challenge	\$1,068.00
Northam Scottish Highland Dancing	Northam Recreation Centre - Hire of 1 Indoor Court, and 2 Meeting Rooms	\$ 970.00
Seniors Recreation Council of WA	Northam Recreation Centre - Hire of Indoor Court and Kitchen	\$191.12
West Australian Metropolitan Regional Community Scottish Highland Dancing Inc	Northam Recreation Centre - Hire of Indoor Courts and Meeting Room for Highland Dance Competition	\$662.00
Alcohol & Drug Foundation	Northam Recreation Centre - Hiring of Room and Equipment	\$85.50
Ms Esther Bliss Northam Town Teams	Northam Town Hall - Hire Fee for "Almost Free" Event	\$115.00
	Northam Town Hall - Hire Fee for Inclusive and Diverse Community Concert	\$108.00
Ms Caoilfhionn Crowe	Northam Town Hall - Hire for "Wheatbelts Got Talent" Show	\$112.00
	Northam Town Hall - Hire for "Wheatbelts Got Talent" Show Auditions	\$256.00
Holyoake	Sound Shell and Berard Park - Hire for Turn up in Blue Day	\$198.00
	Sound Shell and Berard Park - Hire for Turn up in Blue Day	\$50.75
Ms Agnes Lockyer	Sound Shell - Hire for Community Event	\$200.00
Carers Association of WA Inc	Sound Shell & Event Application - Community Movie Night	\$184.25



#### CITIZENSHIP CEREMONIES

One of the most enjoyable functions undertaken by the Shire is its citizenship ceremonies. Becoming an Australian citizen means making an ongoing commitment to Australia and our shared values. It is also the beginning of an individual's formal membership of the Australian community. The Shire takes great pleasure in hosting such ceremonies.

#### Statistics:

- Ceremonies held: 4
- New citizens: 31

#### FREEDOM OF INFORMATION (FOI)

In accordance with the Freedom of Information Act 1992 s.96 and 97, the Shire of Northam is required to publish an annual Information Statement which details the process for applying for information under the Act, as well as information the Shire provides outside the Act. This document is available from Shire of Northam website.

#### **Statistics:**

- FOI applications fulfilled: **7**
- Public Interest Disclosure Applications received: 0
- Average timeframe for dealing with applications: 27 days

#### NATIONAL COMPETITION POLICY

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local Government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local Government will also be affected where local laws unnecessarily affect competition.

The Shire is required to comply with certain policies contained within the National Competition Policy statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

#### COMMERCIAL ENTERPRISES

Local Government (Administration) Regulations 19BB and 19BC requires local governments to contain in their annual report information relating to major land transactions and trading undertakings.

The Shire of Northam has not undertaken any major land transactions and trading undertakings over the 2023/24 period.

#### LOCAL LAWS

The Local Government Act 1995 requires all existing local laws to be reviewed every eight years.

As part of this process the intention to review local laws is advertised by State and Local Public Notice to residents and ratepayers. A copy of the intended local law to be repealed or reviewed is provided through the notices for public comment on any proposed changes, additions or deletions to the Shire's local laws.

In 2023/24 the Shire of Northam commenced the repeal of the Establishment, Maintenance and Equipment of Bush Fire Brigades By-Law, and implementation of the Bush Fire Brigades Local Law 2024.

#### CUSTOMER SERVICE

The Shire of Northam is committed to excellence in organisational performance and customer service. The following activities occurred in 2023/24:

- · Maintained a Communication Plan.
- Completed a review of the Customer Service Charter
- Provided a community dashboard reporting number of customer requests and progress towards operational areas including road grading.
- Continued to publish quarterly reports to the community on the number of complaints received and average timeframe for dealing with these; and
- Continued to audit the internal customer service program to monitor compliance with Council's process for managing customer requests.

#### **COMPLAINTS & MINOR BREACHES**

Section 5.53(hb) of the Local Government Act 1995 specifies that the annual report is to contain details of entries made in the register of complaints during the financial year in review. The register of complaints is to include:

- The name of the Council Member about whom the complaint is made.
- The name of the person who makes the complaint.
- The description of the minor breach that the standards panel finds has occurred.
- Details of the action taken.

Number of complaints or minor breaches referred to the standards panel: 0.

#### RECORD KEEPING

In line with the *State Records Act 2000 s.* 19 Local Governments are required to have a Record Keeping Plan that is approved by the State Records Commission. The Plan applies to employees, elected members and contractors.

This Plan aligns the Shire with contemporary and compliant practice. The Shire is committed to preserving local history, supports the principles of the State Records Act and recognises the importance of establishing and maintaining a reliable and credible Record Keeping Systemin accordance with legislative requirements and best practice.

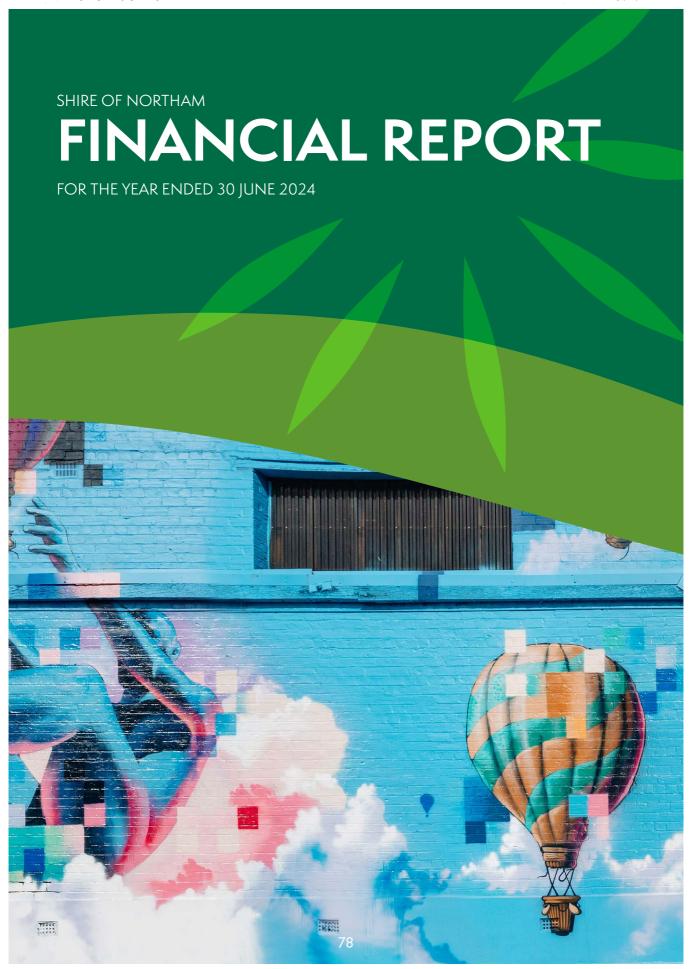
#### POLICIES REVIEWED & REVOKED

The following policies were created or reviewed in 2023/24:

- B7.10 Amalgamation of Lots for Building Sites
- H6.10 Designated Aerobic Treatment Unit Area
- LPP 3 Small Homes, Transportable, Repurposed & Second-Hand Dwellings
- G1.4 Code of Conduct for Councillors, Committee Members and Candidates
- A 8.5 Property Management (Leases and Licences)
- · C 3.5 Recognition of High Achievers
- G 1.1 Council Members Training and Continuing Professional Development
- G 1.12 Smoking and Vaping
- G 1.13 Alcohol Consumption
- G 1.14 Gratuity, Gifts and Service Milestones
- G 1.22 Work Health and Safety
- G 1.23 Code of Conduct Behaviour Complaints Management
- G 1.24 Authorising Documents and Affixing the Common Seal
- G 1.25 Fraud and Corruption Control
- G 1.26 Condolences and Bereavement
- G 1.28 Live Streaming and Recording of Council Meetings
- H 6.4 Temporary Accommodation during the Construction of a Dwelling
- H 6.9 Trading on Thoroughfares and Public Places
- · R 9.1 Multiple Dogs
- W 5.6 Verge
- W 5.9 Commemorative Memorials and Plaques in Reserves

The following policies were revoked in 2023/24:

- H6.3 Genetically Modified Crops
- B7.5 Water Tanks Installation



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The Shire of Northam conducts the operations of a local government with the following community vision: Shire of Northam is a vibrant growing community, that is safe, caring and inclusive. We are recognised as a community that values our heritage, preserves our environment and promotes our commerce.

Principal place of business: 395 Fitzgerald Street Northam WA 6401



#### SHIRE OF NORTHAM

#### **FINANCIAL REPORT**

#### FOR THE YEAR ENDED 30 JUNE 2024

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Principal place of business: 395 Fitzgerald Street, Northam WA 6401

## SHIRE OF NORTHAM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

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

#### **STATEMENT BY CEO**

The accompanying financial report of the Shire of Northam has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 28th	day of	November	2024
		M	K
		CEO	
		Debbie Tere	
		Name of 0	CEO





## SHIRE OF NORTHAM STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual	2024 Budget	2023 Actual
-	NOTE	Actual \$	Sudget \$	\$
Revenue		Ψ	Ψ	Ψ
Rates	2(a),26	11,931,343	11,986,145	11,329,075
Grants, subsidies and contributions	2(a)	5,858,743	1,976,927	6,834,988
Fees and charges	2(a)	4,717,347	4,868,229	4,519,105
Interest revenue	2(a)	691,553	379,500	385,529
Other revenue	2(a)	1,721,731	1,126,997	1,418,246
	( )	24,920,717	20,337,798	24,486,943
Expenses				
Employee costs		(10,692,476)	(10,453,625)	(9,904,059)
Materials and contracts		(8,365,009)	(7,764,501)	(7,780,363)
Utility charges		(1,153,893)	(1,185,797)	(1,058,711)
Depreciation	0.41.)	(5,270,780)	(5,164,280)	(5,156,749)
Finance costs	2(b)	(317,212)	(279,554)	(200,686)
Insurance	0/1.)	(605,064)	(657,036)	(558,392)
Other expenditure	2(b)	(465,734)	(286,968)	(413,481)
		(26,870,168)	(25,791,761)	(25,072,441)
		(1,949,451)	(5,453,963)	(585,498)
Capital grants, subsidies and contributions	2(a)	2,706,745	4,535,431	3,173,412
Profit on asset disposals		66,255	36,354	60,913
Loss on asset disposals		(134,753)	(213,764)	(48,253)
Fair value adjustments to financial assets at fair value	4(b)	5,044	0	11,058
through profit or loss	-(-)	2,643,291	4,358,021	3,197,130
		2,043,291	4,336,021	3, 197, 130
Net result for the period	25(b)	693,840	(1,095,942)	2,611,632
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit of	r loss			
Changes in asset revaluation surplus	16	0	0	156,235,154
Total other comprehensive income for the period	16	0	0	156,235,154
	-	-		
Total comprehensive income for the period		693,840	(1,095,942)	158,846,786





#### SHIRE OF NORTHAM STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

AS AT 30 JUNE 2024			
	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	7,428,194	7,438,135
Trade and other receivables	5	3,185,201	2,882,499
Other financial assets	4(a)	3,921,602	5,301,172
Other assets	6	891,646	503,504
TOTAL CURRENT ASSETS		15,426,643	16,125,310
NON-CURRENT ASSETS			
Trade , rates and statutory receivables	5	536,419	476,940
Other financial assets	4(b)	321,278	345,154
Property, plant and equipment	7	65,522,584	65,077,984
Infrastructure	8	329,364,216	327,810,305
Right-of-use assets	10(a)	27,761	39,025
TOTAL NON-CURRENT ASSETS	,	395,772,258	393,749,408
TOTAL ASSETS		411,198,901	409,874,718
CURRENT LIABILITIES			
Trade and other payables	11	3,353,931	2,073,911
Other liabilities	12	1,020,603	1,215,279
Lease liabilities	10(b)	12,759	11,903
Borrowings	13	477,583	463,054
Employee related provisions	14	1,428,715	1,454,704
TOTAL CURRENT LIABILITIES		6,293,591	5,218,851
NON CURRENT LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	16,524	28,199
Borrowings	13	6,093,908	6,569,319
Employee related provisions	14	158,389	116,780
Other provisions	15	160,626	159,546
TOTAL NON-CURRENT LIABILITIES		6,429,447	6,873,844
TOTAL LIABILITIES		12,723,038	12,092,695
NET ASSETS		398,475,863	397,782,023
EQUITY			
Retained surplus		117,724,209	117,890,042
Reserve accounts	29	3,892,683	3,033,010
Revaluation surplus	16	276,858,971	276,858,971
TOTAL EQUITY		398,475,863	397,782,023
I O I AL LOCOTT		000,470,000	001,102,020





SHIRE OF NORTHAM STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2022		112,442,650	5,868,771	120,623,816	238,935,237
Comprehensive income for the period  Net result for the period		2,611,632	0	0	2,611,632
Net result for the period		2,011,002	· ·	V	2,011,002
Other comprehensive income for the period	16	0	0	156,235,154	156,235,154
Total comprehensive income for the period	<del>-</del>	2,611,632	0	156,235,154	158,846,786
Transfers from reserve accounts	29	3,169,420	(3,169,420)	0	0
Transfers to reserve accounts	29	(333,659)	333,659	0	0
Balance as at 30 June 2023	-	117,890,042	3,033,010	276,858,971	397,782,023
Comprehensive income for the period					
Net result for the period		693,840	0	0	693,840
Total comprehensive income for the period	_	693,840	0	0	693,840
Transfers from reserve accounts	29	638,288	(638,288)	0	0
Transfers to reserve accounts	29	(1,497,960)	1,497,960	0	0
Balance as at 30 June 2024	-	117,724,209	3,892,683	276,858,971	398,475,863



#### SHIRE OF NORTHAM STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 Actual	2023 Actual
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		11,608,101	11,363,108
Grants, subsidies and contributions		5,948,259	6,964,417
Fees and charges		4,741,618	4,443,642
Interest revenue		691,553	385,529
Goods and services tax received		0	1,049,788
Other revenue		1,721,731	1,535,709
		24,711,262	25,742,193
Payments			
Employee costs		(10,655,100)	(9,766,351)
Materials and contracts		(7,568,213)	(8,827,334)
Utility charges		(1,153,893)	(1,058,711)
Finance costs		(317,212)	(200,686)
Insurance paid		(605,064)	(558,392)
Goods and services tax paid		(108,228)	(1,007,568)
Other expenditure		(353,119)	(413,481)
		(20,760,829)	(21,832,523)
Net cash provided by operating activities	17(b)	3,950,433	3,909,670
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost			(1,613,355)
Payments for purchase of property, plant & equipment	7(a)	(2,806,192)	(1,889,332)
Payments for construction of infrastructure	8(a)	(4,950,984)	(4,366,557)
Capital grants, subsidies and contributions	<b>O</b> ( <b>G</b> )	2,485,915	3,549,089
Proceeds Community Advance		6,000	6,000
Proceeds for financial assets at amortised cost		1,380,281	0,000
Proceeds from financial assets at amortised cost - self		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
supporting loans		22,208	21,519
Proceeds from sale of property, plant & equipment		375,529	222,293
Net cash (used in) investing activities		(3,487,243)	(4,070,343)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	28(a)	(460,880)	(368,948)
Payments for principal portion of lease liabilities	28(c)	(12,251)	(11,431)
Proceeds from new borrowings	28(a)	Ó	1,700,000
Net cash provided by (used in) financing activities		(473,131)	1,319,621
Net increase (decrease) in cash held		(9,941)	1,158,949
Cash at beginning of year		7,438,135	6,279,186
Cash and cash equivalents at the end of the year	17(a)	7,428,194	7,438,135



#### SHIRE OF NORTHAM STATEMENT OF FINANCIAL ACTIVITY FOR THE YEAR ENDED 30 JUNE 2024

NOTE
Revenue from operating activities   26   11,931,343   11,986,145   11,329,078   6,834,988   7698   78,858,743   1,976,927   6,834,988   7698   79,500   79,500   79,500   79,780,200   79
General rates   26
Grants, subsidies and contributions   5,858,743   1,976,927   6,834,988     Fees and charges   4,717,347   4,868,229   4,519,105     Interest revenue   691,553   379,500   385,529     Other revenue   1,721,731   1,126,997   1,418,246     Profit on asset disposals   66,255   36,354   60,913     Fair value adjustments to financial assets at fair value through profit or loss   4(b)   5,044   0   11,058     Expenditure from operating activities   24,992,016   20,374,152   24,558,914     Expenditure from operating activities   (10,692,476)   (10,453,625)   (9,904,059)     Materials and contracts   (10,692,476)   (10,453,625)   (9,904,059)     Materials and contracts   (3,365,009)   (7,764,501)   (7,780,363)     Utility charges   (11,53,893)   (1,185,797)   (1,058,711)     Depreciation   (5,270,780)   (5,164,280)   (5,156,749)     Finance costs   (317,212)   (279,554)   (200,686)     Insurance   (605,064)   (657,036)   (558,392)     Other expenditure   (465,734)   (286,968)   (413,481)     Loss on asset disposals   (134,753)   (213,764)   (48,253)     Non cash amounts excluded from operating activities   27(a)   5,247,396   5,718,713   5,071,573     Amount attributable to operating activities   27(a)   5,247,396   5,718,713   5,071,573     Amount attributable to operating activities   2,706,745   4,535,431   3,173,412     Proceeds from disposal of assets   375,529   1,603,682   222,293     Proceeds from disposal of assets   375,529   1,603,682   222,293     Proceeds from financial assets at amortised cost - self supporting loans   28(a)   22,208   22,208   22,208   22,208     Distributions from investing activities   3,110,482   6,161,321   3,423,224     Outflows from investing activities   3,110,482   6,600   6,000     Outflows from investing activities   3,110,482   6,161,321   3,423,224
Fees and charges
Interest revenue
Other revenue Profit on asset disposals Fair value adjustments to financial assets at fair value through profit or loss         4(b)         1,721,731 (6,255 (6,255 (6,354 (60,913 (6),913 (6),913 (6),913 (6),913 (6),913 (6),913 (6),914 (7,764,911 (7,764,914 (7,764,911 (7,764,914 (7,764,911 (7,764,914 (7,764,911 (7,764,914 (7,764,911 (7,764,913 (7,764,911 (7,764,91
Profit on asset disposals Fair value adjustments to financial assets at fair value through profit or loss  ### Expenditure from operating activities  ### Employee costs  ### Employee costs  ### Materials and contracts  ### Uilly charges  ##
Expenditure from operating activities   Expenditure from operating activities   Employee costs   (10,692,476) (10,453,625) (9,904,059)   Materials and contracts   (8,365,009) (7,764,501) (7,780,363)   Utility charges   (1,153,893) (1,185,797) (1,058,711)   Depreciation   (5,270,780) (5,164,280) (5,156,749)   Finance costs   (317,212) (279,554) (200,686)   Insurance   (605,064) (657,036) (558,392)   Other expenditure   (465,734) (286,968) (413,481)   Loss on asset disposals   (134,753) (213,764) (482,253)   (27,004,921) (26,005,525) (25,120,694)   Other expenditure   (465,734) (286,968) (413,481)   (482,253)   (27,004,921) (26,005,525) (25,120,694)   Other expenditure   (465,734) (286,968) (413,481)   (482,253)   (4
Expenditure from operating activities   Employee costs   (10,692,476)   (10,453,625)   (9,904,059)   (7,764,501)   (7,780,363)   (1,153,893)   (1,185,797)   (1,058,711)   (1,153,893)   (1,185,797)   (1,058,711)   (1,153,893)   (1,185,797)   (1,058,711)
Employee costs   (10,692,476) (10,453,625) (9,904,059)   Materials and contracts   (8,365,009) (7,764,501) (7,780,363)   Utility charges   (1,153,893) (1,185,797) (1,058,711)   Depreciation   (5,270,780) (5,164,280) (5,165,749)   Finance costs   (317,212) (279,554) (200,686)   Insurance   (605,064) (657,036) (558,392)   Other expenditure   (465,734) (286,968) (413,481)   (134,753) (213,764) (48,253)   (27,004,921) (26,005,525) (25,120,694)   Other expenditure   (27,004,921) (26,005,525) (25,120,694)   Other expend
Materials and contracts
Utility charges
Depreciation   (5,270,780) (5,164,280) (5,156,749)
Finance costs   (317,212) (279,554) (200,686)     Insurance   (605,064) (657,036) (558,392)     Other expenditure   (465,734) (286,968) (413,481)     Loss on asset disposals   (134,753) (213,764) (48,253)     (27,004,921) (26,005,525) (25,120,694)     Non cash amounts excluded from operating activities   27(a)   5,247,396   5,718,713   5,071,573     Amount attributable to operating activities   3,234,491   87,340   4,509,793     INVESTING ACTIVITIES   Inflows from investing activities   2,706,745   4,535,431   3,173,412     Proceeds from disposal of assets   2,706,745   4,535,431   3,173,412     Proceeds from financial assets at amortised cost - self supporting loans   28(a)   22,208   22,208   21,519     Distributions from investments in associates   6,000   6,000     3,110,482   6,161,321   3,423,224     Outflows from investing activities   (317,212)   (279,554)   (657,036)   (558,392)     (465,734)   (286,968)   (413,481)     (465,734)   (286,968)   (413,481)     (27,004,921)   (26,005,525)   (25,120,694)     (27,004,921)   (27,004,921)   (27,005,525)     (27,004,921)   (26,005,525)   (27,005,525)     (27,004,921)   (27,005,525)
Insurance
Other expenditure Loss on asset disposals         (465,734) (286,968) (413,481) (134,753) (213,764) (48,253) (27,004,921) (26,005,525) (25,120,694)           Non cash amounts excluded from operating activities         27(a)         5,247,396 5,718,713 5,071,573         5,071,573           Amount attributable to operating activities         3,234,491 87,340 4,509,793         4,509,793           INVESTING ACTIVITIES         Inflows from investing activities         2,706,745 4,535,431 3,173,412         3,173,412           Proceeds from disposal of assets         375,529 1,603,682 222,293         222,293           Proceeds from financial assets at amortised cost - self supporting loans Distributions from investments in associates         28(a)         22,208 2,208 21,519           Outflows from investing activities         3,110,482 6,161,321 3,423,224
Non cash amounts excluded from operating activities   27(a)   5,247,396   5,718,713   5,071,573
Non cash amounts excluded from operating activities   27(a)   5,247,396   5,718,713   5,071,573
Amount attributable to operating activities         3,234,491         87,340         4,509,793           INVESTING ACTIVITIES Inflows from investing activities Capital grants, subsidies and contributions Proceeds from disposal of assets Proceeds from financial assets at amortised cost - self supporting loans Distributions from investments in associates         2,706,745         4,535,431         3,173,412           Proceeds from financial assets at amortised cost - self supporting loans Distributions from investments in associates         28(a)         22,208         22,208         21,519           Outflows from investing activities         3,110,482         6,161,321         3,423,224
INVESTING ACTIVITIES
Inflows from investing activities         2,706,745         4,535,431         3,173,412           Proceeds from disposal of assets         375,529         1,603,682         222,293           Proceeds from financial assets at amortised cost - self supporting loans         28(a)         22,208         22,208         21,519           Distributions from investments in associates         6,000         6,000         6,000           Outflows from investing activities         3,110,482         6,161,321         3,423,224
Capital grants, subsidies and contributions       2,706,745       4,535,431       3,173,412         Proceeds from disposal of assets       375,529       1,603,682       222,293         Proceeds from financial assets at amortised cost - self supporting loans       28(a)       22,208       22,208       21,519         Distributions from investments in associates       6,000       6,000       6,000         Outflows from investing activities       3,110,482       6,161,321       3,423,224
Proceeds from disposal of assets Proceeds from financial assets at amortised cost - self supporting loans Distributions from investments in associates  28(a) 22,208 22,208 22,208 22,208 21,519 6,000 6,000 3,110,482 6,161,321 3,423,224  Outflows from investing activities
Proceeds from financial assets at amortised cost - self supporting loans Distributions from investments in associates  28(a) 22,208 22,208 22,208 22,000 6,000 3,110,482 6,161,321 3,423,224  Outflows from investing activities
Distributions from investments in associates         6,000         6,000           3,110,482         6,161,321         3,423,224           Outflows from investing activities
3,110,482 6,161,321 3,423,224 Outflows from investing activities
Outflows from investing activities
(1,400)
Purchase of property, plant and equipment 7(a) (2,806,192) (4,865,945) (1,889,332)
Purchase and construction of infrastructure 8(a) <u>(4,950,984)</u> (9,420,869) (4,366,557)
(7,758,609) (14,286,814) (6,255,889)
Amount attributable to investing activities (4,648,127) (8,125,493) (2,832,665)
FINANCING ACTIVITIES
Inflows from financing activities
Proceeds from borrowings 28(a) 0 0 1,700,000
Proceeds from new leases - non cash 28(c) 1,432 0 0
Transfers from reserve accounts     29     638,288     520,703     3,169,420       639,720     520,703     4,869,420
Outflows from financing activities
Repayment of borrowings 28(a) (460,880) (460,849) (368,948)
Payments for principal portion of lease liabilities 28(c) (12,251) (12,996) (11,431)
Transfers to reserve accounts 29 (1,497,960) (1,185,957) (333,659)
(1,971,091) (1,659,802) (714,038)
Amount attributable to financing activities (1,331,371) (1,139,099) 4,155,382
MOVEMENT IN SURPLUS OR DEFICIT
Surplus or deficit at the start of the financial year 27(b) 9,466,904 9,164,256 3,634,394
Amount attributable to operating activities 3,234,491 87,340 4,509,793
Amount attributable to investing activities (4,648,127) (8,125,493) (2,832,665)
Amount attributable to financing activities (1,331,371) (1,139,099) 4,155,382
Surplus or deficit after imposition of general rates 27(b) 6,721,897 (12,996) 9,466,904



## SHIRE OF NORTHAM FOR THE YEAR ENDED 30 JUNE 2024 INDEX OF NOTES TO THE FINANCIAL REPORT

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#### 1. BASIS OF PREPARATION

The financial report of the Shire of Northam which is a Class 2 as applicable local government 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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
   AASB 101 Presentation of Financial Statements paragraph 61
   AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 1052 Disaggregated Disclosures paragraph 11
   AASB 1054 Australian Additional Disclosures paragraph 16

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 asure any vested improvements at zero cost

The Local Government (Financial Management) Regulations 1996

provide that:
-land and buildings classified as property, plant and equipment; or

-vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years. Revaluaing these non - financial assets every five years is a departure from AASB116 Property, Plant and Equipment which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so revalue the class of non-financial assets

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

Critical accounting estimates and judgements
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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:
• Fair value measurement of assets carried at reportable value

- Property, plant and equipment note 7
- Infrastructure note 8
- Expected credit losses on financial assets note 5
   Measurement of employee benefits note 14
- Measurement of provisions note 15

Fair value hierarchy information can be found in note 24

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

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

**Initial application of accounting standards**During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the

· AASB 2021-2 Amendments to Australian Accounting Standards Disclosure of Accounting Policies or Definition of Accounting

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting

New accounting standards for application in future years
The following new accounting standards will have application to local

- government in future years:

   AASB 2014-10 Amendments to Australian Accounting Standards

   Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards
- Classification of Liabilities as Current or Non-current
- AASB 2021-7c Amendments to Australian Accounting Standards
   Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]

  • AASB 2022-5 Amendments to Australian Accounting Standards
- Lease Liability in a Sale and Leaseback
   AASB 2022-6 Amendments to Australian Accounting Standards
   Non-current Liabilities with Covenants

These amendments are not expected to have any material impact on the financial report on initial application.

 AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for Profit Public Sector Entities

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

AASB 2023-1 Amendments to Australian Accounting Standards

- Supplier Finance Arrangements
These amendments may result in additional disclosures in the case of applicable finance arrangements.

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#### 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:

as ioliows.					
	Nature of goods	When obligations		Returns/Refunds/	Timing of revenue
Revenue Category	and services	typically satisfied	Payment terms	Warranties	recognition
Grants, subsidies and contributions	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
					obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

#### Revenue Recognition

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

#### For the year ended 30 June 2024

	Contracts with	Capital	Statutory		
Nature	customers	grant/contributions	Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates			11,902,654	28,689	11,931,343
Grants, subsidies and contributions	1,786,670			4,072,073	5,858,743
Fees and charges	2,427,197		2,290,150	0	4,717,347
Interest revenue	471,522		220,031	0	691,553
Other revenue	1,591,075			130,656	1,721,731
Capital grants, subsidies and contributions		2,706,745		0	2,706,745
Total	6,276,464	2,706,745	14,412,835	4,231,418	27,627,462

#### For the year ended 30 June 2023

	Contracts with	Capital	Statutory		
Nature	customers	grant/contributions	Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	11,301,752	27,323	11,329,075
Grants, subsidies and contributions	2,122,912	0	0	4,712,076	6,834,988
Fees and charges	2,521,267	0	1,997,838	0	4,519,105
Interest revenue	225,035	0	160,494	0	385,529
Other revenue	962,917			455,329	1,418,246
Capital grants, subsidies and contributions		3,173,412		0	3,173,412
Total	5,832,131	3,173,412	13,460,084	5,194,728	27,660,355

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

(a) Revenue (Continued)		2024	2023
	Note	Actual	Actual
		\$	\$
Interest revenue		0.000	0.700
Financial assets at amortised cost - self supporting loans		2,866	3,708
Interest on reserve account Trade, rates and statutory receivables overdue interest		172,210 204,902	93,446 160,494
Other interest revenue		311,575	127,881
Other interest revenue		691,553	385,529
		001,000	000,020
Fees and charges relating to rates receivable			
Charges on instalment plan		25,691	32,400
The 2024 original budget estimate in relation to:			
Charges on instalment plan was \$38,000			
40.5			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		45,590	46,000
- Other services		5,500	20,440
Carlot Col Vioco		51,090	66,440
		- 1,	,
Finance costs			
Interest and financial charges paid/payable			
for lease liabilities and financial liabilities not			
at fair value through profit or loss		317,212	200,686
		317,212	200,686
00			
Other expenditure		00.040	0.000
Impairment losses on trade receivables		26,640 29,422	2,369 61,468
Impairment losses on rates and statutory receivables Sundry expenses		409,672	349,644
oundry expenses		465,734	413,481
		403,734	413,401

#### 3. CASH AND CASH EQUIVALENTS

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

Held as

- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

Note	2024	2023
	\$	\$
	5,910,699	5,906,698
	1,517,495	1,531,437
17(a)	7,428,194	7,438,135
	6,497,829	3,560,763
17(a)	930,365	3,877,372
	7,428,194	7,438,135

#### MATERIAL ACCOUNTING POLICIES

#### Cash and cash equivalents

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

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

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

#### Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, 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.

#### 4. OTHER FINANCIAL ASSETS

#### (a) Current assets

Financial assets at amortised cost

#### Other financial assets at amortised cost Self supporting loans receivable

Term deposits
Community Advance

Held as

- Unrestricted other financial assets at amortised cost
- Restricted other financial assets at amortised cost

#### (b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit or loss

#### Financial assets at amortised cost

Self supporting loans receivable Term deposits

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance Movement attributable to fair value increment Units in Local Government House Trust - closing balance

Note	2024	2023
	\$	\$
	3,921,602	5,301,172
	3,921,602	5,301,172
27(b)	22,920	22,208
27(0)	3,892,682	5,272,964
	6,000	
	3,921,602	6,000 5.301.172
	3,921,002	3,301,172
	22,920	4,301,172
17(a)	3,898,682	1,000,000
	3,921,602	5,301,172
	71,765	100,685
	249,513	244,469
	321,278	345,154
	35,765	58,685
	36,000	42,000
	71,765	100,685
	71,700	100,000
	244,469	233,411
	5,044	11,058
	249,513	244,469

#### MATERIAL ACCOUNTING POLICIES

#### Other financial assets at amortised cost

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

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

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

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

#### Financial assets at fair value through profit or loss

The Shire has elected to classify the following financial assets at fair value through profit or 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 elected to recognise as fair value gains and losses through profit or loss.

#### Impairment and ris

Information regarding impairment and exposure to risk can be found at Note 22.

5. TRADE AND OTHER RECEIVABLES	Note	2024	2023
		\$	\$
Current			
Rates and statutory receivables		2,740,747	2,403,658
Trade receivables		205,726	356,116
GST receivable		294,790	186,562
Allowance for credit losses of trade receivables	22(b)	(26,640)	(2,369)
Allowance for credit losses of rates and statutory receivables	22(b)	(29,422)	(61,468)
,	. ,	3.185.201	2.882.499
Non-current			
Rates and statutory receivables		536,419	476,940
*		536 419	476 940

The carrying amounts of the trade, rates and statutory receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the Shire of Northam has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the Shire of Northam, therefore the Shire continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 13. The Shire considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition	Note	30 June 2024 Actual	30 June 2023 Actual	1 July 2022 Actual
or construction of recognisable non financial assets is:		\$	\$	\$
Trade receivables from contracts with customers		205,726	356,116	536,337
Contract assets	6	700,452	467,679	278,898
Allowance for credit losses of trade receivables	5	(26,640)	(2,369)	(664)
Total trade receivables from contracts with customers		879.538	821.426	814.571

#### MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables
Rates and statutory receivables are non-contractual
receivables arising from statutory requirements and include
amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables
Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business

Measurement
Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

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

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

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

Impairment and risk exposure Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 22.

#### 6. OTHER ASSETS

Other assets - current Prepayments Accrued income Contract assets

2024	2023
\$	\$
103,417	0
87,777	35,825
700,452	467,679
891,646	503,504

#### **MATERIAL ACCOUNTING POLICIES**

#### Other current assets

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

#### **Contract assets**

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

#### 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.

	Assets not s	ubject to operat	ing lease		Total Pr	operty		:		Plant and equi	pment	Total
	Land	Buildings - non- specialised	Buildings - specialised	Land	Buildings - non- specialised	Buildings - specialised	Work in progress	Total Property	Furniture and equipment	Plant and equipment	Bushfire equipment	property, plant and equipment
Balance at 1 July 2022	<b>\$</b> 9,166,100	<b>\$</b> 4.139.789	<b>\$</b> 44.164.292	<b>\$</b> 9.166.100	<b>\$</b> 4.139.789	<b>\$</b> 44,164,292	\$ 1.091.480	<b>\$</b> 58,561,663	<b>\$</b> 220,606	<b>\$</b> 3,923,933	\$ 2,211,560	<b>\$</b> 64.917.762
Additions	0	23,617	363,321	0	23,617	363,321	798,907	1,185,845	,	703,487	_,_ · · · , . · · · 0	1,889,332
Disposals	0	20,011	0	0	0	0	0	0 ., 100,010	0	(209,633)	0	(209,633)
•	•	_	-	0	-		O	•	-	, , ,	·	,
Depreciation	0	(119,878)	(886,195)	•	(119,878)	(886,195)		(1,006,073)	(22,953)	(490,626)	(258,893)	(1,778,545)
Transfers	221,225	0	14,288	221,225	0	14,288	1 000 007	235,513	0	23,555	0	259,068
Balance at 30 June 2023	9,387,325	4,043,528	43,655,708	9,387,325	4,043,528	43,655,708	1,890,387	58,976,948	197,653	3,950,716	1,952,667	65,077,984
Comprises: Gross balance amount at 30 June 2023 Accumulated depreciation at 30 June 2023 Accumulated impairment loss at 30 June 2023	9,387,325 0 0	4,163,406 (119,878) 0	(886,195) 0	9,387,325 0 0	4,163,406 (119,878) 0	44,541,903 (886,195) 0	1,890,387 0 0	59,983,021 (1,006,073) 0	427,591 (229,938) 0	6,049,439 (2,098,723) 0	3,054,937 (1,102,270) 0	69,514,988 (4,437,004) 0
Balance at 30 June 2023	9,387,325	4,043,528	43,655,708	9,387,325	4,043,528	43,655,708	1,890,387	58,976,948	197,653	3,950,716	1,952,667	65,077,984
Additions		780,751	598,192	0	780,751	598,192		1,378,943		1,427,249		2,806,192
Disposals				0	0	0		0		(500,582)		(500,582)
Depreciation		(140,340)	(895,686)	0	(140,340)	(895,686)		(1,036,026)	(12,611)	(553,480)	(258,893)	(1,861,010)
Transfers		1,890,387		0	1,890,387	0	(1,890,387)	0				0
Balance at 30 June 2024	9,387,325	6,574,326	43,358,214	9,387,325	6,574,326	43,358,214	0	59,319,865	185,042	4,323,903	1,693,774	65,522,584
Comprises:												
Gross balance amount at 30 June 2024	9,387,325	6,834,544	45,140,093	9,387,325	6,834,544	45,140,093	0	61,361,962	427,591	6,396,757	3,054,937	71,241,247
Accumulated depreciation at 30 June 2024	0	(260,218)	(1,781,879)	0	(260,218)	(1,781,879)	0	(2,042,097)	(242,549)	(2,072,854)	(1,361,163)	(5,718,663)
Accumulated impairment loss at 30 June 2024	0	0	0	0	0	0	0	0	0	0	0	0
Balance at 30 June 2024	9,387,325	6,574,326	43,358,214	9,387,325	6,574,326	43,358,214	0	59,319,865	185,042	4,323,903	1,693,774	65,522,584

#### 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

#### (b) Carrying Amount Measurements

Asset Class (i) Fair Value - as determined at the	Fair Value Hierarchy the last valuation	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2022	Price per square metre
Buildings - non-specialised	3	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2022	Price per square metre
Buildings - specialised	3	Cost approach using current replacement cost	Independent registered valuer	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

#### 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.

				Infrastructure -						
			Infrastructure -	playground	Infrastructure -	Infrastructure -	Infrastructure -	Infrastructure - bridges	Infrastructure -	Total
	roads	footpaths	drainage	equipment	other	work in progress	streetscape	and culverts	aerodome	Infrastructure
Balance at 1 July 2022	88,855,923	4,980,566	12.846.858	247,303	21,221,102	• 0	529,212	40,783,857	1,109,977	170,574,798
•	00,000,020	4,300,300	,,	247,303	21,221,102	0	•		1,100,011	
Additions Revaluation increments / (decrements) transferred to	3,231,749	0	228,373	0	788,704	0	21,901	0	95,830	4,366,557
revaluation surplus	132,930,739	612,494	14,893,042	66,096	(398,749)	0	492,578	7,319,274	319,680	156,235,154
Depreciation	(1,590,417)	(175,189)	(156,883)	(46,099)	(724,099)	0	(19,691)	(571,131)	(82,695)	(3,366,204)
Balance at 30 June 2023	223,427,994	5,417,871	27,811,390	267,300	20,886,958	0	1,024,000	47,532,000	1,442,792	327,810,305
Comprises:										
Gross balance at 30 June 2023	223,427,994	5,417,871	27,811,390	267,300	20,886,958	0	1,024,000	47,532,000	1,442,792	327,810,305
Accumulated depreciation at 30 June 2023	0	0	0	0	0	0	0	0	0	0
Accumulated impairment loss at 30 June 2023	0	0	0 7 044 000	0	00 000 050	0	1 004 000	0	0	0
Balance at 30 June 2023	223,427,994	5,417,871	27,811,390	267,300	20,886,958	0	1,024,000	47,532,000	1,442,792	327,810,305
Additions	3,104,816	692,294	117,525		748,986	147,155		126,788	13,420	4,950,984
Depreciation	(1,560,837)	(169,038)	(325,393)	(28,411)	(578,757)		(19,382)	(633,058)	(82,197)	(3,397,073)
Balance at 30 June 2024	224,971,973	5,941,127	27,603,522	238,889	21,057,187	147,155	1,004,618	47,025,730	1,374,015	329,364,216
Comprises:										
Gross balance at 30 June 2024	226,532,810	6,110,165	27,928,915	267,300		147,155		,,	1,456,212	
Accumulated depreciation at 30 June 2024	(1,560,837)	(169,038)	(325,393)	(28,411)	(578,757)	0	(19,382)	(633,058)	(82,197)	(3,397,073)
Accumulated impairment loss at 30 June 2024	0	0	0	0	04.057.407	0	0	0	0	0
Balance at 30 June 2024	224,971,973	5,941,127	27,603,522	238,889	21,057,187	147,155	1,004,618	47,025,730	1,374,015	329,364,216

#### 8. INFRASTRUCTURE (Continued)

#### (b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last value					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - playground equipment	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - streetscape	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - bridges and culverts	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - aerodome	3	Cost approach using current replacement cost	Independent valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

### 9. FIXED ASSETS

#### (a) Depreciation

#### **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	20 to 55 years
Furniture & Equipment	4 to 10 years
Plant & Equipment (Bush fire)	3 to 15 years
Sealed Roads & Streets	
Formation	Not depreciated
Pavement	80 years
Seal	
Bituminous seals	23 to 30 years
Asphalt surfaces	23 to 30 years
Streetscape	15 to 55 years
Gravel Roads	
Formation	Not depreciated
Pavement	80 years
Gravel Sheet	33 years
Water supply piping	75 years
	Based on the
Right of use (buildings)	remaining lease
	Based on the
Right of use (plant and equipment)	remaining lease
Playground Equipment	5 to 15 years
Bridges & Culverts	75 to 100 years
Parks, Reserves and other infrastructure	4 to 55 years
Infrastructure-Aerodrome	5 to 50 years
Footpaths	
Insitu concrete & slabs	32 years
Drainage	85 years

#### Revision of useful lives of plant and equipment

No changes were made to useful lives of plant and equipment

(b) Temporarily Idle or retired from use assets	2024	2023	
	\$	\$	
The carrying amount of assets held by the Shire which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.			
Buildings - non-specialised	89,100	94,050	
•	89,100	94,050	
(c) Fully Depreciated Assets in Use	2024	2023	
(c) Fully Depreciated Assets in Use	2024 \$	2023 \$	
(c) Fully Depreciated Assets in Use  The gross carrying amount of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.			
The gross carrying amount of assets held by the Shire which are currently in use yet fully depreciated are			

#### 9. FIXED ASSETS (Continued)

### MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the 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. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

#### Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under Local Government (Financial Management) Regulation 17A(2). Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

#### Reportable Value

In accordance with Local Government (Financial Management)
Regulation 17A(2), the carrying amount of non-financial assets that are
land and buildings classified as property, plant and equipment,
investment properties, infrastructure or vested improvements that the
local government controls.

Reportable value is for the purpose of Local Government (Financial Management) Regulation 17A(4) is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

#### Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued 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 land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes 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.

#### 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. (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

#### Impairmen

In accordance with Local Government (Financial Management)
Regulations 17A(4C), the Shire is not required to comply with
AASB 136 Impairment of Assets to determine the recoverable amount
of its non-financial assets that are land or buildings classified as
property, plant and equipment, infrastructure or vested improvements
that the local government controls in circumstances where there has
been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the 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 or losses on disposal

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.

#### 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.		Right-of-use sets - land and buildings	Right-of-use assets Total
		\$	\$
Balance at 1 July 2022		49,146	49,146
Additions		1,881	1,881
Depreciation		(12,002)	(12,002)
Balance at 30 June 2023		39,025	39,025
Additions		1,433	1,433
Depreciation		(12,697)	(12,697)
Balance at 30 June 2024		27,761	27,761
The following amounts were recognised in the statement		2024	2023
of comprehensive income during the period in respect		Actual	Actual
of leases where the Shire is the lessee:		\$	\$
Depreciation on right-of-use assets		(12,697)	(12,002)
i C	28(c)	(1,124)	(1,444)
Total amount recognised in the statement of comprehensive income		(13,821)	(13,446)
Total cash outflow from leases		(13,375)	(9,988)
b) Lease Liabilities			
Current		12,759	11,903
Non-current		16,524	28,199

#### MATERIAL ACCOUNTING POLICIES

#### Leases

(b

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 for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

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

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

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised 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 material 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 depreciated over the useful life of the underlying asset.

#### 10. LEASES (Continued)

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

	Actual	Actual
The table below represents a maturity analysis of the undiscounted	\$	\$
lease payments to be received after the reporting date.		
Less than 1 year	371,769	254,311
1 to 2 years	165,069	68,967
2 to 3 years	164,353	63,308
3 to 4 years	164,353	63,308
4 to 5 years	75,984	63,308
> 5 years	227,953	189,925
	1,169,481	703,128
Amounts recognised in profit or loss for Property, Plant and		
Equipment Subject to Lease		
Rental income	292,772	237,201

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

The shire leases various buildings to commercial and government services and these are not considered investment property as they are leased for use in the supply of services to the community.

The Shire also leases aerodrome services. All Shire leases are classified as operating leases as they do no transfer substantially all of the risks and rewards incedental to ownership of the assets.

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

Expectations about the future residual values are reflected in the fair value of the properties.

The future income disclosed relates to the remaining terms of the existing leases and excludes any income which maybe received if lease holders exercise options to extend the lease.

#### **MATERIAL ACCOUNTING POLICIES**

#### The Shire as Lessor

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

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

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

2024

2023

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

#### 11. TRADE AND OTHER PAYABLES

Current
Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued expenditure
Interest accrued on loans

2024	2023
\$	\$
1,718,233	633,733
465,236	391,910
204,428	174,269
40,369	48,772
741,174	768,121
85,725	0
98,766	57,106
3,353,931	2,073,911

#### **MATERIAL 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 any 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 income for the prepaid rates that have not been refunded.

12. OTHER LIABILITIES	2024	2023
	\$	\$
Current		
Contract liabilities	60,458	
Capital grant/contributions liabilities	875,906	' '
Other Liabilities DOT	84,239	
	1,020,603	1,215,279
Decomplication of changes in contract lightillies		
Reconciliation of changes in contract liabilities  Opening balance	0	70,000
Additions	0 60,458	79,000 (79,000)
Additions	60,458	. , ,
	00,430	0
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract		
liabilities was \$60,458 (2023: \$0.00)		
The Shire expects to satisfy the performance obligations, from con reporting period within the next 12 months.	tracts with customers un	satisfied at the end of the
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	1,097,816	722,140
Additions	140,255	975,460
Revenue from capital grant/contributions held as a liability at		
the start of the period	(362,165)	(599,784)
	875,906	1,097,816
Expected satisfaction of capital grant/contribution		
liabilities		
Less than 1 year	875,906	, ,
	875,906	1,097,816

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.

### **MATERIAL 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 by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including

#### 13. BORROWINGS

			2024		
	Note	Current	Non-current	Total	Curr
Secured		\$	\$	\$	\$
Debentures		477,583	6,093,908	6,571,491	463
Total secured borrowings	28(a)	477,583	6,093,908	6,571,491	463

2023					
Current	Non-current	Total			
\$	\$	\$			
463,054	6,569,319	7,032,373			
463,054	6,569,319	7,032,373			

#### Secured liabilities and assets pledged as security

Debentures are secured by a floating charge over the assets of the Shire of Northam.

The Shire of Northam has complied with the financial covenants of its borrowing facilities during the 2024 year.

### MATERIAL ACCOUNTING POLICIES

#### **Borrowing costs**

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

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

#### Risk

Information regarding exposure to risk can be found at Note 22

Details of individual borrowings required by regulations are provided at Note 28(a).

#### 14. EMPLOYEE RELATED PROVISIONS

#### **Employee Related Provisions**

Limployee Related Frovisions		
	2024	2023
Current provisions	\$	\$
Employee benefit provisions		
Annual leave	639,370	709,390
Long service leave	616,888	745,314
On Costs	172,457	0
Total current employee related provisions	1,428,715	1,454,704
Non-current provisions		
Employee benefit provisions		
Long service leave	140,888	116,780
On Costs	17,501	0
Total non-current employee related provisions	158,389	116,780
Total employee related provisions	1,587,104	1,571,484

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	2024	2023
	\$	\$
	210,000	150,000
	1,377,104	1,421,484
	1,587,104	1,571,484

#### **MATERIAL 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.

#### 15. OTHER PROVISIONS

	Bonds	Total
	\$	\$
Opening balance at 1 July 2023		
Non-current provisions	159,546	159,546
	159,546	159,546
Additional provision	1,080	1,080
Balance at 30 June 2024	160,626	160,626
Comprises		
Non-current	160,626	160,626
	160,626	160,626

#### Other provisions

Extractive Industries bonds are considered non-current as notice and rehabilitation take more than 12 months to complete prior to returning the bonds.

#### **MATERIAL ACCOUNTING POLICIES**

#### **Provisions**

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

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

#### **16. REVALUATION SURPLUS**

	2024	2024	2023	Total	2023
	Opening	Closing	Opening	Movement on	Closing
	Balance	Balance	Balance	Revaluation	Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	10,460,642	10,460,642	10,460,642		10,460,642
Revaluation surplus - Buildings - non-specialised	14,147,003	14,147,003	14,147,003		14,147,003
Revaluation surplus - Buildings - specialised	7,756,511	7,756,511	7,756,511		7,756,511
Revaluation surplus - Furniture and equipment	175,330	175,330	175,330		175,330
Revaluation surplus - Plant and equipment	368,708	368,708	368,708		368,708
Revaluation surplus - Bushfire equipment	1,074,141	1,074,141	1,074,141		1,074,141
Revaluation surplus - Infrastructure - roads	186,434,799	186,434,799	53,504,060	132,930,739	186,434,799
Revaluation surplus - Infrastructure - footpaths	612,494	612,494	0	612,494	612,494
Revaluation surplus - Infrastructure - drainage	14,893,042	14,893,042	0	14,893,042	14,893,042
Revaluation surplus - Infrastructure - playground equipment	697,668	697,668	631,572	66,096	697,668
Revaluation surplus - Infrastructure - other	5,518,861	5,518,861	5,917,610	(398,749)	5,518,861
Revaluation surplus - Infrastructure - streetscape	492,578	492,578	0	492,578	492,578
Revaluation surplus - Infrastructure - bridges and culverts	33,907,513	33,907,513	26,588,239	7,319,274	33,907,513
Revaluation surplus - Infrastructure - aerodome	319,680	319,680	0	319,680	319,680
	276,858,971	276,858,971	120,623,816	156,235,154	276,858,971

The movement in the revaluation surplus for infrustructure roads relates to an impairment loss as a result of a flood event. Refer to Note 8(a).

#### 17. NOTES TO THE STATEMENT OF CASH FLOWS

#### (a) Reconciliation of Cash

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

	Note	2024 Actual	2023 Actual
		\$	\$
Cash and cash equivalents	3	7,428,194	7,438,135
Restrictions The following classes of financial assets have imposed by regulations or other externally imprequirements which limit or direct the purpose the resources may be used:	oosed		
- Cash and cash equivalents	3	930,365	3,877,372
Financial assets at amortised cost	4	3,898,682	1,000,000
- I mandar assets at amortised oost	7	4,829,047	4,877,372
The restricted financial assets are a result of specific purposes to which the assets may be	used:		
Restricted reserve accounts Contract liabilities	29 12	3,892,683	3,033,010
Contract liabilities  Capital grant liabilities	12	60,458 875,906	1,097,816
Unspent loans	28(b)	0	746,546
Total restricted financial assets	. ,	4,829,047	4,877,372
(b) Reconciliation of Net Result to Net Cash P By Operating Activities	rovided		
Net result		693,840	2,611,632
Non-cash items:  Adjustments to fair value of financial assivalue through profit or loss Depreciation/amortisation (Profit)/loss on sale of asset Changes in assets and liabilities: (Increase)/decrease in trade and other re (Increase)/decrease in other assets Increase/(decrease) in trade and other place increase/(decrease) in other provisions Increase/(decrease) in other liabilities Capital grants, subsidies and contributions Net cash provided by/(used in) operating activities	eceivables ayables provisions	(5,044) 5,270,780 125,051 (362,181) (388,142) 1,280,020 15,620 1,080 (194,676) (2,485,915) 3,950,433	(11,058) 5,156,749 (12,660) 240,432 (224,606) (823,303) 107,433 0 414,139 (3,549,088) 3,909,670
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank overdraft limit		100,000	100,000
Credit card limit		23,000	15,000
Credit card balance at balance date		(5,923)	(3,701)
Total amount of credit unused		117,077	111,299
Loan facilities			
Loan facilities - current		477,583	463,054
Loan facilities - non-current		6,093,908	6,569,319
Total facilities in use at balance date		6,571,491	7,032,373
Unused loan facilities at balance date		NIL	NIL

#### 18. CONTINGENT LIABILITIES

The Shire has identified the following sites after year end,in relation to land owned, vested or leased, that is known to be, or supected of being contaminated. 7243 and 1872 with site parcel number 43852 and 71334 respectively.

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and agrees 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 assosiated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guideline.

2024

2022

#### 19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	453,122	943,853
- plant & equipment purchases	413,120	696,601
	866,242	1,640,454
Payable:		
- not later than one year	866,242	1,640,454

The Commitment as of 30 June 2024 relates to EV charging stations \$64,220,Clackline Fencing \$19,839 fleet renewal \$ 106,443, Road Plant Purchases \$ 306,677, Northam BMX Track \$292,499, Shire new ERP \$63,110 and Gordon street road \$13,454.

The Commitment as of 30 June 2023 relates to Northam Deport redevelopment \$331,327,Inkpen Fireshed Extension \$229,519,fleet renewal \$269,256.67,road plant purchases \$427,345,road projects- \$36,105 Parker road Grassvalley North road \$33,910,Wundowie Oval \$40,505, Bert Hawke Oval \$26,928,Henry Oval \$16,148 Aerodromes \$12,837,fire danger signanage \$26,205,Northam old pool \$25,856,Water reuse \$38,499 BMX shelter peel terrace \$18,700,BKB \$107,314.

#### 20. RELATED PARTY TRANSACTIONS

#### (a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.	Note	2024 Actual	2024 Budget	2023 Actual
		\$	\$	\$
President's annual allowance		45,000	45,000	45,000
President's meeting attendance fees		23,600	23,600	23,600
President's ICT expenses		371	371	371
President's annual allowance for ICT expenses		3,118	3,118	3,024
President's travel and accommodation expenses		10,706	5,000	6,987
		82,795	77,089	78,982
Deputy President's annual allowance		11,250	11,250	11,250
Deputy President's meeting attendance fees		19,750	19,750	19,750
Deputy President's ICT expenses		371	371	371
Deputy President's annual allowance for ICT expenses		3,118	3,118	3,024
Deputy President's travel and accommodation expenses		4,146	4,000	0
		38,635	38,489	34,395
All other council member's meeting attendance fees		144,316	144,833	151,992
All other council member's ICT expenses		1,546	3,458	2,973
All other council member's annual allowance for ICT expenses		22,843	26,464	24,192
All other council member's travel and accommodation expenses		5,558	7,000	4,601
·		174,263	181,755	183,758
	20(b)	295,693	297,333	297,135
(b) Key Management Personnel (KMP) Compensation				
The total of common address would be MAID of the				
The total of compensation paid to KMP of the Shire during the year are as follows:				
Short-term employee benefits		924,668		808,798
Post-employment benefits		98,883		94,318
Employee - other long-term benefits		102,636		123,518
Employee - termination benefits		56,452		0
Council member costs	20(a)	295,693		297,135
	- 1.7	1,478,332	_	1,323,769

#### Short-term employee benefits

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

#### Post-employment benefits

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

#### Other long-term benefits

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

#### Termination benefits

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

#### Council member costs

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

#### 20. RELATED PARTY TRANSACTIONS

#### 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 quarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions	2024	2023
occurred with related parties:	Actual	Actual
	\$	\$
Sale of goods and services	50,295	49,418
Purchase of goods and services	7,804	5,241

#### **Related Parties**

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

#### i. Kev management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 20(a) and 20(b).

#### ii. Other Related Parties

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

#### iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence.

Significant influence may be gained by share ownership, statute or agreement.

There were no such entities requiring disclosure during the current or previous year.

#### 21. JOINT ARRANGEMENTS

#### Share of joint operations

The Shire together with the Department of Housing have a joint operation housing arrangement for the provision of eight aged care accommodation units at Lot 410 Kuringal Road Wundowie. The joint operation has been established since 1996.

	2024	2023
Statement of Financial Position	Actual	Actual
	\$	\$
Land and buildings fair value 30 June 2022	1,001,726	990,001
Other infrastructure fair value 30 June 2018	0	0
Other infrastructure fair value 30 June 2023	6,600	6,600
Less : accumulated depreciation	(40,321)	(19,800)
Total assets	968,005	976,801
Statement of Comprehensive Income		
Other revenue	50,366	50,683
Depreciation	(20,521)	(19,800)
Other expense	(40,125)	(38,138)
Profit/(loss) for the period	(10,280)	(7,255)
Other comprehensive income	0	16,342
Total comprehensive income for the period	(10,280)	9,087
Statement of Cash Flows		
Other revenue	50,366	50,683
Other expense	(40,125)	(38,138)
Net cash provided by (used in) operating activities	10,241	12,545

#### **MATERIAL ACCOUNTING POLICIES**

#### Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

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

#### 22. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

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

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

Financial risk management is carried out by the finance department under policies approved by the council. The finance department 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
2024					0
Cash and cash equivalents Financial assets at amortised cost - term	3.95%	7,428,194	1,517,495	5,910,699	0
deposits	4.52%	3,928,682	3,928,682	0	
2023					
Cash and cash equivalents Financial assets at amortised cost - term	3.80%	7,438,135	1,531,437	5,906,698	0
deposits	4.42%	5,272,964	5,272,964	0	0

#### Sensitivity

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

2024	2023
\$	\$
59,107	59,067

Impact of a 1% movement in interest rates on profit or loss and equity\*
\* Holding all other variables constant

#### Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 28(a).

#### 22. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Credit risk

#### Trade and Other Receivables

The Shire's major trade receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. 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.

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 Financial Instruments simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade, rates and statutory receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade, rates and statutory receivables over a period of 36 months before 1 July 2023 or 1 July 2024 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 users to settle the receivables.

The loss allowance as at 30 June 2024 and 30 June 2023 was determined as follows for trade and other receivables.

		More than 30	More than 60	More than 90	
	Current	days past due	days past due	days past due	Total
30 June 2024					
Trade receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	157,596	2,847	1,744	43,539	205,726
Loss allowance	0	0	0	26,640	26,640
Rates and statutory receivables					
Expected credit loss	0.35%	0.50%	0.68%	0.89%	
Gross carrying amount	751,152	529,889	365,722	1,093,984	2,740,747
Loss allowance	6,792	5,231	4,090	13,309	29,422
30 June 2023					
Trade receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	259,755	18,803	44,602	32,956	356,116
Loss allowance	0	0	0	2,369	2,369
Rates and statutory receivables					
Expected credit loss	0.70%	0.99%	1.34%	1.81%	
Gross carrying amount	720,825	408,700	270,254	1,004,079	2,403,858
Loss allowance	14,998	11,324	8,254	26,892	61,468

#### 22. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Credit risk

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

	Trade red	eivables	Rates and Status	tory Receivables	Contract Assets		
	2024	2023	2024	2023	2024	2023	
	Actual	Actual	Actual	Actual	Actual	Actual	
	\$	\$	\$	\$	\$	\$	
Opening loss allowance as at 1 July	2,369	664	61,468	110,428	0	0	
Increase in loss allowance recognised in							
profit or loss during the year	26,640	1,782	29,422	13,851	0	0	
Receivables written off during the year as							
uncollectible	2,369	0		0		0	
Unused amount reversed	(4,738)	(77)	(61,468)	(62,811)	0	0	
Closing loss allowance at 30 June	26,640	2,369	29,422	61,468	0	0	

Trade, rates, statutory 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, rates, statutory receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### 22. FINANCIAL RISK MANAGEMENT (Continued)

### (c) Liquidity risk

#### Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(c).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying amounts, 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 amount
<u>2024</u>	\$	\$	\$	\$	\$
Trade and other payables Borrowings Lease liabilities	3,353,931 477,583 12,759 3,844,273	0 2,520,599 16,524 2,537,123	3,573,308 3,573,308	3,353,931 6,571,490 29,283 9,954,704	3,353,931 6,571,491 29,283 9,954,705
2023					
Trade and other payables Borrowings Lease liabilities	2,073,911 463,054 11,903 2,548,868	0 1,987,660 28,199 2,015,859	0 4,581,659 4,581,659	2,073,911 7,032,373 40,102 9,146,386	2,073,911 7,032,373 40,102 9,146,386

### 23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire is not aware of any matters or circumstances that have arisen since the end of the financial year to the date of this report, which has significantly affected or may significantly affect the activities of the Shire, the results of those activities or the state of affairs of the Shire.

#### 24. OTHER MATERIAL 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 report 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

#### 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 revenue

Interest revenue 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 Fair Value Measurement 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

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

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

#### larket 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

aluation 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 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 except for non-financial assets that are

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general
- decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 9

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 Property, Plant and Equipment) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

#### 25. FUNCTION AND ACTIVITY

#### (a) Service objectives and descriptions

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

Objective	Description
Governance To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
General purpose funding To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<b>Health</b> To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, pest control, immunisation services, noise control and health inspections.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Assistance with playgroup centres, senior citizen hall and respite care centre. Provision of home and community care programs and youth services.
<b>Housing</b> To provide and maintain elderly residents housing	Provision and maintenance of rental housing, including elderly residents housing.
Community amenities To provide services required by the community	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
Recreation and culture To establish and effectively manage infrastructure	Maintenance of public halls, civic centres, aquatic centres, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
<b>Transport</b> To provide safe, effective and efficient transport services to the community	Construction and maintenance of roads, streets, bridges, drainage works, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc. Licensing transactions under contract with the WA Government.
Economic services To help promote the Shire and its economic wellbeing	The regulation and provision of tourism, area promotion and building control. Provision of rural services including weed control, vermin control and standpipes.
Other property and services To monitor and control Shire's overheads operating accounts	Private works operation, plant repair and operation costs and engineering operation costs.

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

(b) Income and expenses	2024 Actual	2023 Actual
	\$	\$
Income excluding grants, subsidies and contributions and		
capital grants, subsidies and contributions	07.000	04.045
Governance	37,302	21,245
General purpose funding Law, order, public safety	12,799,452 475,255	16,571,556 1,087,245
Health	41,461	34,964
Education and welfare	250,846	1,360,333
Housing	50,366	50,684
Community amenities	3,402,203	3,076,697
Recreation and culture	511,068	721,484
Transport	335,816	709,585
Economic services	502,662	563,216
Other property and services	726,842	361,905
	19,133,273	24,558,914
Grants, subsidies and contributions and capital grants,		
subsidies and contributions	0.700.054	
General purpose funding	3,796,654	0
Law, order, public safety	611,028	113,222
Health Education and welfare	15,000	0
Recreation and culture	1,178,963 175,062	101,032
Transport	2,705,488	2,854,182
Economic services	80,024	104,976
Other property and services	3,269	0
	8,565,488	3,173,412
Total Income	27,698,761	27,732,326
Expenses		
Governance	(1,633,813)	(1,350,903)
General purpose funding	(410,216)	(295,481)
Law, order, public safety	(2,148,538)	(2,316,616)
Health	(525,263)	(455,488)
Education and welfare	(1,307,204)	(1,208,923)
Housing	(71,713)	(66,339)
Community amenities	(4,241,239)	(4,169,821)
Recreation and culture	(5,655,862)	(5,506,233)
Transport	(7,228,692)	(6,187,817)
Economic services	(2,258,100)	(2,562,156)
Other property and services  Total expenses	(1,524,281)	(1,000,917)
·	, , ,	
Net result for the period	693,840	2,611,632
(c) Total Assets		.= :
General purpose funding	22,578,716	15,818,658
Law, order, public safety	4,246,098	4,800,611
Health	91,118	112,226
Education and welfare	4,287,579	4,480,689
Housing Community amenities	1,050,992 3,733,008	1,075,976 3,823,383
Recreation and culture	48,539,456	50,075,682
Transport	307,611,275	310,695,209
Economic services	7,877,799	8,047,073
Other property and services	10,895,078	10,800,777
Unallocated	287,782	144,434
	411,198,901	409,874,718

#### **26. RATING INFORMATION**

#### (a) General Rates

				2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2022/23
			Number	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Actual
RATE TYPE		Rate in	of	Rateable	Rate	Interim	Total	Rate	Interim	Total	Total
Rate Description	Basis of valuation	\$	Properties	Value*	Revenue	Rates	Revenue	Revenue	Rate	Revenue	Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
00 Non Rateable Value	Gross rental valuation		700	2,835,190			0	0	0	0	0
01 GRV Townsite Residential	Gross rental valuation	10.568	-,	62,414,033	6,595,915	18,068	6,613,983	6,470,218	60,400	6,530,618	6,369,055
02 GRV Northam Commercial /Inc		11.3466		16,318,025	1,851,541	(5,414)	1,846,127	1,851,541	33,300	1,884,841	1,833,725
05 Agricultural Local	Unimproved valuation	0.526		144,965,970	762,521	4,499	767,020	762,521	100	762,621	705,019
06 Agricultural Regional	Unimproved valuation	0.505		197,662,970	998,198	1,544	999,742	998,198	3,600	1,001,798	769,019
07 Rural Small Holding	Unimproved valuation	0.7787		108,160	111,069	(2,421)	108,648	70,979	3,600	74,579	68,549
Sub-Total			5,315	424,304,348	10,319,244	16,276	10,335,520	10,153,457	101,000	10,254,457	9,745,367
		Minimum									
		Payment									
Minimum payment		\$									
01 GRV Townsite Residential	Gross rental valuation	1,065	1,078	5,061,999	1,148,070	22,443	1,170,513	1,274,805		1,274,805	1,167,384
02 GRV Northam Commercial /Inc	dus Gross rental valuation	1,065		187,303	38,340	0	38,340	38,340		38,340	34,544
05 Agricultural Local	Unimproved valuation	1,065	167	22,776,933	177,855	469	178,324	177,855		177,855	193,040
06 Agricultural Regional	Unimproved valuation	1,065	162	23,860,030	172,530	0	172,530	172,530		172,530	137,760
07 Rural Small Holding	Unimproved valuation	10	38	11,101,365	380	9,792	10,172	40,470		40,470	43,650
Total minimum payments			1,481	62,987,630	1,537,175	32,704	1,569,879	1,704,000	0	1,704,000	1,576,378
Total general rates and minimu	m payments		6,796	487,291,978	11,856,419	48,980	11,905,399	11,857,457	101,000	11,958,457	11,321,745
Ex-gratia Rates											
CBH					28,689		28,689	28,689		28,689	27,323
Total amount raised from rates	(excluding general rates)		0	0	28,689	0	28,689	28,689	0	28,689	27,323
Discounts							(2,745)		_	(1,000)	(19,994)
Total Rates							11,931,343			11,986,145	11,329,075
Rate instalment interest							25,691			24,500	21,479
Rate overdue interest							179,211			150,000	139,015
Nate overdue interest							179,211			150,000	139,015

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

<sup>\*</sup>Rateable Value at time of raising of rate.

#### 27. DETERMINATION OF SURPLUS OR DEFICIT

	Note	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward \$
(a) Non-cash amounts excluded from operating activities		•	Ť	•
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities  Less: Profit on asset disposals  Less: Non-cash grants and contributions for assets		(66,255)	(36,354) 377,023	(60,913)
Less: Movement in liabilities associated with restricted cash Less: Fair value adjustments to financial assets at fair value through profit or		(126,601)	0	(29,427)
loss Add: Loss on disposal of assets Add: Depreciation	9(a)	(5,044) 191,306 5,270,780	213,764 5,164,280	(11,058) 48,253 5,156,749
Non-cash movements in non-current assets and liabilities:	9(a)	5,270,780	5,104,200	5,150,749
Pensioner deferred rates Employee benefit provisions Other provisions		(59,479) 41,609 1.080	0 0 0	2,340 (34,371)
Non-cash amounts excluded from operating activities		5,247,396	5,718,713	5,071,573
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation</i> 32 to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts Less: Financial assets at amortised cost - self supporting loans Less: Community Advance Add: Current liabilities not expected to be cleared at end of year	29 4(a)	(3,892,683) (22,920) (6,000)	(3,773,263) 0 0	(3,033,010) (22,208) (6,000)
- Current portion of borrowings  - Budgeted leave cash backed	13	477,583 350,000	460,849 350,000	463,054 350,000
- Current portion of lease liabilities - Employee benefit provisions Total adjustments to net current assets	10(b)	12,759 670,104 (2,411,157)	0 794,111 (2,168,303)	11,903 796,705 (1,439,556)
•		(2,+11,107)	(2,100,303)	(1,408,000)
Net current assets used in the Statement of Financial Activity  Total current assets		15,426,645	6,739,376	16,125,310
Less: Total current liabilities		(6,293,591)	(4,571,073)	(5,218,851)
Less: Total adjustments to net current assets Surplus or deficit after imposition of general rates		(2,411,157) 6,721,897	(2,168,303)	(1,439,556) 9,466,904
carpide of denoit after imposition of general rates		0,721,097	O	5,400,304

#### 28. BORROWING AND LEASE LIABILITIES

\* WA Treasury Corporation

(a) Borrowings

	Actual							Bud	get			
				Principal			Principal				Principal	
		Principal at	New Loans	Repayments	Principal at 30	New Loans	Repayments	Principal at	Principal at 1	New Loans	Repayments	Principal at
Purpose	Note	1 July 2022	<b>During 2022-23</b>	During 2022-23	June 2023	<b>During 2023-24</b>	During 2023-24	30 June 2024	July 2023	During 2023-24	During 2023-24	30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan 224 Recreation Facilities		666,658	0	(56,625)	610,033	0	(60,354)	549,679	610,035	0	(60,354)	549,681
Loan 228 Northam Aquatic Centre		4,025,189	0	(196,233)	3,828,956	0	(199,939)	3,629,017	3,828,954	0	(199,939)	3,629,015
Loan 227 Northam Youth Space		361,611	0	(48,242)	313,369	0	(49,338)	264,031	313,370	0	(49,338)	264,032
Loan 225 Victoria Oval		545,449	0	(46,329)	499,120	0	(49,380)	449,740	499,120	0	(49,380)	449,740
229 Depot loan		0	1,700,000	0	1,700,000	0	(79,661)	1,620,339	1,700,000	0	(79,630)	1,620,370
Total		5,598,907	1,700,000	(347,429)	6,951,478	0	(438,672)	6,512,806	6,951,479	0	(438,641)	6,512,838
Self Supporting Loans												
Loan 219A Northam Bowling Club		102,412	0	(21,519)	80,893		(22,208)	58,685	80,894	0	(22,208)	58,686
Total Self Supporting Loans		102,412	0	(21,519)	80,893	0	(22,208)	58,685	80,894	0	(22,208)	58,686
Total Borrowings	13	5,701,319	1,700,000	(368,948)	7,032,371	0	(460,880)	6,571,491	7,032,373	0	(460,849)	6,571,524

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 Finance Cost Payments**

				Date final	Actual for year	Budget for	Actual for year
	Loan			payment is	ending	year ending	ending
Purpose	Number	Institution	Interest Rate	due	30 June 2024	30 June 2024	30 June 2023
					\$	\$	\$
Loan 224 Recreation Facilities	224	WATC*	6.48%	30/04/2031	(42,104)	(42,777)	(46,213)
Loan 228 Northam Aquatic Centre	228	WATC*	1.88%	30/08/2039	(95,841)	(97,469)	(100,889)
Loan 227 Northam Youth Space	227	WATC*	2.26%	1/05/2029	(8,675)	(8,967)	(10,113)
Loan 225 Victoria Oval	225	WATC*	6.48%	30/04/2031	(34,449)	(35,000)	(37,810)
229 Depot loan	229	WATC*	3.18%	30/06/2038	(132,153)	(92,386)	(511)
Total					(313,222)	(276,599)	(195,536)
Self Supporting Loans Finance Cost Payn	nents						
Loan 219A Northam Bowling Club	219A	WATC*	3.18%	5/12/2026	(2,866)		(3,708)
Total Self Supporting Loans Finance Cos	t Payments				(2,866)	(2,955)	(3,708)
Total Finance Cost Payments					(316,088)	(279,554)	(199,244)

#### 28. BORROWING AND LEASE LIABILITIES (Continued)

#### (b) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2023	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2024
229 Depot loan	WATC		\$ 746,546	\$	\$ (746,546)	\$ 0
			746,546	0	(746,546)	0

\* WA Treasury Corporation

#### (c) Lease Liabilities

Budget           Principal           r Leases         Repayments         Principal at g 2023-24         Ouring 2023-24
Leases Repayments Principal at
\$ \$
0 (12,996) 27,106
0 (12,996) 27,106
se Term_
se

	2024 Actual Opening	2024 Actual Transfer	2024 Actual Transfer	2024 Actual Closing	2024 Budget Opening	2024 Budget Transfer	2024 Budget Transfer	2024 Budget Closing	2023 Actual Opening	2023 Actual Transfer	2023 Actual Transfer	2023 Actual Closing
29. RESERVE ACCOUNTS	Balance	to	(from)	Balance	Balance	to	(from)	Balance	Balance	to	(from)	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	796,705	33,174	(159,775)	670,104	815,323	20,978	(42,190)	794,111	826,135	17,848	(47,278)	796,705
(b) Office Equipment Reserve	102,365	1,463	(100,000)	3,828	104,632	2,757	(100,000)	7,389	100,084	2,281	0	102,365
(c) Plant & Equipment Reserve	122,035	102,313	(100,000)	124,348	124,738	3,287	(100,000)	28,025	119,316	2,719	0	122,035
(d) Road & Bridgework Reserve	204,731	331,274		536,005	209,264	318,551		527,815	200,169	4,562	0	204,731
(e) Refuse Site Reserve	293,334	126,612		419,946	300,694	124,029		424,723	324,928	168,406	(200,000)	293,334
(f) Speedway Reserve	154,140	6,660		160,800	157,554	4,244		161,798	150,706	3,434	0	154,140
(g) Community Bus replacement Reserve	102,465	4,427		106,892	104,734	2,699		107,433	100,184	2,281	0	102,465
(h) Septage Pond Reserve	201,395	5,194	(118,513)	88,076	207,808	5,421	(118,513)	94,716	283,147	28,248	(110,000)	201,395
(i) Killara Reserve	399,788	33,122		432,910	409,874	26,432		436,306	445,264	8,908	(54,384)	399,788
(j) Rec and Community Facilities Reserve	228,578	677,340		905,918	231,820	660,597		892,417	143,129	85,449	0	228,578
(k) Council Buildings and Amenties Reserve	80,505	166,126		246,631	86,846	7,678		94,523	278,713	1,792	(200,000)	80,505
(I) Parking Faciitty Reserve	102,365	4,423		106,788	104,632	2,696		107,328	100,084	2,281	0	102,365
(m) Reticulation Scheme Reserve	241,888	5,715	(160,000)	87,603	247,245	6,515	(160,000)	93,759	236,498	5,390	0	241,888
(n) Revalution Reserve	2,716	117		2,834	2,846	73		2,919	2,656	60	0	2,716
(o) Unused Grants Reserve	0			0				0	2,557,758	0	(2,557,758)	0
	3,033,010	1,497,960	(638,288)	3,892,683	3,108,010	1,185,957	(520,703)	3,773,262	5,868,771	333,659	(3,169,420)	3,033,010

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

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:

#### Restricted by council

(a) Leave reserve (b) Office Equipment Reserve	For the provision for employees' future liability commitments i.e. Annual leave, long service requirements and negotiated gratuities and sickness payouts. Funds are not expected to be used in a set period as further transfers to the reserve account are expected as funds are utilised.  For the acquisition and upgrading of Council offices, furniture, computers and general equipment.
(c) Plant & Equipment Reserve	For the acquisition and upgrading of the Council works plant and general equipment in accordance with the plant replacement program. Funds are not expected to be used in a set period of time as further transfers to the reserve account are expected as funds are utilised.
(d) Road & Bridgework Reserve	For the provision of upgrading of road, drainage and bridge infrastructure within the Shire of Northam. Funds not expected to be used in a set period as further transfers to the reserve account are anticipated.  For the development of refuse sites and related expenditure on infrastructure and equipment, including the provision for a future replacement facility and /or site. Funds are not
(e) Refuse Site Reserve	expected to be used in a set period as transfers to the reserve account are anticipated.
(f) Speedway Reserve	For the provision of funds for the possible future rehabilitation works required at the Northam Speedway site on Fox Road Northam. No date has been specified for the use of this reserve.
(g) Community Bus replacement Reserve	For the future replacement of the Shire of Northam Community Buses. Funds are not expected to be used in a set period as further transfers to the reserve account are anticipated.
(h) Septage Pond Reserve	For the future upgrades and maintenance to septic ponds and related infrastructure. Funds are not anticipated to be used in the set period as further transfers to the reserve account are anticipated.
(i) Killara Reserve	To provide a reserve for surplus funds from Killara operations and restricted cash for any unspent Killara grants. No date has been specified for the use of this reserve.
(j) Rec and Community Facilities Reserve	For Recreation and Public facilities. 2% of the net rates levied each year are set aside for the provision of recreation and sporting facilities.
(k) Council Buildings and Amenties Reserve (l) Parking Faciitty Reserve (m) Reticulation Scheme Reserve (n) Revalution Reserve (o) Unused Grants Reserve	For the maintenance and upgrading of Council buildings and amenities. Funds are not expected to be used in a set period as further transfers to the reserve account are anticipated. For the provision of future car parking facilities. Funds are not expected to be used in a set period as further transfers to the reserve account are anticipated. are expected as funds are utilised.  Provision for the 4 yearly revaluation of the Shires GRV properties.  Holding grants that are not expected to be utilised in the current financial year

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#### **30. TRUST FUNDS**

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Public Open Space Funds	84,350	53,534		137,884
	84,350	53,534	0	137,884



## INDEPENDENT AUDITOR'S REPORT 2024

#### **Shire of Northam**

#### To the Council of the Shire of Northam

#### **Opinion**

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material 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 2024 and its financial position at the end of that period
- is in accordance with the Local Government Act 1995 (the Act) and, to the extent that they
  are not inconsistent with the Act, Australian Accounting Standards.

#### **Basis for opinion**

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

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

#### Other information

The Chief Executive Officer (CEO) is responsible for 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 2024, 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.

Page 1 of 3

7th Floor Albert Facev House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

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 (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- 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 <a href="https://www.auasb.gov.au/auditors">https://www.auasb.gov.au/auditors</a> responsibilities/ar4.pdf.

# My independence and quality management 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 ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management 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 Northam for the year ended 30 June 2024 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.

AMadrack

Aram Madnack Acting Senior Director Financial Audit Delegate of the Auditor General for Western Australia Perth, Western Australia 4 December 2024



395 Fitzgerald Street, PO Box 613 Northam WA, 6401 08 9622 6100 records@northam.wa.gov.au

 $\underline{www.northam.wa.gov.au} \mid \underline{www.visitnortham.com.au}$ 



bilya river koort heart boodja land



Our ref: 8.2.5.15/O90050

Your ref:

Ms Caroline Spencer Auditor General Office of the Auditor General 7th Floor Albert Facey House 469 Wellington Street PERTH WA 6000

Dear Ms Spencer

# REPRESENTATION LETTER IN RESPECT OF THE SHIRE OF NORTHAM'S ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

This representation letter is provided in connection with your audit of the Shire of Northam's annual financial report for the year ended 30 June 2024 for the purpose of expressing an opinion as to whether the annual financial report is fairly presented in accordance with the *Local Government Act 1995*, the Local Government (Financial Management) Regulations 1996 and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

We submit the following representations for the year ended 30 June 2024 after making appropriate enquiries and according to the best of our knowledge and belief. This representation covers all material items in each of the categories listed below.

### 1. General

- (a) We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for the preparation and fair presentation of the annual financial report in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.
- (b) We have advised your auditors of all material contentious methods used in the presentation of the financial report.
- (c) There have been no changes in accounting policies or application of those policies that would have a material effect on the financial report.
- (d) The prior period comparative information in the financial report has not been restated.
- (e) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm the disclosures related to accounting estimates are complete and appropriate.



- (f) We have established and maintained an adequate internal control structure and adequate financial records as we have determined are necessary to facilitate the preparation of the financial report that is free from material misstatement, whether due to fraud or error.
- (g) We have provided your auditors with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters.
  - Additional information that your auditors have requested for the purpose of the audit.
  - (iii) Unrestricted access to staff and councillors of the Shire from whom your auditors determined it necessary to obtain audit evidence.
- (h) All transactions have been recorded in the accounting and other records and are reflected in the financial report.
- (i) All internal audit reports and reports resulting from other management reviews, including legal issues and legal opinions which have the capacity to be relevant to the fair presentation of the financial report including, where relevant, minutes of meetings, have been brought to your auditors' attention and made available to them.
- (j) We have advised your auditors of all known instances of non-compliance or suspected non-compliance with laws and regulations, and all known data or security breaches whose effects should be considered when preparing the financial report.
- (k) We have provided to your auditors the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- (I) No frauds or suspected frauds affecting the Shire involving:
  - (i) management
  - (ii) employees who have significant roles in internal control; or
  - (iii) others where the fraud could have a material effect on the financial statements have occurred to the knowledge of management of the Shire.
- (m) To our knowledge no allegations of fraud or suspected fraud affecting the Shire's financial report has been communicated to us by employees, former employees, analysts, regulators or others.
- (n) We have disclosed to your auditors all known actual or possible litigation and claims whose effects should be considered when preparing the financial report, and they have been accounted for and disclosed in accordance with Australian Accounting Standards.



#### 2. Fair value measurements and disclosures

We confirm that where assets and liabilities are recorded at fair value, the value attributed to these assets and liabilities is the fair value.

We confirm that the carrying amount of each revalued physical non-current asset does not materially differ from its fair value at the end of the reporting period. Significant fair value assumptions, including those with high estimation uncertainty, are reasonable.

We confirm the measurement methods, including related assumptions and data used by management in determining fair values are appropriate and have been consistently applied. We confirm that the fair value disclosures in the financial report are complete and appropriate.

#### 3. Going concern

We confirm that the going concern basis of accounting is appropriate for the annual financial report.

#### 4. Contingent liabilities

There are no material contingent liabilities at year end that have not been completely and adequately disclosed in the Notes to the financial report.

#### 5. Commitments for capital expenditure

Other than those commitments reported in the Notes to the financial report, there were no significant commitments for capital expenditure contracts carrying over at year end.

### 6. Contaminated sites

We are aware of our obligations under the *Contaminated Sites Act 2003* and have reported to the Department of Water and Environmental Regulation, all land owned, vested or leased by the Shire that is known to be, or is suspected of being, contaminated. All provisions or contingent liabilities, if any, have been recognised and/or disclosed in the financial report as appropriate.

### 7. Related entities

We acknowledge our responsibility under section 17(1) of the *Auditor General Act* 2006 (as applied by section 7.12AL of the *Local Government Act* 1995) to give written notice to you if any of the Shire's functions are being performed in partnership or jointly with another person or body, through the instrumentality of another person or body, and/or by means of a trust. We confirm that we have provided the Auditor General with details of all related entities in existence at 30 June 2024.



### 8. Related parties

We have disclosed to your auditors the identity of the Shire's related parties, as defined in Australian Accounting Standards, of which we are aware, and all the related party relationships and transactions of which we are aware. These include the Shire's key management personnel and their related parties, including their close family members and their controlled and jointly controlled entities.

We have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of Australian Accounting Standards.

#### 9. Key management personnel compensation

We confirm the Shire's key management personnel have not received any other remuneration, consideration or in-kind benefit (except amounts being reimbursements for out-of-pocket expenses) which has not been included in the compensation disclosed in the Notes to the financial report.

#### 10. Subsequent events

No matters or occurrences have come to our attention between the date of the financial report and the date of this letter which would materially affect the financial report or disclosures therein, or which are likely to materially affect the future results or operations of the Shire.

### 11. Internal control

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

#### 12. Insurance

We have established procedures to assess the adequacy of insurance cover on all assets and insurable risks. We believe, where appropriate, assets and insurable risks are adequately covered by insurance.

### 13. Risk management

We confirm that we have established and maintained a risk management framework that is appropriate to the Shire.

#### 14. Accounting misstatements

There are no uncorrected misstatements in the financial report.



### 15. Electronic presentation of the audited annual financial report and auditor's report

- a) We acknowledge that we are responsible for the electronic presentation of the annual financial report.
- b) We will ensure that the electronic version of the audited annual financial report and the auditor's report presented on the Shire's website is the same as the final signed versions of the audited annual financial report and the auditor's report.
- c) We have clearly differentiated between audited and unaudited information in the construction of the Shire's website and understand the risk of potential misrepresentation in the absence of appropriate controls.
- d) We have assessed the security controls over the audited annual financial report and the auditor's report and are satisfied that procedures in place are adequate to ensure the integrity of the information provided.
- e) We will ensure that where the auditor's report on the annual financial report is provided on the website, the annual financial report is also provided in full.

#### 16. Other (unaudited) information in the annual report

We will provide the final version of the annual report to you when available, to enable you to complete your required procedures.

Director Corporate Services 28/11/2024

Date

Name: Colin Young

Chief Executive Officer 28/11/2024

Name: Deborah Terelinck





DRYKIRKNESS

Annual Audit Completion Report

Accounting
Business Advisory
Audit Services





DRYKIRKNESS

# Shire of Northam 30 June 2024

Accounting Business Advisory Audit Services



# Introduction



### FROM OUR ENGAGEMENT PARTNER

Shire of Northam for the year ended 30 June 2024

We would like to take this opportunity to thank the management team for their assistance during the audit process. If you have any queries on the report, please feel free to contact me.

# ROBERT HALL CA

B.Com (Hons) CA roberth@drykirkness.com.au

# DAVID DELVALLE ASSISTANT DIRECTOR

OAG Representative David.Delvalle@audit.wa.gov.au

# **Executive Summary**

- Butler Settineri (Audit) Pty Ltd was appointed as the contract auditor by the Office of the Auditor General for the years ended 30 June 2021, 2022 and ending 2023 with an extended period for the 2024 and 2025 financial year. Butler Settineri (Audit) Pty Ltd changed the name to Dry Kirkness (Audit) Pty Ltd on 1 July 2022.
- + Dry Kirkness (Audit) Pty Ltd has completed the external statutory audit for the year ended 30 June 2024 as contract auditor on behalf of the Office of the Auditor General.
- + No unresolved issues.
- + Our findings are included in this report.
- + We intend to recommend to the Auditor General to issue an unqualified audit opinion in relation to the financial statements.
- There are no outstanding matters.
- + We noted that your uncertified draft financial report was provided on 30 September 2024 and was audit ready on commencement of the final audit on 21 October 2024. This detail will be included in the OAG's Local Government results report to be tabled in Parliament. Audit ready means having full and complete financial statements (including disclosure notes).

# Independence

We are independent of the Shire in accordance with the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants.

Threats to independence include the following:

- + Self Interest Threats
- + Self Review Threats
- + Advocacy Threats
- + Familiarity Threats
- + Intimidation Threats

What we do to remain independent:

- + All team members sign an independence declaration at the commencement of the audit;
- + We monitor our individual independence throughout the audit;
- + All team members sign off an independence declaration at the completion of the audit.

# Compliance With Laws & Regulations & Fraud

Laws and Regulations applicable to the Shire include the following:

- + Local Government Act 1995;
- + Local Government (Financial Management) Regulations 1996;
- + Local Government (Audit) Regulations 1996;
- + Australian Tax Office (GST / FBT / PAYG) Compliance;
- + Compliance with conditions of program funding arrangements.

During the audit process there have been:

- + Non-compliance issues reported in the audit findings where applicable.
- + No findings or indications of suspected fraud.

As far as the external audit relates to the matters noted above.



# Key Audit Matters and Audit Outcomes

During the planning phase of the audit, we identified the following issues and key areas of audit risk.

Details of Risk / Issue	Audit Approach
Audit findings reported in the previous audit:	We followed up on last year's audit issues during the audit. We confirmed six audit findings have been addressed by management whilst one audit
• IT governance, policies and procedures	finding has been re-raised. For a summary of the key issues identified during
Disaster recovery plan	the audit is included under Audit Findings.
Vulnerability Assessment and Penetration Testing (VAPT)	
No multifactor authentication enabled on critical infrastructure	
Active directory user	
Excessive annual leave balances	
• Inadequate procurement processes	
We have identified the following areas that we consider require additional focus during our 2023-24 local government audits:	We reviewed the accounting treatment and disclosure processes during our interim and final audits. We also ensured the disclosures in the annual financial report are appropriate and have complied with the requirements
Revenue recognition, including contract liabilities	of the Australian accounting standards.
Unauthorised expenditure	
Unrecorded liabilities and expenses	For related party disclosures, we made enquiries to understand the process
• Fictitious employees	for identification of related parties, reviewed the signed related party
Related party disclosures	transaction declarations from key management personnel (both current and departed), and confirmed that the disclosures made in the notes to the
Joint arrangement disclosures	annual financial report are appropriate.
Contingent liabilities disclosures	annual manetar report are appropriate.
Restricted reserve accounts	For joint arrangement disclosures we made enquiries to determine whether
IT Environment and Controls	any new joint arrangements had been entered into during the year and assessed the disclosures in the annual financial report.
	The Shire has contingent liabilities relating to 2 Shire owned sites which are possible sources of contamination, which require disclosure in the financial report. We enquired with management for any other contingent liabilities existing at reporting date, and we are satisfied with the contingent liability disclosure in the financial report.

# Audit & Risk Management Committee Minutes 29 November 2024

Details of Risk / Issue	Audit Approach
	For restricted reserve accounts, we reviewed the movements within the restricted reserve accounts and ensured that transfers out are used in accordance with the intended purpose of the respective reserve from our testing.
The following annual financial report items are derived from accounting estimates and will receive specific audit attention:  • Fair value of PPE and Infrastructure o PPE last revalued in 2022.  • Infrastructure last revalued in 2023.	We reviewed the methodology and underlying data that management and, where applicable, third parties used when determining critical accounting estimates. This included consideration of the reasonableness of the assumptions and corroborating representations.  We reviewed management's consideration of impairment of assets to
<ul> <li>Impairment of assets</li> <li>Provision for annual and long service leave</li> <li>Provision for rehabilitation of waste disposal sites (if any, at year end)</li> </ul>	ensure that carrying values are not overstated at the end of the reporting period.
Important changes in management or the control environment	No changes to the executive team were noted during the financial year.

# **Audit Misstatements**

The following misstatements were adjusted by management:

Account	Original balance	Actual balance	Variance		
Trade and Other Receivables	\$3,131,512	\$3,185,201	\$53,689		
Other Assets	\$893,367	\$891,646	(\$1,721)		
Property, Plant and Equipment	\$65,469,048	\$65,522,584	\$53,536		
Infrastructure	\$329,417,752	\$329,364,216	(\$53,536)		
Operating Grants, Subsidies and Contributions	(\$6,046,267)	(\$5,858,743)	\$187,524		
Capital Grants, Subsidies and Contributions	(\$2,472,117)	(\$2,706,745)	(\$234,628)		
Fees and Charges	(\$4,712,483)	(\$4,717,347)	(\$4,864)		
Being adjustments to correct balances at 30 June 2024.					

There were no uncorrected misstatements remaining after the above audit adjustments were

# **Audit Findings**

### Per the Interim Management Letter:

	Index of findings	Potential impact on audit opinion	Rating		Prior year finding	
			Significant	Moderate	Minor	
1.	Untimely preparation and review of the bank reconciliations	No	<b>√</b>			
2.	Supplier Masterfile Controls	No	✓			
3.	Review of Credit Card Transactions	No		✓		
4.	Credit Card Policy Review	No			✓	
5.	Risk Management Policy Principles and Guidelines	No			✓	

# Per the Final Management Letter:

Index	c of findings	Potential impact on audit opinion	Rating		Prior year finding	
			Significant	Moderate	Minor	
6. Excess ann	ual leave balances	No		✓		✓

# **Key Changes For Next Year**

#### **Accounting Issues for 2025**

+ None anticipated that would have a significant impact on the financial statements for the year ending 30 June 2025.

#### **Financial Statements receipt date**

+ We received your financial statements on 30 September 2024 and were ready for audit on 21 October 2024.

These details will be included in the OAG's Local Government Audit Result Report to be tabled in Parliament.

# **Thank You**

We would like to take this opportunity to once again thank the management team for their assistance during the audit process, in particular we would like to thank Colin Young, Kudzai Matanga and the finance team for their support.





Accounting
Business Advisory
Audit Services

Dry Kirkness (Audit) Pty Ltd Ground Floor, 50 Colin St West Perth, WA 6005

PO Box 166, West Perth, 6872 <u>dk@drykirkness.com.au</u> <u>drykirkness.com.au</u> P: (08) 9481 1118 ABN: 61 112 942 373 RCA No. 289109 Liability limited by a scheme approved under the Professional Standards Legislation



# 6.2 Shire of Northam Annual Electors General Meeting 2023/24

File Reference:	8.2.7.1	
Reporting Officer:	Alysha Mccall (Manager Governance and Risk),	
	Kudzai Matanga (Finance Manager)	
Responsible Officer:	Debbie Terelinck (Chief Executive Officer)	
Officer Declaration of	Nil	
Interest:		
Voting Requirement:	Simple Majority	
Press release to be	Public Notice	
issued:		

#### **BRIEF**

For the Audit and Risk Management Committee to consider the date for the 2023/24 Annual Electors General Meeting and endorse to Council.

### **ATTACHMENTS**

Nil

# A. BACKGROUND / DETAILS

The Annual Electors General Meeting is to be held within 56 days of the Local Government accepting the Annual Report.

A requirement of setting the date is that 14 days local public notice is required for advertising the meeting. Subject to the Annual Report being endorsed at the Ordinary Council Meeting on 18 December 2024, it is recommended that the 2023/24 Annual General Meeting be held prior to the Ordinary Council Meeting scheduled for 22 January 2025.

### **B. CONSIDERATIONS**

### **B.1** Strategic Community / Corporate Business Plan

<u>Performance Area: Performance.</u> Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Priority Action 12.1.1: Provide the community with an annual explanation of the Shire's short- and long-term financial commitments and overall financial health.

Performance Area: Performance.

Outcome 13: A well informed and engaged community.

# Audit & Risk Management Committee Minutes 29 November 2024



Objective 13.2: Engage the community about Shire projects, activities, and decisions in a timely, open, and effective manner.

# **B.2** Financial / Resource Implications

Nil

# **B.3** Legislative Compliance

Local Government Act 1995 Section 5.27 Electors' general meetings

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

<u>Local Government (Administration) Regulation No 15 Matters for discussion at general electors' meetings - s. 5.27(3);</u>

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

Local Government Act 1995 Section 5.29 Convening Electors' Meetings;

- (1) The CEO is to convene an electors' meeting by giving
  - a) at least 14 days' local public notice; and
  - b) each council member at least 14 days' notice of the date, time, place and purpose of the meeting.
- (2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time the notice is first given and is to continue in the prescribed way until the meeting has been held.

(3)

# **B.4** Policy Implications

Nil.

# **B.5 Stakeholder Engagement / Consultation**

Subject to the 2023/24 Annual Report being endorsed at the Ordinary Council Meeting on 18 December 2024, it is intended that public notice will be placed in the Shire of Northam Newsletter by 20 December 2024. Notices will also be placed on Shire Notice Boards, Facebook, email subscribers and the Shire's website.



# **B.6** Risk Implications

Refer to Risk Matrix here.

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	N/A	N/A	N/A
Compliance	An Annual Electors Meeting is not held once each financial year and not more than 56 days after the local government accepts the annual report. Public Notice is not given in accordance with legislative requirements.	Insignificant (1) x Possible (3) = Low (3)	Council has a documented process for developing the Annual Report. This process includes the requirements associated with the Annual Electors Meetings.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

# **B.7** Natural Environment Considerations

Nil.

# C. OFFICER'S COMMENT

The Audit and Risk Management Committee is requested to consider the proposed date for the Annual Electors Meeting being 22 January 2025 and endorse to Council.



# **RECOMMENDATION / COMMITTEE DECISION**

Minute No: AU.305

Moved: Cr H J Appleton Seconded: President C R Antonio

That the Audit and Risk Management Committee ENDORSES the following recommendation being presented to Council:

 That Council HOLDS the Annual Electors General Meeting on Wednesday, 22 January 2025 at 5:00pm at the Shire Administration Centre and AUTHORISES the Chief Executive Officer to give local public notice of the meeting from Friday, 20 December 2024.

CARRIED 4/0

**For:** Cr A J Mencshelyi, President C R Antonio, Cr H J Appleton and Cr M I Girak

**Against:** Nil



# 7 URGENT BUSINESS APPROVED BY DECISION

Nil.

### 8 DATE OF NEXT MEETING

Proposed meeting dates:

- Tuesday 18 February 2025
- Tuesday 20 May 2025
- Tuesday 19 August 2025
- Thursday 27 November 2025 TBC based on Audit completion

The Committee have requested that future meetings of the Audit & Risk Management Committee are not set on a Friday afternoon, where possible.

### 9 DECLARATION OF CLOSURE

There being no further business, the Presiding Member, Cr A J Mencshelyi, declared the meeting closed at 5:14 pm.

"I certify that the Minutes of the Audit & Risk Management Committee Meeting held on 29 November 2024 have been confirmed as a true and correct record."

residing Member

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