



ANNUAL REPORT 2021-2022



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ABOUT THIS REPORT

Every year the Shire provides vital community services and our Annual Report is where we can highlight our achievements and the progress we've made towards realising the strategic goals identified in our 2021 – 2031 Community Plan.

The Annual Report is one of our key reporting devices providing information to the Community on the work completed in the past financial year. The Report details our operational performance and outlines the achievements and challenges we experience throughout the year.

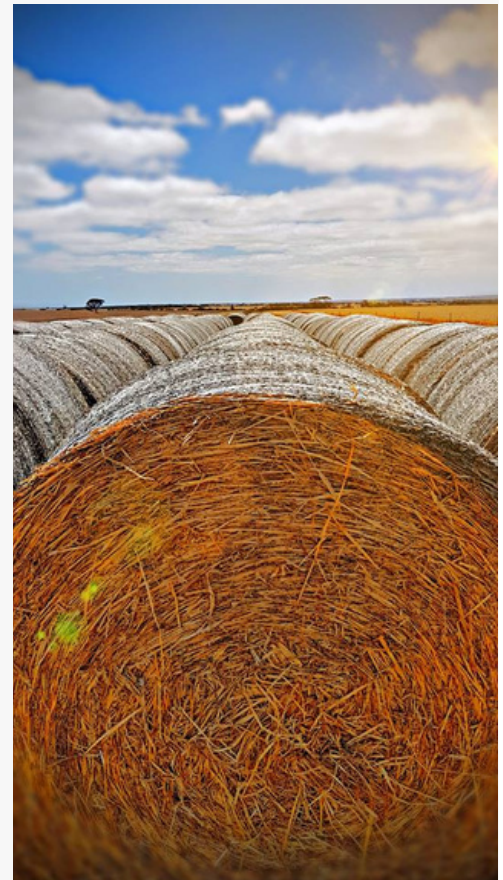
WHERE TO FIND THIS REPORT

Copies can be obtained in hard copy from the Shire Administration Office, Libraries or Online:

<https://www.jerramungup.wa.gov.au>

Email: council@jerramungup.wa.gov.au

Feedback on the report can be provided at the Shire Administration Office or emailed to council@jerramungup.wa.gov.au





ACKNOWLEDGEMENT OF COUNTRY AND INDIGENOUS HISTORY

The Shire of Jerramungup acknowledges the Goreng people who are the Traditional Custodians of the land of the district. We recognise their cultural heritage, beliefs, and continuing relationship with the land, and pay our respects to Elders past and present.

OUR VISION

“Progressive, Prosperous
and a Premium Place
to Live and Visit.”

OUR VALUES

Quality We ensure quality in everything we do

Trust We are trustworthy and act with honesty and integrity at all times

Respect We treat each other, all members of our community and visitors with respect

Unity We are a united team

Aspire We aspire to continuously improve our skills and the services we deliver for our community

OUR HISTORY

The Shire is located within the Great Southern region of Western Australia, 180 kilometres northeast of Albany and 440 kilometres southeast of the state capital, Perth. The Shire covers an area of 6,507 square kilometres and has a population of approximately 1,133. The area is recognised as a strong agricultural region for grain and livestock production, with high biodiversity values, strong tourism potential and various mining prospects. The Shire is recognised internationally for its biodiversity and human interaction with the landscape.

The town of Jerramungup was established in 1953 as a war service settlement area and gazetted in 1957. The Shire of Jerramungup was established as its own local authority on 1 July 1982 having been annexed from the Shire of Gnowangerup.

Although it is only a relatively young municipality, it is rich in history and proud of its heritage.

The town of Bremer Bay is developing rapidly with a growing aquaculture industry and is attracting increasing tourism activity. Bremer's unspoilt coastline invites fishing, beach combing, whale watching, surfing and swimming. Bremer Bay derives its name from the bay on which it is located. The bay is believed to have been named by John Septimus Roe, the Surveyor-General, who visited the area in 1831. The area was originally settled in the 1850s and Bremer Bay was originally named Wellstead in 1951 but locals petitioned to have the town renamed to what it was locally known as, this being Bremer Bay. The change of name was approved by the Minister for Lands and the new name gazetted in 1962.

The area is also synonymous with a unique and picturesque natural environment highlighted by the presence of the Fitzgerald River National Park and the Bremer Canyon. The Fitzgerald River National Park, located east of Jerramungup and Bremer Bay, and easily accessible from both towns, is one of the largest national parks in Australia. It contains 20 per cent of the State's described plant species. The park covers 329,039 hectares and is one of the most diverse botanical regions in the world, featuring more than 1,800 species of plants. The Fitzgerald River National Park (FRNP) forms the core of the Fitzgerald Biosphere, one of Western Australia's two internationally recognised Biosphere Reserves, designated under the UNESCO Man and the Biosphere Program.

The Shire of Jerramungup lies within the Wagyl Kaip region which is acknowledged as being the traditional lands of the Noongar People who since time immemorial have inhabited the lands and are acknowledged to have a continuing living cultural, spiritual, familial and social relationship with Noongar boodja (Noongar earth) and the Shire pays its respect to elders past and present.

SHIRE PRESIDENT REPORT

Cr Joanne Iffla



As President of Jerramungup Shire, and on behalf of my fellow Councillors, I am pleased to present Jerramungup Shire Council's Annual Report for the 2021/22 financial year.

The year 21/22 has seen some changes on Council. The elections in October saw the return of Councillors Julie Leenhouders and myself and we welcomed new Councillor Neil Foreman who replaced retiring Councillor Bill Bailey. Councillor Bailey was first elected in 2004 and served the community for 17 years as a Councillor. He is the longest serving Councillor which is an amazing achievement and shows how dedicated and committed Bill is to this Shire.

Each year the Shire of Jerramungup staff and Council work hard to deliver projects and services and this report reflects another very busy and productive year for Council. While the year presented some challenges, with significant workforce shortages along with escalating construction costs affecting capital projects, this will remain an area of focus in coming years for the Shire and businesses throughout our community. Despite these challenges, Council remains in a strong financial position, and has delivered or significantly progressed the actions in our Strategic Community Plan and capital works program in 2021/22.

The Shire saw the completion of a number of large scale projects in 2021/22 with the highlight being the completion of the \$4.2 million Jerramungup Swimming Pool redevelopment project. The new 25m main pool, toddler pool and facilities look fantastic and will be enjoyed by the community for many years to come.

The Bremer Bay Boat Ramp redevelopment also commenced and I am excited to see this long awaited project progress and look forward to seeing the completed result.

The Drought Communities Funding received from the Australian Government also helped to deliver small and medium projects which generated local employment and positively influenced community sustainability. Funds were allocated to various projects which are detailed further in this report.

As you will see throughout this report, when planning for the Shire's future Council continues to be guided by its Strategic Community Plan. This aspirational plan was created and developed through consultation with the people of the Jerramungup Shire and sets out the visions and priorities of the community and Council. We look forward to continuing to use this document to guide Council's strategic planning over the next 10 years, to the benefit of the Shire and its residents.

As always it has been my privilege to attend various engagements, functions and meetings of the community and volunteer services throughout the past year. I would like to acknowledge and thank my fellow Jerramungup Shire Councillors for their time and dedication to serving the community. On behalf of Council, I would also like to thank Chief Executive Officer Martin Cuthbert for his organisational leadership, and all staff members for their tireless work over the past year.

Most of all, however, I want to thank the Shire community for your unwavering resilience, determination and optimism. We have been honoured to serve you and we look forward to continuing to work together to build a brilliant future for our beautiful region.

A handwritten signature in dark ink, appearing to read 'J. Iffla'.

Cr Joanne Iffla
Shire President

CHIEF EXECUTIVE OFFICER REPORT

Martin Cuthbert



Reflecting on the past 12 months, I am proud to present the 2021/2022 Shire of Jerramungup Annual Report. The Annual Report is a summary of the highlights, challenges, developments and achievements throughout the last financial year. The 2021/22 Financial year was a successful period for the organisation, as we continued our work to deliver on the aims and aspirations of the recently reviewed Strategic Community Plan. With serving the community the highest goal, Council's Elected Members and dedicated employees continued delivering quality programs, projects and services for the people of the Jerramungup Shire.

Highlights of the 2021/2022 year include:

- Completion of the \$4.2 million Jerramungup Swimming Pool redevelopment project;
- Commencement of the \$1.9 million upgrade to the boat ramp and jetty at Fishery Beach Marina in Bremer Bay;
- \$230,000 in administrative and business support services for the medical services provider to ensure the communities in the Shire have access to first class health services;
- \$1.3 million in maintenance of roads, townsite streets, footpaths and traffic signs

Unfortunately 2022 got off to a scary start when extreme weather conditions on 11 February saw lightning spark a string of fires across the Shire causing havoc and spreading volunteer firefighting resources to the extreme.

Around 3pm lightning sparked a blaze close to the Jerramungup townsite which due to the high temperatures and wind quickly escalated and threatened to destroy the town.

Thank you to the many firefighters from Jerramungup and surrounding communities for their quick response and for putting their lives at risk to defend and protect our town. The water bombers and a Large Air Tanker also helped the crews on the ground bring the fire under control a couple of hours later.

Not long after lightning also started a blaze near Dillon Bay in Bremer Bay. With resources stretched thin DFES arrived and assisted with the management of this fire, quickly putting containment lines in place to prevent the fire from spreading. Firefighting brigades were also called in from Albany, Denmark and other surrounding areas with the air bombers once again assisting by fighting the blaze from above.

Managing these sorts of emergencies takes a lot of teamwork with everyone playing an important role in keeping our communities safe. The Shire would like to say a huge thank you to everyone involved in the response to these incidents, in particular the many volunteer and career firefighters, DFES personnel, Western Power, Water Corporation, Parks and Wildlife, St John Ambulance, Jerramungup Police, earthmoving and water carrier contractors and finally the amazing locals who have also stepped up for their community, including cafes, restaurants and businesses.



Shire Events:

It was great to see community events able to be held again after many were forced to be cancelled or postponed in previous years due to COVID-19.

- Australia Day celebrations were held at Roe Park in Jerramungup and the Shire once again received a grant from the National Australia Day Council. This event was well attended and thoroughly enjoyed by the community.
- The Anzac Day Dawn Service was once again hosted by the Shire at the Jerramungup War Memorial, followed by a gunfire breakfast in the Rootpickers Hall.
- The Shire conducted two Citizenship Ceremonies during the year. The first welcomed 6 citizens from the UK, Ireland, England, Germany and South Africa and the second ceremony welcomed 3 citizens from the United Kingdom.
- A Jerramungup History Working Group was formed and consists of representatives from the Shire, Councillors and community members. A History night was held at the Jerramungup Sports Club in March 2022 to collect, collate and share Jerramungup's unique and interesting history.
- The Shire also continued to support a number of community and sporting events through donations and sponsorship.

Local Government Elections

Local Government Elections were held in October 2021. There were three vacancies at the election and we received three nominations. Congratulations to returning Councillors Joanne Iffla and Julie Leenhouders and we welcome new Councillor Neil Foreman. Many thanks to outgoing Councillor Bill Bailey for his time and effort during his 17 year term.

Disaster Recovery Funding Arrangement Western Australia (DRFAWA)

In July 2021 the Shire received significant flood damage on various roads within the Shire. An application was lodged for DRFAWA funding to repair the damaged infrastructure. A tender for the repair works has been awarded to River Hill WA Pty Ltd and works are expected to commence in January 2023. It will take approximately 1 year to repair the damage on these roads.

In conclusion I would like to thank the Administration staff, led by the Executive Management Team for their efforts over the past twelve months. Their support is critical to the ongoing success of our organisation.

I would like to take the opportunity to acknowledge Council for their dedication and support over the past year and I look forward to another busy and exciting year ahead.



Mr Martin Cuthbert
Chief Executive Officer



ELECTED MEMBER INFORMATION



Shire President
Cr Joanne Iffla
Elected: 2008
Term Expires: 2025



Deputy Shire President
Cr Julie Leenhouders
Elected: 2013
Term Expires: 2025



Member
Cr Robert Lester
Elected: 2010
Term Expires: 2023



Member
Cr Rex Parsons
Elected: 2011
Term Expires: 2023



Member
Cr Neil Foreman
Elected: 2021
Term Expires: 2025



Member
Cr Andrew Price
Elected: 2017
Term Expires: 2023



Member
Cr Drew Dawson
Elected: 2019
Term Expires: 2023

Council Meetings:

Council decisions are made by resolution of Council either at Ordinary Council Meetings or at Special Council Meetings. Ordinary Meetings of Council are held on the fourth Wednesday of the month in the Jerramungup Council Chambers or the Bremer Bay Emergency Services Shed. A schedule of Council meeting dates is available on our website and at the Shire Administration office.

All Council meetings are open to the public, except for matters raised by Council under “confidential items”. Community members are encouraged to attend and participate in the meetings.

ELECTED MEMBER INFORMATION

TABLE 1: ATTENDANCE OF ELECTED MEMBERS AT COUNCIL MEETINGS
1 JULY 2021 TO 30 JUNE 2022

Elected Members	Ordinary Council Meeting (11)	Special Council Meeting (1)	Electors Meeting (1)	Apologies	Leave of Absence
Cr Joanne Iffla	11	1	1		
Cr Julie Leenhouders	11	1	1		
Cr Robert Lester	11	1	1		
Cr Rex Parsons	10	1	0	1	1
Cr Andrew Price	9	1	1	1	1
Cr Neil Foreman (elected October 2021)	7	1	1	1	
Cr Drew Dawson	10	1	0	2	
Cr Bill Bailey (retired October 2021)	2				1

TABLE 2: ELECTED MEMBER GENDER AND BACKGROUND INFORMATION
1 JULY 2021 TO 30 JUNE 2022

Elected Members	Gender	Linguistic Background	Country of Birth	Aboriginal or Torres Strait Islander
Cr Joanne Iffla	Female	English	Australia	No
Cr Julie Leenhouders	Female	English	Australia	No
Cr Robert Lester	Male	English	Australia	No
Cr Rex Parsons	Male	English	Australia	No
Cr Andrew Price	Male	English	Australia	No
Cr Neil Foreman (elected October 2021)	Male	English	Australia	No
Cr Drew Dawson	Male	English	Australia	No
Cr Bill Bailey (retired October 2021)	Male	English	Australia	No

TABLE 3: ELECTED MEMBER AGE RANGE

1 JULY 2021 TO 30 JUNE 2022

Age Range	Number
Between 18 years and 24 years	0
Between 25 years and 34 years	0
Between 35 years and 44 years	0
Between 45 years and 54 years	2
Between 55 years and 64 years	3
Over 65 years	3

ELECTED MEMBER TRAINING REGISTER

1 JULY 2021 TO 30 JUNE 2022

Elected Members	Date	Training Course
Cr Joanne Iffla	Nil	Nil
Cr Julie Leenhouders	Nil	Nil
Cr Robert Lester	Nil	Nil
Cr Rex Parsons	Nil	Nil
Cr Andrew Price	31/07/2021	Conflicts of Interest
	31/07/2021	Meeting Procedures
	31/07/2021	Serving on Council
	06/08/2021	Understanding Financial Reports and Budgets
	31/07/2021	Understanding Local Government
Cr Neil Foreman	Nil	Nil
Cr Drew Dawson	Nil	Nil
Cr Bill Bailey (retired October 2021)	Nil	Nil



STRATEGIC COMMUNITY PLAN

2021–2031

STRATEGIC DIRECTION 1: COMMUNITY

- How do we adapt to changes in the way people live?
- How do we ensure fair and equal access to services across the community?
- How do we ensure that people feel valued and part of our community?
- How do we protect, manage and preserve our heritage?

STRATEGIC DIRECTION 2: ECONOMY

- How do we grow our economy sustainably in the jobs of the future?
- How do we improve local technology and communication platforms?
- How do we reduce the number of people leaving the region for work or study opportunities?
- How do we capitalise on our location, assets and people to encourage business investment?
- How do we attract more people to our region and get them to stay longer?

STRATEGIC DIRECTION 3: ENVIRONMENT BUILT

- How do we increase investment in infrastructure from all levels of Government? How do we improve our transport network?

STRATEGIC DIRECTION 4: ENVIRONMENT NATURAL

- How do we sustainably manage the maintenance and renewal of Shire assets?
- How do we reduce energy consumption and increase the use of renewable sources?
- How do we balance providing access to our pristine natural environment while protecting it?
- How do we reduce waste going to landfill and increase reuse and recycling?

STRATEGIC DIRECTION 5: GOVERNANCE AND LEADERSHIP

- How do we balance the differing views and priorities within our community?
- How do we ensure best value for money in everything we do?
- How do we continually improve customer service?
- How do we ensure that leaders and decision makers have the information they need?
- How do we connect with people to explain decisions and the reasons for them?

STRATEGIC DIRECTION 1: COMMUNITY

Deliver programs and services that bring people together and support community health and wellbeing.

The Shire of Jerramungup was delighted to secure Livingston Medical and their highly qualified team of Doctors to take over as the community's Medical Services provider from 21 July 2021.

Dr Livingston and his highly skilled team of health providers have been offering medical services in Western Australia since 2013. Dr Livingston is a specialist Rural Generalist and supervisor of a number of GP Registrars throughout Western Australia through WAGPET and RVTS and is a fellow of the Australian College of Rural and Remote Medicine.

The commencement of Livingston Medical means the Jerramungup and Bremer Bay communities will be provided with permanent, highly quality medical services.

For the second consecutive year the Shire was fortunate to receive a grant from the National Australia Day Council to host the Shire's annual Australia Day event. On 26 January 2022 around 200 people joined celebrations held at Roe Park in Jerramungup where a delicious BBQ breakfast was served by Councillors. A giant water slide, soft serve ice-creams, free coffees and live music kept the crowd entertained before the presentation of the Australia Day awards commenced.

A business case and design has been completed for the replacement of the Medical Centre in Bremer Bay which has reached the end of its useful life. Council continues to lobby the State Government for its replacement and along with the GSDC presented the case to the Health Minister.



Above: Dr Livingston administers the 1,000th COVID-19 vaccine in Jerramungup giving it to none other than Shire CEO Martin Cuthbert

Below: Australia Day 2022 celebrations in Jerramungup



Maintain facilities that connect people and promote an active and healthy lifestyle.

Works on the new 25m main pool, toddler's pool, pump shed with accessories, male/female/accessible toilets, change rooms and first aid room at the Jerramungup pool precinct first began in May 2021. This project reached practical completion, meaning all construction works have been completed and all necessary approvals to operate the facilities have been obtained on 1 July 2022 with the official opening scheduled for September 2022.

The contractor awarded the tender was Marawar (formerly M/Constructions) and Project Management services were provided by H + H Architects with support from the Shire.

The completion of this long awaited project provides residents of Jerramungup and surrounding areas with safe learn to swim facilities to assist with reducing the likelihood of drowning or near drowning incidents. The redevelopment of this facility also encourages a healthy and active community and aligns to supporting economic growth through retaining skilled employees and attracting people and families to live, work and contribute in the region.

This \$4.5 million project was made possible by funding from the Australian Government, Building Better Regions Fund (BBRF), Department of Industry, Science, Energy and Resources through the Drought Communities Programme, Department of Education and the Shire of Jerramungup.

The Shire is pleased to announce that on-site works commenced to replace the existing boat launching facilities at Fishery Beach Bremer Bay on 1 March 2022. The tender for this project was awarded to Neo Civil Pty Ltd with the project consisting of construction of a new 2-lane public boat ramp and a wider finger jetty. This project is made possible through funding received from the Department of Transport Recreational Boating Facility Round 25 grant and The Department of Infrastructure, Transport, Regional Development and Communications.

The current structures have exceeded their intended design life, the jetty does not meet current standards and the ramps are in poor condition with ongoing maintenance requirements.

The predominant benefit of this project is ensuring that Bremer Bay continues to have recreational boat access to its waters. A widened jetty will also provide safer access for the Volunteer Marine Rescue Service and will provide universal access of which the existing facility currently restricts. Bremer Bay's attractiveness as both a destination and as a place to live is largely attributed to the marine environment and a reliable recreational boat launching facility is a fundamental part of this.

Below: The completed redevelopment of the Jerramungup Swimming Pool



Encourage and support volunteers and community groups to grow an active volunteer base.

Australia Day Award Recipients

The 2021 Senior Sports Person award was jointly presented to Kyran Brooks and Rosie Lester. Kyran was nominated by the Jerramungup & District Basketball Association and the Jerramungup Sports Club for his outstanding efforts in basketball and his contributions to the club. He was also the recipient of the Jerramungup Sports Club Senior Sports Star of the Year.

Rosemary Lester was nominated by the Jerramungup Hockey Club and the Jerramungup Sports Club for her amazing efforts in hockey and she was also the recipient of the Jerramungup Sports Club Senior Sports Star of the Year.

The 2021 Junior Sports Person award was presented to Tate Barrett who was nominated by the Jerramungup Football Club and Jerramungup & District Basketball Association for his outstanding success in football and basketball and for also showing great sportsmanship and assisting team mates and sporting clubs wherever possible.

Contributions to Sporting Clubs

Council considered requests from the Shire Sporting Clubs for financial assistance in the 2021/2022 budget to go towards operational costs. Sporting Clubs are struggling to continue to maintain the grounds and facilities without financial assistance from the Shire due to a significant drop in volunteers over the years.

Council supported the request and agreed to an equal annual contribution of \$10,000 to all 3 sporting clubs within the Shire. The contribution is to go towards operational and maintenance costs associated with the grounds and facilities, however the contribution is on a condition that each Sporting Club provide their audited annual financial statements annually and a copy of their Sport and Recreation Plan.

Below: CEO Martin Cuthbert, Kyran Brooks, Rosemary Lester, Deputy Shire President Julie Leenhouders, Tate Barrett



STRATEGIC DIRECTION 2: ECONOMY

Work with the business community to attract investment, create jobs and support small business growth.

Blueback movie

The movie Blueback was filmed in Bremer Bay and parts of the Jerramungup Shire in early 2021, with many of our locals participating in the project as extras, support crews and suppliers of goods and services.

Based on the Tim Winton novel, Blueback, is a coming-of-age story seen through the prism of a child's unlikely bond with a wild blue groper fish, and the passion it sparks for protecting marine life more broadly. It is a story of friendship, family and facing environmental threats head-on, all set in the pristine location of Bremer Bay. It has been an absolute pleasure hosting Rob Connolly and Arenamedia during the production of Blueback. Their passion, dedication and creativity was clearly evident for all to see and they approached their work within our community with the greatest amount of respect and genuinely became part of our community for the time they were here.

Undoubtedly the movie will help put Bremer Bay on the map for a wide audience and provides opportunity to introduce new business opportunities into the region and help grow both the local and regional economy in the future. The wonderful achievement in delivering this movie will demonstrate that large-scale productions can be achieved in the regions and that it is worth investing in rural Western Australia. We would certainly consider welcoming future productions to our Shire.

Building and Development Applications:

There was a continued high demand for new Development Applications and Building Permits within the reporting period and processing those applications and enquiries regarding development proposals has been a major focus over the current and past reporting periods.

A total of 44 Planning approvals issued and 51 Building approvals issued



Use the natural beauty and the heritage of the region to promote the Shire as a great place to visit.

The capacity of the Fisheries Beach Marina is a major constraint for the future of Bremer Bay's aquatic industry expansion. At present fishing boats and whale tour charter boats are fully utilising the available moorings.

Further expansion demand is expected as offshore abalone farming develops and there is a strong likelihood that further entities will be established to capitalise on the Bremer Canyon and its opportunities.

The Department of Transport have completed a Business Case for the proposed development with the Shire of Jerramungup being closely involved as a key stakeholder.

Respect Bremer Bay

The Shire embarked on a Respect Bremer Bay marketing campaign in December 2021 to help raise awareness of the impacts associated with the increased population over the holiday season. The key messages of the campaign were:

- Keep Bremer Bay beautiful for future generations
- Leave your camp site as you found it
- Take your rubbish with you, or put it in the additional bins supplied
- Don't pollute our home (wildlife)
- Respect the built environment, please don't vandalise our town
- Please do not graffiti our public facilities
- Please don't steal the street signs
- Our beautiful community is yours for a short time, treat it like your home
- Don't cut it fine, arrange accommodation in advance and ensure you have a legal campsite

We are pleased to report that damage and vandalism was at a all time low over the 2021/22 holiday period.



Advocate for improved road and communication connectivity to support rural and agricultural businesses and environmental tourism.

The Shire continues to lobby the State Government for much needed improvements to South Coast Highway. The Shire's main concerns with the road are as follows:

- Narrow road width with edge lines only present on small sections of the highway.
- The road has a number of rough sections from Jerramungup to Manypeaks.
- There are significant drop-offs in the drains and embankments.
- Significant volumes of Grain Trucks, Woodchip Trucks, Caravans, Campervans and Passenger Vehicles.
- Trucks drive on the white centreline most of the time due to the road width.
- Two passing trucks will often result in trailers going off the edge of the road further damaging and reducing the edge of the road.
- No passing lanes exist and there are few safe stretches of straight road to safely overtake.
- South Coast Highway is a primary ambulance route servicing patients from Ravensthorpe, Jerramungup and Bremer Bay. The local Ambulance Brigade has expressed concerns about the condition and their ability to safely carry out patient treatment en-route to Albany.

The Shire also continues to work with Department Biodiversity Conservation to lobby the State and Federal Government to seal the road to Point Anne. This will provide significant economic opportunities in Bremer Bay as it will allow tours to be undertaken into the area throughout the year.

At present all businesses which have attempted to leverage this opportunity have been set back by the implications of road closures after rain and the uncertainty as to whether reliable access to the area can be achieved. There has also been heavy criticism from travellers who have had their vehicles damaged or experienced such rough conditions that it has ruined their experience of the park.

To date the section of Swamp Road to Doubtful Islands Road has been sealed along with 5km of internal park roads from the park boundary towards Point Anne. The Shire has also sealed Devils Creek Road which leads to the Fitzgerald River National Park boundary. The day facilities and campsites at Point Anne have had a major upgrade and are a major attraction for local, state and international visitors even more so since the successful UNESCO renomination. Point Anne is one of the best land based whale watching locations in the State.

What is left to do is upgrade a 27km section of gravel road which is in poor, narrow and corrugated condition which requires closure whenever there is rain due to Dieback risk management. Sealing this road will have sound environmental outcomes and provide safer access into and out of the park.

STRATEGIC DIRECTION 3: ENVIRONMENT BUILT

Deliver sustainable long-term planning for the built environment that meets the needs of the community.

Local Road and Community Infrastructure (LRCI) Program

The Shire was fortunate to receive funding from the Federal Government via the Local Roads and Community Infrastructure (LRCI) Program.

The Australian Government's Local Roads and Community Infrastructure (LRCI) Program supports local governments to deliver priority projects to help communities recover from the impacts of COVID-19. Local Road and Community Infrastructure priority projects include the construction, maintenance and/or improvements to council-owned assets (including natural assets) that are generally accessible to the public that deliver benefits to the community, such as improved accessibility, visual amenity and safety benefits.

In 2020 the Shire received \$437,340 in funding under Phase 1 of the program. The LRCI Program Extension Phase 2 was announced in October 2020 with the Shire of Jerramungup receiving an additional funding allocation of \$321,185. Council identified 6 priority projects that would benefit the community and visitors in Phase 2 with details of each project as follows:

1. \$214,677 is allocated towards various Council construction projects.



Above: The mural at the Kokoda Op Shop

2. Park Safety Fencing

This project involves purchasing and erecting safety fencing at the Bremer Bay Skate Park and Jerramungup Roe Park to adhere to compliance requirements.

3. Basketball Facility Upgrades

This project involved removing the existing basketball backboards and poles at Pelican Park in Bremer Bay and Roe Park in Jerramungup which were unsafe and installing new backboards and poles.

4. Dump Point

This project saw a dump point installed at the Lion's Park in Jerramungup. This will enable Recreational Vehicles (RVs) to dispose of their waste, including grey and black water and sewerage in an environmentally safe way.

5. Park Maintenance and Upgrades

This project involved replacing and repairing various playground equipment at Bremer Bay Skate Park and Jerramungup Roe Park to ensure these facilities are well maintained and safe for all users.

6. Mural Painting

This project saw artist Jerome Davenport paint a new mural on the Kokoda Op Shop building located in the Lion's Park Jerramungup. The artwork represents the history of Jerramungup as a soldier settlement town and incorporates Sgt Tom Derrick VC (namesake of Derrick Street) the Australian Army, Air Force, Navy, Nursing and farming.

Phase 3 of the LRCI Program has since been announced with the Shire of Jerramungup set to receive an additional funding allocation of \$874,680. This funding has been allocated to the Fishery Beach boat ramp upgrade.

Design, construct and maintain infrastructure in a manner that maximise its life, capacity and function.

Road reserves are an integral component of the Shire road network, providing space for the road surface, road shoulder and drainage network. In addition to providing a transport service, rural road reserves are an environmental asset, they are often covered with native vegetation providing an attractive, natural space and a habitat for animals.

Finding a balance of developing and maintaining road infrastructure while maintaining the natural environment has been problematic at times and has led to the Shire investing heavily in training and environmental assessments over the past 5 years.

The 2021/22 construction program saw upgrade works undertaken on the following roads;

- Sealing, pavement repairs and shoulder reinstatement works carried out on Devils Creek Road, Swamp Road, Border Boxwood Road, Swarbrick Road, Bremer Bay Road, Moorshead Street, Newton Street and Java Sea Road;
- Complete formation widening upgrades, gravel resheeting and drainage works will be carried out on Jerramungup North Road, Brook Road, Meechi Road, Cowalellup Road, Cuiss Road, Rabbit Proof Fence Road, Swamp Road, O'Dea Road-via Bremer Bay and Ocomup Road-via Bremer Bay;
- Footpath maintenance and kerbing in Jerramungup and Bremer Bay.

Advocate for strategic projects that will benefit residents, workers and visitors to the Shire.

The City of Albany, Shire of Denmark, Shire of Plantagenet and Shire of Jerramungup continued to work together through the South Coast Alliance focusing on economic development and future prosperity. The four local governments continued to collaborate on initiatives to improve the economic prosperity and wellbeing of their communities.

The South Coast Alliance is focused on three pillars to deliver economic advantage to the sub-region:

- Advocacy
- Economic Development and Tourism
- Efficiency and Consistency

The 'guiding principles' for the Alliance include:

- Always ask, 'can we do this better together?'
- Exercise 'co-opetition' - co-operate to compete with the rest of the world, not each other or our neighbours in the wider region or State
- Respect our differences and refrain from involvement in each other's governance
- Only act where there is a clear, net benefit, and no harm or undue risk
- Be open and transparent to our communities.

Membership of the Alliance provides greater political weight to the Shire's effort's at advocacy for various regional matters such as improvements to South Coast Highway, sealing of the road to Point Anne and better health services. There may be greater economic gains as well through joining future waste management solutions, joint tourism promotion and coordinated responses to future economic opportunities.

Lastly, working with larger local governments provides support for staff, additional resources and opportunities for collaboration between administrations leading to efficiencies.

STRATEGIC DIRECTION 4: ENVIRONMENT NATURAL

Support and promote the conservation values and the unique attractions in the Shire.

In April 2022 Council agreed to accept an invitation to become a member of the Great Southern Treasures.

The Great Southern Treasures is a collective of member local governments working under an MoU with a resourced Executive Officer and was established in 2004. One of the key premises in the Marketing Strategy of the GST is to develop a series of interconnected attractions that create a 'loop' across the region and both Jerramungup and Bremer Bay are integral to being able to achieve that objective



Deliver a sustainable and progressive approach to natural resource and waste management.

- The Shire is a member of the South Coast Waste Alliance who meet to explore options of waste management into the future.
- \$73,000 Boxwood Hill Community Dam Catchment Upgrades. This project involved grading and forming the existing gravel pit, reshaping Circuit Road and other associated works. This project was funded by the Department of Water and Environmental Regulation.

The Shire completed its annual Bushfire Mitigation works in compliance with its adopted Bushfire Risk Management Plan. A total of 23 treatments were undertaken in 2021/22 totalling \$135,496 which was funded through the Department of Fire and Emergency Services MAF Grants Program 21/22 Round 1.

STRATEGIC DIRECTION 5: GOVERNANCE AND LEADERSHIP

Work cohesively with groups from across the community to improve engagement and to promote community participation.

Native Title – South West Settlement:

The State of Western Australia has committed to allocating up to 320,000 hectares of Crown land to the Noongar People to create the Noongar Land Estate, in accordance with the six registered Indigenous Land Use Agreements (ILUA) for the South West Native Title Settlement (the Settlement).

Confirmation has been received from the Department of Planning, Lands and Heritage that the six ILUAs comprising the Settlement were conclusively registered on 27 January 2021. Since that time, the South West Settlement Team have commenced the process to transfer land assets for the establishment of the Noongar Land Estate (NLE). Over the next 5 years of Implementation, the Project Team will continue the work required to establish the NLE in accordance with the Noongar Land Base Strategy. This will necessitate ongoing consultation with key stakeholders, which includes the Shire, in relation to land that is potentially suitable for inclusion into the NLE.

The Shire has formally acknowledged the progress of the South West Settlement and has provided responses on a range of land parcels identified for possible transfer to the NLE within the reporting period.



Provide informed and transparent decision making that meets out legal obligation and the needs of our diverse community.

The Shire is committed to updating, developing and implementing framework which guides Council in identifying community needs and aspirations over the long term. The following plans and policies have been updated in 2021/2022 to enable forward planning to better support our community in times of need and foster better community preparedness.

- Review and adoption of Corporate Business Plan 2021-2025
- Adoption of the Elected Member Continuing Professional Development Policy
- Adoption of the Electronic Variable Message Board Policy
- Full review of 11 Finance Policies
- Shire of Jerramungup Record Keeping Plan 2021 review
- Adoption of the Communications and Social Media Policy

Implement systems and processes that meet our legal and audit obligations.

Information Statement

The Shire of Jerramungup's Information Statement was reviewed and adopted in November 2021 as per the requirements of the Freedom of Information Act 1992, with a copy forwarded to the Commissioner. The Shire is required to submit a statistical return annually, reporting any access applications and allowing the Office of the Information Commissioner to be appraised of where the Shire stands in relation to its obligations under sections 94 through to 97 of the Freedom of Information Act 1992.

Environmental Health

The Shire engages the services of the City of Albany Environmental Health Unit to deliver its responsibilities in respect to public health education, enforcement and compliance across various areas of the health discipline and fulfilled statutory obligations pursuant to various legislation.

Asset Management

Budget preparation for annual asset maintenance and replacement is completed each year.

Major asset upgrades completed during the reporting period included replacement of floor coverings and air-conditioning units in the Bremer Bay Community Resource Centre and new carpets in the Bremer Bay Day Care Building. New carpet and air conditioning were also installed in one of the Jerramungup Community Resource Centre meeting rooms.

STATUTORY STATEMENTS

Record Keeping Policy

The Shire of Jerramungup and all of its employees are committed to efficient and compliant record keeping practices. Internal review and training strategies have been developed and implemented to ensure that all are aware of their compliance responsibilities and that the Information Management System is operating in accordance with the Shire's 2019 Record Keeping Plan.

As part of staff induction, the role and responsibilities of every employee, in relation to compliance with the record-keeping plan, are addressed. Ongoing training sessions are conducted where appropriate and additional training is provided to ensure the operation of our Information Management System is effective and compliant.

The Shire's Record Keeping Plan was reviewed by Executive Staff and adopted by Council in July 2021 as per the State Records Act 2000 requirements and was submitted to the State Records Office.

Employee Information

The number of employees of the Local Government entitled to an annual salary of \$130,000 or more is 1.

There was no remuneration and allowances paid by the Local Government under Schedule 5.1 clause 9 during the financial year.

There was no amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the Local Government during the financial year.

The remuneration paid or provided to the Chief Executive Officer during the financial year;

The Shire of Jerramungup is classified as a Band 4 Shire with a Total Reward Package for the Chief Executive Officer to be between \$131,423 - \$206,141.

The Shire of Jerramungup, Chief Executive Officer was paid a Total Reward Package of \$198,134 in the 2021/2022 financial year.

The Total Reward Package is comprised of Base Salary, Association Membership Fees, Personal Benefit value of Motor Vehicle, Fringe Benefits Tax, Clothing Allowance, Superannuation and Utilities.

Employee Remuneration Over \$100,000

Set out below, in bands of \$10,000 is the number of Shire employees entitled to an annual salary of \$130,000 or more.

Salary Range	Number
\$130,001—\$140,000	0
\$160,001—\$170,000	1

Significance of Federal Government Financial Assistance Grants

The Shire received \$1,879,673 in Financial Assistance Grants in 2021/2022 which contributes to annual maintenance of the communities infrastructure and general operations of the local government.

Register of Financial Interests for Elected Members and Senior Staff

In accordance with the requirements of the Local Government Act 1995, this register is held in the Administration office and is available for viewing by the public.

Disability Access and Inclusion Plan

The Shire of Jerramungup Disability Access and Inclusion Plan was reviewed in 2019. The purpose of the DAIP is to set out strategies that a local government will undertake to ensure that people with disability can access its services, and that the services provided will facilitate increased independence, opportunities and inclusion for people with disability in the community.

The Disability Access and Inclusion Plan 2019-2024 will continue to guide the Shire's efforts to make the Shire of Jerramungup community a more friendly and inclusive place for people with disabilities and has resulted in a number of improvements being made throughout the Shire. As our community infrastructure develops we will continue to design for disabled access.

Public Interest Disclosure

In accordance with the requirements of the Public Interest Disclosure Act 2003, the Shire of Jerramungup has established procedures to facilitate the making of disclosures under the Act. These procedures set out the processes in place in respect to protected disclosures generally, to protect people from reprisal for making protected disclosures, and to provide guidance on investigations. No disclosures relating to improper conduct were made to the Shire during the 2021/2022 financial year, therefore no disclosures were referred to the ombudsman.

Freedom of Information Act 1992

The Shire of Jerramungup is subject to the provisions of the Freedom of Information Act 1992, which gives individuals and organisations a general right of access to information held by the Shire. The Act also provides the right of appeal in relation to decisions made by the Shire to refuse access to information applied for under the Act. The Shire received no requests for information during 2021/2022.

Sewerage Scheme and Customer Service Charter

This charter sets out the broad philosophy of the Shire in supplying sewerage services to the Jerramungup town site in accordance with the License issued to the Shire by the Economic Regulation Authority under the Water Services Licensing Act 1995. Copies of the charter are available at the Shire of Jerramungup administration office.

The charter informs the customers of the Shire of their rights in accordance with the provisions of the license, including service interruptions, levels of service and complaints procedures. The Shire will provide its sewerage services in a manner that is fair, courteous and, timely with a focus on consultation with our customers, respecting their rights, and meeting their reasonable expectations.



Register of Minor Complaints

Section 5.121 of the Local Government Act 1995 (Register of Certain Complaints of Minor Breaches) requires the Complaints Officer for each local government to maintain a Register of Complaints which records all complaints that result in action under Section 5.110(6) (b) or (c) of the Act (Conduct of Certain Officials).

Section 5.53 (2) (hb) of the Local Government Act 1995 requires disclosure in the Annual Report of details of entries made under Section 5.121 during the financial year in the Register of Complaints, including:

1. The number of complaints recorded in the register of complaints;
2. How the recorded complaint was dealt with; and
3. Any other details that the Regulations may require.

In accordance with these requirements, it is advised that no complaints or minor breaches under the Local Government Act 1995 were received during 2021-2022.

Competition Reform

National Competition Policy (NCP) is designed to enhance the efficiency and effectiveness of public sector agencies and lead to more efficient use of all economic resources. There are a number of specific requirements placed on Local Government in the areas of competitive neutrality, legislation review and structural reform.

Each Local Government is required to report its progress in achieving NCP reforms in its annual report.

Competitive Neutrality

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

Competitive neutrality should apply to all business activities, which generate a user-pays income of over \$200,000, unless it can be shown it is not in the public interest.

A public benefit test is used to determine if competitive neutrality is in the public interest.

This involves assessing the benefits of implementing competitive neutrality against the costs. If the benefits exceed the costs, competitive neutrality should be implemented.

Annual Reports must show that a public benefit test has been conducted for all significant business activities. They should also provide information on how a decision was reached to implement or not implement competitive neutrality in each case.

If competitive neutrality has been found to be in the public interest, the Annual Report must show the schedule for implementing it over the coming year.

As the Shire of Jerramungup does not have any 'Significant Business Activities' with an annual user-pays income exceeding \$200,000 pa this negates further action or reporting obligation.





Legislation Review

All Local Governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome.

There are specific reporting requirements which must be included in the Annual Report, including:

A statement of which local laws have been reviewed, the conclusions of those reviews, and an implementation schedule for any resultant recommendations;

Council did not undertake a review of any Local Laws during the 2021-2022 year.

Structural Reform

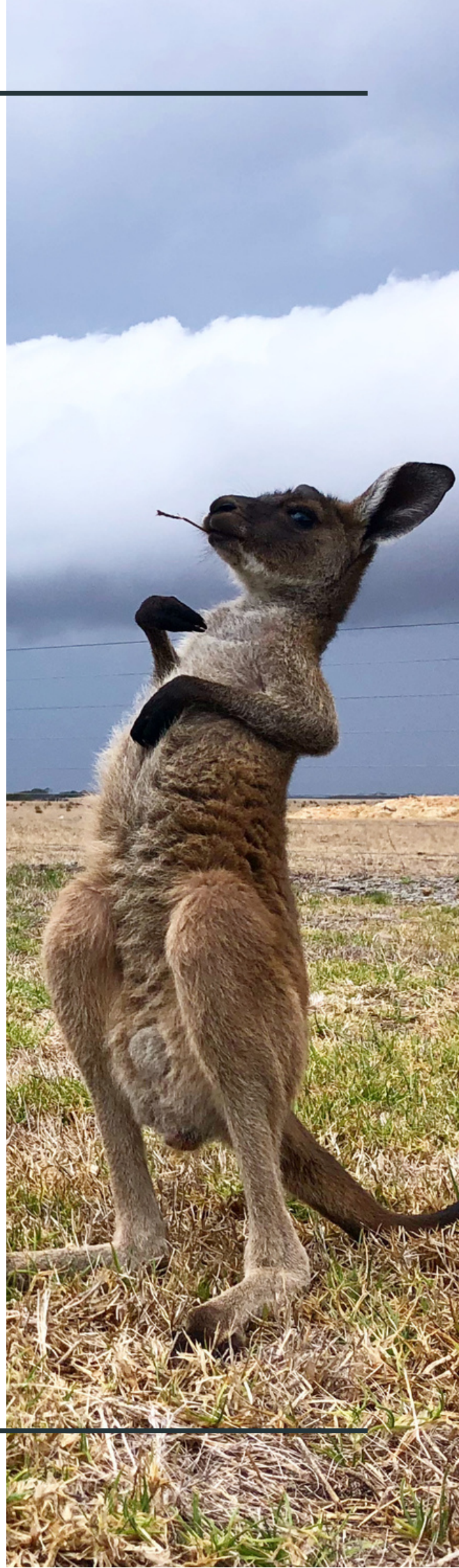
Before Local Governments privatise a monopoly business activity or introduce competition into a sector dominated by a monopoly or near monopoly, the regulatory and commercial activities must be separated and a review undertaken.

Where applicable, all Local Governments in Australia must report their adherence to structural reform principles. At present, this requirement has a very limited impact on Local Government in Western Australia, and most will not need to provide this information.

AUDIT REPORTS AND FINANCIAL STATEMENTS

The following pages contain the Shire of Jerramungup annual audit report and financial report. The Statements have been prepared in accordance with the Local Government Act 1995 and Local Government Financial Management Regulations 1996 for the 2021/2022 financial year.

These statements provide an insight into the financial position of the Shire of Jerramungup and are audited by Lincolns Accountants and Business Advisors. Clarification and further information on the annual financial statements can be obtained by contacting the Deputy Chief Executive Officer at dceo@jerramungup.wa.gov.au.



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

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

Progressive, Prosperous and a Premium Place to Live and Visit

Principal place of business:
8 Vasey Street
Jerramungup WA 6337

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

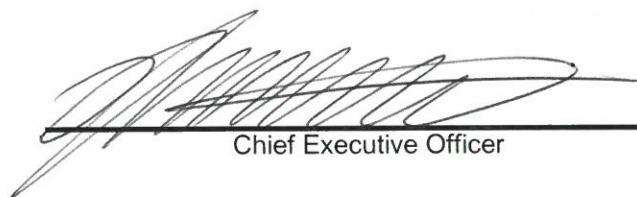
The attached financial report of the Shire of Jerramungup for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Jerramungup at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

8th

day of *DECEMBER*

2022



Chief Executive Officer

Martin Cuthbert

Name of Chief Executive Officer



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

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	25(a),2(a)	3,515,613	3,507,055	3,415,372
Operating grants, subsidies and contributions	2(a)	2,395,438	1,237,282	1,860,067
Fees and charges	24(c),2(a)	831,360	778,043	842,450
Interest earnings	2(a)	27,906	34,500	33,413
Other revenue	2(a)	443,364	186,500	347,836
		7,213,681	5,743,380	6,499,138
Expenses				
Employee costs		(1,962,115)	(2,304,448)	(2,000,498)
Materials and contracts		(2,337,754)	(2,811,438)	(1,662,550)
Utility charges		(199,003)	(192,173)	(185,075)
Depreciation	9(a)	(2,130,749)	(2,119,223)	(2,154,629)
Finance costs	2(b)	(21,962)	(26,260)	(28,439)
Insurance		(263,645)	(252,810)	(246,272)
Other expenditure	2(b)	(369,370)	(153,981)	(357,995)
		(7,284,598)	(7,860,333)	(6,635,458)
		(70,917)	(2,116,953)	(136,320)
Capital grants, subsidies and contributions	2(a)	4,302,456	6,452,594	2,555,588
Profit on asset disposals	9(b)	7,711	4,212	18,515
Loss on asset disposals	9(b)	0	(9,063)	(20,436)
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	1,939
		4,313,165	6,447,743	2,555,606
Net result for the period	24(b)	4,242,248	4,330,790	2,419,286
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	1,535,133	0	0
Total other comprehensive income for the period	16	1,535,133	0	0
Total comprehensive income for the period		5,777,381	4,330,790	2,419,286

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



SHIRE OF JERRAMUNGUP
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	3,488,896	5,065,723
Trade and other receivables	5	668,545	1,100,434
Inventories	6	32,315	14,666
TOTAL CURRENT ASSETS		4,189,756	6,180,823
NON-CURRENT ASSETS			
Other financial assets	4(b)	58,353	55,355
Property, plant and equipment	7	26,159,064	25,478,603
Infrastructure	8	224,479,039	219,018,585
Right-of-use assets	10(a)	15,912	30,578
TOTAL NON-CURRENT ASSETS		250,712,368	244,583,121
TOTAL ASSETS		254,902,124	250,763,944
CURRENT LIABILITIES			
Trade and other payables	11	507,517	503,580
Other liabilities	12	326,216	2,059,332
Lease liabilities	10(b)	15,100	14,789
Borrowings	13	183,273	177,355
Employee related provisions	14	451,042	402,392
TOTAL CURRENT LIABILITIES		1,483,148	3,157,448
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	1,272	16,372
Borrowings	13	553,794	737,067
Employee related provisions	14	45,988	24,413
Other provisions	15	233,942	22,045
TOTAL NON-CURRENT LIABILITIES		834,996	799,897
TOTAL LIABILITIES		2,318,144	3,957,345
NET ASSETS		252,583,980	246,806,599
EQUITY			
Retained surplus		63,973,625	59,729,775
Reserve accounts	28	1,658,234	1,659,836
Revaluation surplus	16	186,952,121	185,416,988
TOTAL EQUITY		252,583,980	246,806,599

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		56,751,066	2,219,259	185,416,988	244,387,313
Comprehensive income for the period					
Net result for the period		2,419,286	0	0	2,419,286
Total comprehensive income for the period		2,419,286	0	0	2,419,286
Transfers from reserves	28	788,629	(788,629)	0	0
Transfers to reserves	28	(229,206)	229,206	0	0
Balance as at 30 June 2021		59,729,775	1,659,836	185,416,988	246,806,599
Comprehensive income for the period					
Net result for the period		4,242,248	0	0	4,242,248
Other comprehensive income for the period	16	0	0	1,535,133	1,535,133
Total comprehensive income for the period		4,242,248	0	1,535,133	5,777,381
Transfers from reserves	28	251,648	(251,648)	0	0
Transfers to reserves	28	(250,046)	250,046	0	0
Balance as at 30 June 2022		63,973,625	1,658,234	186,952,121	252,583,980

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		3,509,811	3,507,055	3,403,544
Operating grants, subsidies and contributions		2,680,976	552,647	2,254,669
Fees and charges		834,484	78,043	840,988
Interest received		27,906	34,500	33,413
Goods and services tax received		697,876	84,660	617,472
Other revenue		443,364	186,500	347,836
		8,194,417	4,443,405	7,497,922
Payments				
Employee costs		(1,873,347)	(2,304,448)	(2,000,648)
Materials and contracts		(2,375,927)	(2,941,438)	(1,313,014)
Utility charges		(199,003)	(192,173)	(185,075)
Finance costs		(21,962)	(26,260)	(28,439)
Insurance paid		(263,645)	(252,810)	(246,272)
Goods and services tax paid		(758,718)	(343,666)	(602,405)
Other expenditure		(367,573)	(153,981)	(357,995)
		(5,860,175)	(6,214,776)	(4,733,848)
Net cash provided by (used in) operating activities	17(b)	2,334,242	(1,771,371)	2,764,074
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	7(a)	(85,183)	(708,850)	(1,843,080)
Payments for construction of infrastructure	8(a)	(6,658,545)	(8,070,951)	(3,081,710)
Non-operating grants, subsidies and contributions		2,995,229	6,452,594	2,555,588
Proceeds from sale of property, plant & equipment	9(b)	29,574	259,000	209,545
Net cash provided by (used in) investing activities		(3,718,925)	(2,068,207)	(2,159,657)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	27(a)	(177,355)	(209,435)	(196,748)
Payments for principal portion of lease liabilities	27(c)	(14,789)	(14,789)	(14,486)
Proceeds from new borrowings	27(a)	0	465,000	0
Net cash provided by (used in) financing activities		(192,144)	240,776	(211,234)
Net increase (decrease) in cash held		(1,576,827)	(3,598,802)	393,183
Cash at beginning of year		5,065,723	5,065,723	4,672,540
Cash and cash equivalents at the end of the year	17(a)	3,488,896	1,466,921	5,065,723

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

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

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	26(b)	1,631,746	1,634,389	1,409,657
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	25(b)	53,472	53,472	52,100
Operating grants, subsidies and contributions		2,395,438	1,237,282	1,860,067
Fees and charges		831,360	778,043	842,450
Interest earnings		27,906	34,500	33,413
Other revenue		443,364	186,500	347,836
Profit on asset disposals	9(b)	7,711	4,212	18,515
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	1,939
		3,762,249	2,294,009	3,156,320
Expenditure from operating activities				
Employee costs		(1,962,115)	(2,304,448)	(2,000,498)
Materials and contracts		(2,337,754)	(2,811,438)	(1,662,550)
Utility charges		(199,003)	(192,173)	(185,075)
Depreciation		(2,130,749)	(2,119,223)	(2,154,629)
Finance costs		(21,962)	(26,260)	(28,439)
Insurance		(263,645)	(252,810)	(246,272)
Other expenditure		(369,370)	(153,981)	(357,995)
Loss on asset disposals	9(b)	0	(9,063)	(20,436)
		(7,284,598)	(7,869,396)	(6,655,894)
Non-cash amounts excluded from operating activities	26(a)	2,343,627	2,124,074	2,169,859
Amount attributable to operating activities		(1,178,722)	(3,451,313)	(1,329,715)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		4,302,456	6,452,594	2,555,588
Proceeds from disposal of assets	9(b)	29,574	259,000	209,545
Purchase of property, plant and equipment	7(a)	(85,183)	(708,850)	(1,843,080)
Purchase and construction of infrastructure	8(a)	(6,658,545)	(8,070,951)	(3,081,710)
		(2,411,698)	(2,068,207)	(2,159,657)
Amount attributable to investing activities		(2,411,698)	(2,068,207)	(2,159,657)
FINANCING ACTIVITIES				
Repayment of borrowings	27(a)	(177,355)	(209,435)	(196,748)
Proceeds from borrowings	27(a)	0	465,000	0
Payments for principal portion of lease liabilities	27(c)	(14,789)	(14,789)	(14,486)
Transfers to reserves (restricted assets)	28	(250,046)	(249,085)	(229,206)
Transfers from reserves (restricted assets)	28	251,648	442,000	788,629
Amount attributable to financing activities		(190,542)	433,691	348,189
Surplus/(deficit) before imposition of general rates		(2,149,216)	(3,451,440)	(1,731,526)
Total amount raised from general rates	25(a)	3,462,141	3,453,583	3,363,272
Surplus/(deficit) after imposition of general rates	26(b)	1,312,925	2,143	1,631,746

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

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

1. BASIS OF PREPARATION

Basis of preparation

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

Local Government Act 1995 requirements

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

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

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

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 28 of the financial report.

Judgements and estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation uncertainties made in relation to lease accounting

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Operating grants, subsidies and contributions with customers	Community events, services and minor facilities	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project is not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Fees and charges - waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	On payment
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 - Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled	On entry or at conclusion of hire
Fees and charges for other goods and services	Cemetery services, water sampling, reinstatements and private works. Liquor permits, camping fees, standpipe water. Rent.	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Fees and charges - sale of stock	Gravel, mulch and scrap metal.	Single point in time	Single point of time	None	Output method based on goods sold
Fees and charges - pool membership and entry fees	Use of swimming pool	Single point in time	Single point of time	None	On payment for key or on entry to facility
Other Revenue - reimbursements	Insurance claims and utility reimbursements	Single point in time	Payment in arrears for claimable event. Reimbursement when utilities are paid.	None	When claim is agreed When reimbursement is received.
Other revenue - private works	Contracted private works	Single point in time	After obligations met	None	Output method based on works done

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

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

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

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

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	3,462,141	53,472	3,515,613
Operating grants, subsidies and contributions	344,283	0	0	2,051,155	2,395,438
Fees and charges	751,614	0	62,897	16,849	831,360
Interest earnings	0	0	23,048	4,858	27,906
Other revenue	401,776	0	0	41,588	443,364
Non-operating grants, subsidies and contributions	0	4,302,456	0	0	4,302,456
Total	1,497,673	4,302,456	3,548,086	2,167,922	11,516,137

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	3,363,272	52,100	3,415,372
Operating grants, subsidies and contributions	283,144	0	0	1,576,923	1,860,067
Fees and charges	794,744	0	47,706	0	842,450
Interest earnings	0	0	21,457	11,956	33,413
Other revenue	236,055	0	0	111,781	347,836
Non-operating grants, subsidies and contributions	0	2,555,588	0	0	2,555,588
Total	1,313,943	2,555,588	3,432,435	1,752,760	9,054,726

Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings			
Interest on reserve funds	2,614	1,654	3,514
Rates instalment and penalty interest (refer Note 25(d))	23,048	21,000	21,457
Other interest earnings	2,244	11,846	8,442
	27,906	34,500	33,413
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report	30,600	32,000	30,000
- Other services - Audit grant funds	8,250	5,000	2,100
- Other services - Financial Management Review	0	0	10,000
	38,850	37,000	42,100
Finance costs			
Borrowings 27(a)	21,454	25,447	27,626
Lease liabilities 27(c)	508	813	813
	21,962	26,260	28,439
Other expenditure			
Impairment losses on rates receivables	1,327	0	0
Impairment losses on receivables from contracts with customers	1,797	0	1,462
Waste grant (Payments to Other Shires)	166,872	0	207,044
Sundry expenses	199,374	153,981	149,489
	369,370	153,981	357,995

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

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Total cash and cash equivalents

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

Note	2022	2021
	\$	\$
	3,488,896	5,065,723
17(a)	3,488,896	5,065,723
	1,795,194	1,322,307
17(a)	1,693,702	3,743,416
	3,488,896	5,065,723

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

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

4. OTHER FINANCIAL ASSETS

(b) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

2022	2021
\$	\$
58,353	55,355
58,353	55,355
58,353	55,355
58,353	55,355

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 23 (i)) due to the observable market rates.

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

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

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

5. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for credit losses of trade and other receivables	
Allowance for credit losses of rates receivables	
Accrued Income	

Note	2022 \$	2021 \$
	104,689	92,969
	451,324	910,806
	116,951	56,109
22(b)	(3,259)	(1,462)
22(b)	(1,327)	0
	167	42,012
	668,545	1,100,434

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Impairment and risk exposure

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

Classification and subsequent measurement

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

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

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

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

6. INVENTORIES

	Note	2022 \$	2021 \$
Current			
Fuel and materials		32,315	14,666
		<u>32,315</u>	<u>14,666</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	14,666	30,458
Inventories expensed during the year	(254,550)	(211,822)
Additions to inventory	272,199	196,030
Balance at end of year	<u>32,315</u>	<u>14,666</u>

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

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

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

Note	Land \$	Buildings - non- specialised \$	Buildings - specialised \$	Total land and buildings \$	Furniture and equipment \$	Plant and equipment \$	Total property, plant and equipment \$
Balance at 1 July 2020	737,213	9,275,642	11,765,678	21,778,533	12,281	3,037,290	24,828,104
Additions	0	799,306	429,679	1,228,985	30,995	583,100	1,843,080
Disposals	0	0	0	0	0	(211,466)	(211,466)
Depreciation	0	(253,226)	(361,828)	(615,054)	(3,755)	(362,306)	(981,115)
Balance at 30 June 2021	737,213	9,821,722	11,833,529	22,392,464	39,521	3,046,618	25,478,603
Comprises:							
Gross balance amount at 30 June 2021	737,213	10,615,485	13,158,098	24,510,796	44,195	3,624,628	28,179,619
Accumulated depreciation at 30 June 2021	0	(793,763)	(1,324,569)	(2,118,332)	(4,674)	(578,010)	(2,701,016)
Balance at 30 June 2021	737,213	9,821,722	11,833,529	22,392,464	39,521	3,046,618	25,478,603
Additions	0	11,053	24,300	35,353	0	49,830	85,183
Disposals	0	0	0	0	0	(21,863)	(21,863)
Revaluation increments / (decrements) transferred to revaluation surplus	(94,213)	96,280	1,533,066	1,535,133	0	0	1,535,133
Depreciation	0	(264,653)	(372,113)	(636,766)	(4,019)	(277,207)	(917,992)
Balance at 30 June 2022	643,000	9,664,402	13,018,782	23,326,184	35,502	2,797,378	26,159,064
Comprises:							
Gross balance amount at 30 June 2022	643,000	9,664,402	13,018,782	23,326,184	44,195	3,644,458	27,014,837
Accumulated depreciation at 30 June 2022	0	0	0	0	(8,693)	(847,080)	(855,773)
Balance at 30 June 2022	643,000	9,664,402	13,018,782	23,326,184	35,502	2,797,378	26,159,064

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	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 valuation	June 2022	Using market value
Buildings - non-specialised		2	Market approach using recent observable market data for similar properties	Independent valuation	June 2022	Using market value
Buildings - specialised		3	Market approach using recent observable market data for similar properties	Independent valuation	June 2022	Using cost value

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

(ii) Cost

Furniture and equipment	2	Cost	June 2019	Cost
Plant and equipment	2	Cost	June 2019	Cost

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

8. INFRASTRUCTURE

(a) Movements in Balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Note	Infrastructure - roads	Foothpaths	Parks & Ovals	Drainage	Sewerage	Aerodromes	Other infrastructure	Landfill - Assets	Leasehold Improvements	Total Infrastructure
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020		172,132,524	2,055,351	5,342,562	33,978,526	1,477,289	741,727	1,367,744	0	0	217,095,723
Additions		2,178,280	0	19,816	0	0	0	883,614	0	0	3,081,710
Depreciation		(570,014)	(37,100)	(128,971)	(339,827)	(26,315)	(22,909)	(33,712)	0	0	(1,158,848)
Balance at 30 June 2021	9(a)	173,740,790	2,018,251	5,233,407	33,638,699	1,450,974	718,818	2,217,646	0	0	219,018,585
Comprises:											
Gross balance at 30 June 2021		175,542,813	2,129,552	5,608,027	34,657,982	1,529,918	787,546	2,302,005	0	0	222,557,843
Accumulated depreciation at 30 June 2021		(1,802,023)	(111,301)	(374,620)	(1,019,283)	(78,944)	(68,728)	(84,359)	0	0	(3,539,258)
Balance at 30 June 2021		173,740,790	2,018,251	5,233,407	33,638,699	1,450,974	718,818	2,217,646	0	0	219,018,585
Additions		1,507,600	0	104,549	0	0	0	1,300,751	216,126	3,529,519	6,658,545
Depreciation	9(a)	(575,279)	(37,100)	(129,857)	(339,827)	(26,315)	(22,909)	(37,987)	(28,817)	0	(1,198,091)
Transfers		0	0	0	0	0	0	(701,025)	0	701,025	0
Balance at 30 June 2022		174,673,111	1,981,151	5,208,099	33,298,872	1,424,659	695,909	2,779,385	187,309	4,230,544	224,479,039
Comprises:											
Gross balance at 30 June 2022		177,050,413	2,129,552	5,712,576	34,657,982	1,529,918	787,546	2,901,731	216,126	4,230,544	229,216,388
Accumulated depreciation at 30 June 2022		(2,377,302)	(148,401)	(504,477)	(1,359,110)	(105,259)	(91,637)	(122,346)	(28,817)	0	(4,737,349)
Balance at 30 June 2022		174,673,111	1,981,151	5,208,099	33,298,872	1,424,659	695,909	2,779,385	187,309	4,230,544	224,479,039

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

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value		Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	3			Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments. Used RAMM software to calculate.
				Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments. Used RAMM software to calculate.
				Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Parks & Ovals	3			Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments. Used RAMM software to calculate.
Drainage	3			Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments. Used RAMM software to calculate.
Sewerage	3			Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Aerodromes	3			Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Other infrastructure	3			Cost approach using depreciated replacement cost	Independent valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Landfill - Assets	3			Cost approach	Management valuation	June 2021	Construction costs

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

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

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

9. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non-specialised	7(a)	264,653	200,000	253,226
Buildings - specialised	7(a)	372,113	424,913	361,828
Furniture and equipment	7(a)	4,019	3,635	3,755
Plant and equipment	7(a)	277,207	312,009	362,306
Infrastructure - roads	8(a)	575,279	575,278	570,014
Footpaths	8(a)	37,100	37,100	37,100
Parks & Ovals	8(a)	129,857	128,969	128,971
Drainage	8(a)	339,827	339,827	339,827
Sewerage	8(a)	26,315	26,315	26,315
Aerodromes	8(a)	22,909	22,909	22,909
Other infrastructure	8(a)	37,987	33,602	33,712
Landfill - Assets	8(a)	28,817	0	0
Right-of-use assets - furniture and equipment	10(a)	14,666	14,666	14,666
		2,130,749	2,119,223	2,154,629

Revision of useful lives of plant and equipment

Management reviewed useful lives and used new depreciation rates for plant in 21/22. Useful lives are based on adopted policy and the Long Term Financial Plan and are adjusted to reflect the current condition of plant.

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	15 to 75 years
Furniture and Equipment	3 to 20 years
Plant and Equipment	2 to 25 years
Infrastructure Roads	
Clearing and Formation	not depreciated
Pavement	70-120 years
Bitumen seal	20 years
Asphalt seal	15-20 years
Other Infrastructure - Footpaths	30 to 80 years
Other Infrastructure - Drainage	20 to 80 years
Other Infrastructure - Parks and Ovals	5 to 50 years
Other Infrastructure - Sewerage	60 to 70 years
Other Infrastructure - Aerodromes	20 to 40 years
Other Infrastructure - Other	5 to 70 years
Other Infrastructure - Landfill assets	30 years
Right of use(plant and equipment)	Based on the remaining lease

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

9. FIXED ASSETS (Continued)

(b) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	21,863	29,574	7,711	0	263,851	259,000	4,212	(9,063)	211,466	209,545	18,515	(20,436)
	21,863	29,574	7,711	0	263,851	259,000	4,212	(9,063)	211,466	209,545	18,515	(20,436)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Transport				
A901 Ranger Ute	21,863	29,574	7,711	0
	21,863	29,574	7,711	0

9. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

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

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

Depreciation

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

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

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

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

Depreciation on revaluation

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

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

Amortisation

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

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

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

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

10. LEASES

(a) Right-of-Use Assets

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

	Note	Right-of-use assets - furniture and \$	Right-of-use assets Total \$
Balance at 1 July 2020		45,244	45,244
Depreciation		(14,666)	(14,666)
Balance at 30 June 2021		30,578	30,578
Depreciation	9(a)	(14,666)	(14,666)
Balance at 30 June 2022		15,912	15,912

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

		2022 Actual \$	2021 Actual \$
Depreciation on right-of-use assets	9(a)	(14,666)	(14,666)
Interest expense on lease liabilities	27(c)	(508)	(813)
Short-term lease payments recognised as expense		(27,957)	(27,322)
Total amount recognised in the statement of comprehensive income		(43,131)	(42,801)

Total cash outflow from leases

(15,297) (15,299)

(b) Lease Liabilities

Current		15,100	14,789
Non-current		1,272	16,372
	27(c)	16,372	31,161

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

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

Details of individual lease liabilities required by regulations are provided at Note 27(c).

Right-of-use assets - valuation measurement

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

Refer to Note 9 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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10. LEASES (Continued)

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

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

2022	2021
Actual	Actual
\$	\$
179,518	112,883
188,276	95,927
191,075	53,295
194,986	46,384
198,324	27,775
952,179	336,264

Lease income is based on actual lease agreements and for the term of each lease. Where a lease agreement states a yearly increase by the CPI the Shire has estimated the future CPI rate.

The Shire leases houses to staff and 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 staff houses are not considered investment property as they are leased for use in the supply of services to the community. The aged persons housing units are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

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.

SIGNIFICANT 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.

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

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

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Retentions
Payroll creditors
Accrued expenses

2022	2021
\$	\$
255,808	310,529
25,274	19,356
41,936	35,112
45,968	34,249
35,468	24,248
28,741	37,317
33,203	473
41,119	42,296
507,517	503,580

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

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

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

Prepaid rates

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

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

12. OTHER LIABILITIES

Current

Contract liabilities
Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

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

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

Reconciliation of changes in capital grant/contribution liabilities

Opening balance
Additions
Revenue from capital grant/contributions held as a liability at the start of the period

	2022	2021
	\$	\$
Contract liabilities	313,765	527,757
Capital grant/contributions liabilities	12,451	1,531,575
	326,216	2,059,332
Opening balance	527,757	708,206
Additions	239	49,811
Revenue from contracts with customers included as a contract liability at the start of the period	(214,231)	(230,260)
	313,765	527,757
Opening balance	1,531,575	909,091
Additions	12,451	622,484
Revenue from capital grant/contributions held as a liability at the start of the period	(1,531,575)	0
	12,451	1,531,575

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

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Non-current capital grant/contribution liabilities fair values are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF JERRAMUNGUP
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FOR THE YEAR ENDED 30 JUNE 2022

13. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		183,273	553,794	737,067	177,355	737,067	914,422
Total secured borrowings	27(a)	183,273	553,794	737,067	177,355	737,067	914,422

Secured liabilities and assets pledged as security

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

The Shire of Jerramungup has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(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 27(a).

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual Leave

Long Service Leave

Non-current provisions

Long Service Leave

	2022	2021
	\$	\$
Annual Leave	217,357	188,520
Long Service Leave	233,685	213,872
	451,042	402,392
Long Service Leave	45,988	24,413
	45,988	24,413
	497,030	426,805

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

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

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

Note	2022	2021
	\$	\$
Less than 12 months after the reporting date	186,999	201,950
More than 12 months from reporting date	310,031	224,855
	497,030	426,805
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	0	0

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

SHIRE OF JERRAMUNGUP
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15. OTHER PROVISIONS

	Note	Make good provisions \$	Total \$
Opening balance at 1 July 2021			
Non-current provisions		22,045	22,045
		22,045	22,045
Additional provision		211,897	211,897
Balance at 30 June 2022		233,942	233,942
Comprises			
Non-current		233,942	233,942
		233,942	233,942

Other provisions

A provision is recognised when:

- there is a present obligation as a result of activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Make good provisions

A Waste Management agreement exists between the Shire of Jerramungup and the Shire of Ravensthorpe for a Regional Landfill Facility located on Reserve 7380. Clause 8(2)c of the agreement allows each party to agree on a percentage share of capital costs for the purpose of future rehabilitation costs. The current cost estimate of rehabilitation is \$551,122 to be shared by each local government. The current cells are expected to have a 30 year cell life. On 4 June 2021 both parties agreed to a cost share of 60% Ravensthorpe and 40% Jerramungup. The cost share agreement is to be reviewed by both parties every three years(2023/2024).

The landfill site is prescribed premises for Category 64 Class II putrescible landfill and Category 62 Solid waste depot.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

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.

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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16. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	1,316,381	0	(94,213)	(94,213)	1,222,168	1,316,381	0	1,316,381
Revaluation surplus - Buildings - non-specialised	3,590,525	96,280	0	96,280	3,686,805	3,590,525	0	3,590,525
Revaluation surplus - Buildings - specialised	11,435,529	1,533,066	0	1,533,066	12,968,595	11,435,529	0	11,435,529
Revaluation surplus - Furniture and equipment	13,273	0	0	0	13,273	13,273	0	13,273
Revaluation surplus - Plant and equipment	294,332	0	0	0	294,332	294,332	0	294,332
Revaluation surplus - Infrastructure - roads	128,201,851	0	0	0	128,201,851	128,201,851	0	128,201,851
Revaluation surplus - Footpaths	857,666	0	0	0	857,666	857,666	0	857,666
Revaluation surplus - Parks & Ovals	1,717,609	0	0	0	1,717,609	1,717,609	0	1,717,609
Revaluation surplus - Drainage	35,445,152	0	0	0	35,445,152	35,445,152	0	35,445,152
Revaluation surplus - Sewerage	1,376,855	0	0	0	1,376,855	1,376,855	0	1,376,855
Revaluation surplus - Aerodromes	628,790	0	0	0	628,790	628,790	0	628,790
Revaluation surplus - Other infrastructure	539,025	0	0	0	539,025	539,025	0	539,025
	185,416,988	1,629,346	(94,213)	1,535,133	186,952,121	185,416,988	0	185,416,988

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

SHIRE OF JERRAMUNGUP
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FOR THE YEAR ENDED 30 JUNE 2022

17. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	3,488,896	1,466,921	5,065,723
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents	3	1,693,702	1,466,921	3,743,416
		1,693,702	1,466,921	3,743,416
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Bonds	11	35,468	0	24,248
Restricted reserve accounts	28	1,658,234	1,466,921	1,659,836
Contract liabilities from contracts with customers	12	0	0	527,757
Grants from transfer for recognisable non financial assets	12	0	0	1,531,575
Total restricted financial assets		1,693,702	1,466,921	3,743,416

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

Net result		4,242,248	4,330,790	2,419,286
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(2,998)	0	(1,939)
Depreciation/amortisation		2,130,749	2,119,223	2,154,629
(Profit)/loss on sale of asset		(7,711)	4,851	1,921
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		431,889	552,647	(31,957)
(Increase)/decrease in inventories		(17,649)	0	15,792
Increase/(decrease) in trade and other payables		3,937	(130,000)	267,142
Increase/(decrease) in employee related provisions		70,225	0	30,708
Increase/(decrease) in other provisions		211,897	0	22,045
Increase/(decrease) in other liabilities		(1,733,116)	(2,196,288)	442,035
Non-operating grants, subsidies and contributions		(2,995,229)	(6,452,594)	(2,555,588)
Net cash provided by/(used in) operating activities		2,334,242	(1,771,371)	2,764,074

(c) Undrawn Borrowing Facilities
Credit Standby Arrangements

Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	15,000	15,000
Credit card balance at balance date	0	0
Total amount of credit unused	15,000	15,000
Loan facilities		
Loan facilities - current	183,273	177,355
Loan facilities - non-current	553,794	737,067
Total facilities in use at balance date	737,067	914,422

SHIRE OF JERRAMUNGUP
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18. CONTINGENT LIABILITIES

Jerramungup Pool

At the special meeting of Council held 3 February 2021, Council endorsed a Development Agreement between the Minister of Education and the Shire of Jerramungup for the management of the project works associated with the Jerramungup Swimming Pool redevelopment. The Shire is currently delivering works associated with the Jerramungup Swimming Pool at 2 Lancaster Road in Jerramungup. The tenure of the project site is with the Department of Education, notwithstanding the agreement extends the management of the site to the Shire of Jerramungup. Practical completion is expected to be 31 July 2022. Upon practical completion of the pool, a licence agreement will be executed by both parties, the draft licence agreement states on termination of this agreement the Local Government agrees to pay to the Minister within 28 days after the demand, 50% of the cost incurred by the Minister to Decommission the whole or any part of the Facilities, if the Minister chooses to Decommission the whole or any part of the Facilities following such termination. The Shire will raise the liability for the decommission costs once the pool is complete and the decommissioning costs can be reliably estimated.

19. CAPITAL COMMITMENTS

	2022	2021
	\$	\$
Contracted for:		
- capital expenditure projects	1,164,528	3,557,137
- plant & equipment purchases	565,251	0
	1,729,779	3,557,137
Payable:		
- not later than one year	1,588,248	3,557,137
- later than one year	141,531	0

As at June 2022 a commitment exists to finalise construction of the swimming pool facility in Jerramungup. The construction is expected to be completed by 31st July 2022 at a cost of \$238,882.

As at June 2022 a commitment exists to finalise construction of the Bremer Bay boat ramp and jetty. The construction is expected to be completed by 31st October 2022 at a cost of \$925,646.

SHIRE OF JERRAMUNGUP
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20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Cr Rob Lester

President's annual allowance
Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr Joanne Iffla

President's annual allowance
Deputy President's annual allowance
Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr Julie Leenhouders

Deputy President's annual allowance
Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr Rex Parsons

Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr Drew Dawson

Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr Andrew Price

Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr Neil Foreman

Meeting attendance fees
Telecommunications allowance
Travel and accommodation expenses

Cr William Bailey

Meeting attendance fees
Telecommunications allowance

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
	3,000	12,000	12,000
	8,750	14,000	14,000
	1,000	1,000	1,000
	770	2,500	0
	13,520	29,500	27,000
	9,000	0	0
	750	3,000	3,000
	12,250	7,000	7,000
	1,000	1,000	1,000
	718	1,500	0
	23,718	12,500	11,000
	2,250	0	0
	7,000	7,000	7,000
	1,000	1,000	1,000
	0	1,500	0
	10,250	9,500	8,000
	7,000	7,000	7,000
	1,000	1,000	1,000
	0	1,500	0
	8,000	9,500	8,000
	7,000	7,000	7,000
	1,000	1,000	1,000
	1,215	1,500	0
	9,215	9,500	8,000
	7,000	7,000	7,000
	1,000	1,000	1,000
	296	1,500	297
	8,296	9,500	8,297
	5,250	7,000	7,000
	750	1,000	1,000
	0	1,500	301
	6,000	9,500	8,301
	1,750	0	0
	250	0	0
	2,000	0	0
	80,999	89,500	78,598

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

	2022 Actual \$	2022 Budget \$	2021 Actual \$
President's annual allowance	12,000	12,000	12,000
Deputy President's annual allowance	3,000	3,000	3,000
Meeting attendance fees	56,000	56,000	56,000
Telecommunications allowance	7,000	7,000	7,000
Travel and accommodation expenses	2,999	11,500	598
20(b)	80,999	89,500	78,598

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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20. RELATED PARTY TRANSACTIONS(Continued)

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

	2022 Actual	2021 Actual
	\$	\$
Short-term employee benefits	631,694	713,020
Post-employment benefits	64,314	78,146
Employee - other long-term benefits	10,860	12,842
Employee - termination benefits	27,692	0
Council member costs	80,999	78,598
20(a)	815,559	882,606

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.

(c) Transactions with related parties

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

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

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

	2022 Actual	2021 Actual
	\$	\$
Sale of goods and services	53,986	52,094
Purchase of goods and services	105,346	60,108
Short term employee benefits - other related parties	202,194	165,012

(d) Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

An associate person of KMP was employed by the Shire under normal employment terms and conditions.

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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.

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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21. JOINT ARRANGEMENTS

(i) Share of joint operations- Retirement Units

The Shire together with the Department of Communities have a joint arrangement with regard to the provision of six retirement units at Lot 158 Derrick Street, Jerramungup and six retirement units in Roderick Street, Bremer Bay. The only assets are land and housing of which Jerramungup Shire owns a 17% share of the Jerramungup units and 14.64% of the Bremer Bay units.

The units are leased by Advance Housing Limited for a 10 year term with rent being \$12,070 per annum.

Statement of Financial Position

	2022 Actual	2021 Actual
	\$	\$
Land and buildings	190,702	197,046
Less accumulated depreciation	0	(21,453)
Total assets	190,702	175,593

Statement of Comprehensive Income

Other revenue	12,070	12,070
Other expenditure	0	0
Profit/(loss) for the period	12,070	12,070
Other comprehensive income		
Total comprehensive income for the period	12,070	12,070

(ii) Share of joint operations - Waste Facility

The Shire of Jerramungup together with the Shire of Ravensthorpe, have entered into a joint operation with regards to a regional waste management facility located on Reserve 7380, Moir Road Ravensthorpe. The agreement between both Shires govern the operation of the waste facility, covering operating and capital costs, responsibilities of the two Shires, setting of fees and charges and record keeping etc. The building of the regional waste facility was fully funded and recognised in the financials of the Shire of Ravensthorpe, and they are responsible for the day to day management of the facility. Key operating decisions in relation to the operating costs and future capital costs of the facility are to be agreed by both Shires.

The regional waste facility commenced its operations in February 2018.

The apportionment of annual facility operating costs between the Shire of Ravensthorpe and Jerramungup is determined by the percentage of total waste tonnage(measured in cubic metres) delivered to the Facility by each Shire in the preceding year. This is estimated to be 25.1%. The Shire of Jerramungup's share of the operating costs for 2021/2022 was \$84,703.

A provision has been raised for the future rehabilitation costs with the current cost estimate being \$551,122. The cells are expected to have a 30 year cell life.

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire of Jerramungup has joint control with another party 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 of Jerramungup interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

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

22. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk.

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.01%	3,488,896	0	3,488,696	200
2021					
Cash and cash equivalents	0.01%	5,065,723	0	5,065,523	200

Sensitivity

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

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	34,887	50,657

* 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 27(a).

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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22. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies.

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

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

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

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

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

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
30 June 2022						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.02%		
Gross carrying amount	795	39,240	17,692	46,962	104,689	
Loss allowance	0	0	0	1,327	1,327	5
30 June 2021						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	0.00%		
Gross carrying amount	776	36,734	17,940	37,519	92,969	
Loss allowance	0	0	0	0	0	5

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

	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
30 June 2022						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.03%		
Gross carrying amount	378,255	13,933	47	59,089	451,324	
Loss allowance	0	0	0	3,259	3,259	5
30 June 2021						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	9.39%		
Gross carrying amount	444,222	449,827	1,197	15,560	910,806	
Loss allowance	0	0	0	1,462	1,462	5

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

22. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

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

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
Opening loss allowance as at 1 July	\$ 0	\$ 0	\$ 1,462	\$ 0	\$ 0	\$ 0
Increase in loss allowance recognised in profit or loss during the year	1,327	0	1,797	1,462	0	0
Closing loss allowance at 30 June	1,327	0	3,259	1,462	0	0

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

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

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

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 balances, as the impact of discounting is not significant.

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<u>2022</u>					
Trade and other payables	507,517	0	0	507,517	507,517
Borrowings	200,382	425,422	163,332	789,136	737,067
Lease liabilities	15,099	1,273	0	16,372	16,372
	<u>722,998</u>	<u>426,695</u>	<u>163,332</u>	<u>1,313,025</u>	<u>1,260,956</u>
<u>2021</u>					
Trade and other payables	503,580	0	0	503,580	503,580
Borrowings	200,382	530,307	258,830	989,519	914,422
Contract liabilities	2,059,332	0	0	2,059,332	2,059,332
Lease liabilities	14,789	16,372	0	31,161	31,161
	<u>2,778,083</u>	<u>546,679</u>	<u>258,830</u>	<u>3,583,592</u>	<u>3,508,495</u>

23. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

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

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

h) Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level at an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future year

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

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

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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24. 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 resources	Administration and operation of facilities and services to members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services
General purpose funding To collect revenue to allow for the provision of services	Rates, general purpose government grants & interest revenue
Law, order, public safety To provide services to help ensure a safer community	Supervision of various by-laws, fire prevention, emergency services & animal control
Health To provide an operational framework for good community health	Food quality and pest control; maintenance and contributions to health services and facilities
Education and welfare To meet the needs of the community in these areas	Operation and provisions of services to seniors and child care centres within the Shire
Housing Help ensure adequate housing for key community personnel such as police	Maintenance of staff and rental housing
Community amenities To provide services required by the community	Rubbish collection services, operation of tips, noise control and administration of the town planning scheme, maintenance of cemeteries, control and maintenance of coastal reserves and other community/environmental services
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community	Maintenance of public halls, sporting complexes, resource centres, various parks and associated facilities, provision of library services in Jerramungup and Bremer Bay. Maintenance and upgrade of radio repeater service
Transport To provide safe and efficient transport services to the community	Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, parking facilities, traffic signs, depot maintenance and airstrips maintenance
Economic services To help promote the Shire and improve the economic wellbeing of the community	The regulation and provision of tourism, area promotion, building control, saleyards, noxious weeds, vermin control and water supply, including stand pipes
Other property and services Other activities which contribute to the governance and operations of the Shire	Private works operation, plant repairs and operating costs, administration expenses

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

24. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Governance	317	0	0
General purpose funding	3,563,302	3,557,405	3,462,349
Law, order, public safety	31,849	26,820	28,068
Health	18,593	17,650	17,034
Education and welfare	337	0	366
Housing	177,086	107,828	93,731
Community amenities	592,964	521,858	556,195
Recreation and culture	96,673	108,942	20,677
Transport	24,372	19,810	27,035
Economic services	69,560	78,291	60,160
Other property and services	253,899	71,706	393,910
	4,828,952	4,510,310	4,659,525

Grants, subsidies and contributions

Governance	18,468	0	21,000
General purpose funding	1,879,673	616,169	1,395,058
Law, order, public safety	299,664	321,474	218,521
Housing	3,523	0	420,161
Community amenities	21,000	21,000	57,374
Recreation and culture	3,384,372	5,300,965	780,539
Transport	1,014,551	1,348,637	1,349,137
Economic services	76,643	70,455	173,865
Other property and services	0	11,176	0
	6,697,894	7,689,876	4,415,655

Total Income

11,526,846 12,200,186 9,075,180

Expenses

Governance	(304,417)	(337,117)	(308,102)
General purpose funding	(223,676)	(237,057)	(232,074)
Law, order, public safety	(758,217)	(899,574)	(613,547)
Health	(360,557)	(387,308)	(294,722)
Education and welfare	(63,706)	(79,499)	(81,575)
Housing	(100,990)	(121,777)	(106,064)
Community amenities	(1,357,942)	(1,542,581)	(1,227,164)
Recreation and culture	(1,226,067)	(1,461,007)	(967,487)
Transport	(2,448,367)	(2,566,167)	(2,313,780)
Economic services	(249,544)	(224,893)	(275,031)
Other property and services	(191,115)	(12,416)	(236,348)
	(7,284,598)	(7,869,396)	(6,655,894)

Total expenses

Net result for the period

4,242,248 4,330,790 2,419,286

SHIRE OF JERRAMUNGUP
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24. FUNCTION AND ACTIVITY (Continued)

(c) Fees and Charges

General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

2022 Actual	2022 Budget	2021 Actual
\$	\$	\$
4,408	0	0
28,343	32,820	27,364
17,200	17,650	17,034
0	0	204
91,461	90,128	83,118
583,643	519,358	553,267
17,468	18,492	17,996
15,827	18,304	21,653
69,560	78,291	60,159
3,450	3,000	61,655
831,360	778,043	842,450

(d) Total Assets

General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services
Unallocated

2022	2021
\$	\$
751,433	451,126
1,166,735	1,099,082
66,977	46,090
503,554	450,013
4,648,273	5,625,537
4,836,961	4,595,316
17,509,805	17,812,077
212,066,478	211,134,815
2,498,583	2,112,734
3,842,004	4,064,373
7,011,321	3,372,781
254,902,124	250,763,944

SHIRE OF JERRAMUNGUP
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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25. RATING INFORMATION (Continued)

(c) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts						
Rate or Fee Discount Granted	Type	Discount %	Discount	2022 Actual	2022 Budget	2021 Actual
				Circumstances in which Discount is Granted		
Small interest write off	Rate	Waiver	\$ 0.00%	\$ 244	\$ 150	\$ 198
				244	150	198
Total discounts/concessions (Note 25)				244	150	198

When individual properties have accrued interest under \$5.00 as at 30th June.

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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25. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	24/09/2021	0.0	0.00%	0.00%
Option Two				
First instalment	24/09/2021	0.0	0.00%	7.00%
Second instalment	28/01/2022	8.0	5.50%	7.00%
Option Three				
First instalment	24/09/2021	0.0	0.00%	7.00%
Second instalment	26/11/2021	8.0	5.50%	7.00%
Third instalment	28/01/2022	8.0	5.50%	7.00%
Fourth instalment	1/04/2022	8.0	5.50%	7.00%

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Interest on unpaid rates	8,889	7,000	7,607
Interest on instalment plan	14,159	14,000	13,850
Charges on instalment plan	4,408	6,000	0
	27,456	27,000	21,457

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

26. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget	2020/21
	2021/22 (30 June 2022 Carried Forward)	(30 June 2022 Carried Forward)	(30 June 2021 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	9(b) (7,711)	(4,212)	(18,515)
Less: Movement in liabilities associated with restricted cash	(9,885)	0	10,110
Less: Fair value adjustments to financial assets at fair value through profit and loss	(2,998)	0	(1,939)
Add: Loss on disposal of assets	9(b) 0	9,063	20,436
Add: Depreciation	9(a) 2,130,749	2,119,223	2,154,629
Non-cash movements in non-current assets and liabilities:			
Employee benefit provisions	21,575	0	(16,907)
Other provisions	211,897	0	22,045
Non-cash amounts excluded from operating activities	2,343,627	2,124,074	2,169,859
(b) Surplus/(deficit) after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	28 (1,658,234)	(1,466,921)	(1,659,836)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	13 183,273	209,435	177,355
- Current portion of lease liabilities	10(b) 15,100	15,100	14,789
- Employee benefit provisions	66,178	130,823	76,063
Total adjustments to net current assets	(1,393,683)	(1,111,563)	(1,391,629)
Net current assets used in the Rate Setting Statement			
Total current assets	4,189,756	2,053,455	6,180,823
Less: Total current liabilities	(1,483,148)	(939,749)	(3,157,448)
Less: Total adjustments to net current assets	(1,393,683)	(1,111,563)	(1,391,629)
Net current assets used in the Rate Setting Statement	1,312,925	2,143	1,631,746

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

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual					Budget				
		Principal		Repayments		Principal at 30 June 2021	New Loans		Principal		Principal at 30 June 2022
		Principal at 1 July 2020	New Loans During 2020-21	During 2020-21	During 2020-21		During 2021-22		During 2021-22	Repayments During 2021-22	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Staff housing and seniors independent living		500,000	0	(46,384)	0	453,616	0	0	(47,152)	0	406,464
Housing - Bremer Bay		158,056	0	(37,030)	0	121,026	0	0	(38,639)	0	82,387
Bremer Bay Townsite		171,820	0	(54,965)	0	116,855	0	0	(57,242)	0	59,613
Grader		25,100	0	(25,100)	0	0	0	0	0	0	0
Bremer Bay Townsite		256,194	0	(33,269)	0	222,925	0	0	(34,321)	0	188,604
Grader		0	0	0	0	0	0	0	0	0	0
Total		1,111,170	0	(196,748)	0	914,422	0	465,000	(32,083)	0	432,917
All loans are with WA Treasury Corporation											
Borrowing Interest Repayments											
Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending 30 June 2022		Budget for year ending 30 June 2022		Actual for year ending 30 June 2021	
						\$	\$	\$	\$	\$	\$
Staff housing and seniors independent living		Housing	264	WATC	1.65%	(6,995)	(7,290)	(6,995)	(7,290)	(7,762)	(7,762)
Housing - Bremer Bay		Housing	261	WATC	4.30%	(4,412)	(4,793)	(4,412)	(4,793)	(6,037)	(6,037)
Bremer Bay Townsite		Transport	260	WATC	4.10%	(3,464)	(4,210)	(3,464)	(4,210)	(5,770)	(5,770)
Grader		Transport	262	WATC	2.28%	0	0	0	0	(416)	(416)
Bremer Bay Townsite		Transport	263	WATC	3.14%	(6,583)	(6,732)	(6,583)	(6,732)	(7,641)	(7,641)
Grader		Transport	265	WATC	1.10%	0	(2,422)	0	(2,422)	0	0
Total						(21,454)	(25,447)	(21,454)	(25,447)	(27,626)	(27,626)
Total Interest Repayments	2(b)					(21,454)	(25,447)	(21,454)	(25,447)	(27,626)	(27,626)

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

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2021/22

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate %	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2022 Actual	2022 Budget	2022 Actual	2022 Budget		
Grader	* WATC	Debenture	7	1.10%	\$ 0	\$ 465,000	\$ 0	\$ 465,000	\$ 0	\$ 0
					0	465,000	0	465,000	0	0

* WA Treasury Corporation

(c) Lease Liabilities

Actual															Budget			
Purpose	Note	Principal					Principal					Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022			
		Principal at 1 July 2020	New Leases During 2020-21	Repayments During 2020-21	Principal at 30 June 2021	Principal at 30 June 2022	Principal at 30 June 2022	Repayments During 2021-22	Principal at 30 June 2022									
Photocopier - Konica minolta		\$ 45,647	\$ 0	\$ (14,486)	\$ 31,161	\$ 16,372										\$ 16,372		
Total Lease Liabilities	10(b)	45,647	0	(14,486)	31,161	16,372										16,372		
Lease Interest Repayments																		
Purpose	Note	Function and activity		Lease Number	Institution	Interest Rate	Actual for year ending 30 June 2022		Budget for year ending 30 June 2022		Lease Term							
							\$		\$									
Photocopier - Konica minolta		Other property and services		M0466400	Classic Funding	2.10%		(508)	(508)		(813)	48						
Total Interest Repayments	2(b)							(508)	(508)		(813)							

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

28. RESERVE ACCOUNTS

**Restricted by
legislation/agreement**

(a) Developers Contribution

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	7,177	10	0	7,177	0	0	7,177	7,166	11	0	7,177
	7,177	10	0	7,177	0	0	7,177	7,166	11	0	7,177

Restricted by council

- (b) Leave reserve
(c) Plant
(d) Community Recreation
(e) Bremer Bay Youth Camp
(f) Building
(g) Bremer Bay retirement units
(h) Jerramungup retirement units
(i) Jerramungup Entertainment Centre
(j) Effluent
(k) Point Henry Fire Levy
(l) Bremer Bay boat ramp
(m) Capital Works
(n) Swimming Pool
(o) Roe Park
(p) Skate Park
(q) Regional landfill facility

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Transfer (from)	2021 Actual Closing Balance
	76,063	10,115	(20,000)	76,064	10,076	(20,000)	66,140	65,954	10,109	0	76,063
	58,426	10,090	0	58,426	10,058	0	68,484	58,334	92	0	58,426
	25,696	86,561	(56,513)	25,696	86,369	(75,000)	37,065	213,430	82,266	(270,000)	25,696
	54,113	72	0	54,112	54	0	54,166	54,028	85	0	54,113
	237,876	320	0	237,876	238	(184,000)	54,114	656,840	1,036	(420,000)	237,876
	20,038	27	0	20,038	20	0	20,058	99,928	110	(80,000)	20,038
	97,503	130	0	97,502	98	0	97,600	97,349	154	0	97,503
	18,829	10,038	0	18,829	10,019	0	28,848	8,809	10,020	0	18,829
	806,887	73,245	(16,280)	806,887	72,877	(25,000)	854,764	733,617	73,270	0	806,887
	27,838	21,734	(35,855)	27,837	21,698	(15,000)	34,535	24,745	21,722	(18,629)	27,838
	118,354	159	(115,000)	118,354	118	(115,000)	3,472	118,168	186	0	118,354
	19,526	10,038	0	19,526	10,020	0	29,546	9,505	10,021	0	19,526
	8,549	13	(8,000)	8,550	9	(8,000)	559	8,536	13	0	8,549
	72,955	10,111	0	72,956	10,073	0	83,029	62,850	10,105	0	72,955
	10,006	10,026	0	10,006	10,010	0	20,016	0	10,006	0	10,006
	0	7,357	0	0	7,348	0	7,348	0	0	0	0
	1,652,659	250,036	(251,648)	1,652,659	249,085	(442,000)	1,459,744	2,212,093	229,195	(788,629)	1,652,659
	1,659,836	250,046	(251,648)	1,659,836	249,085	(442,000)	1,466,921	2,219,259	229,206	(788,629)	1,659,836

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

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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28. RESERVE ACCOUNTS (Continued)

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Developers Contribution	Ongoing	To be used to hold developer contributions until expenditure is complete
(b) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements
(c) Plant	Ongoing	To be used for the purchase of major plant
(d) Community Recreation	Ongoing	To be used to assist local sporting groups to upgrade their facilities
(e) Bremer Bay Youth Camp	Ongoing	For the ongoing management and future upgrade of the reserve land on Lot 70 Bremer Bay Road
(f) Building	Ongoing	To fund capital construction of new council buildings and to fund capital renewal of buildings
(g) Bremer Bay retirement units	Ongoing	To be used for the provisions required at the units
(h) Jerramungup retirement units	Ongoing	To be used for the provisions required at the units
(i) Jerramungup Entertainment Centre	Ongoing	To be used for the capital building requirements
(j) Effluent	Ongoing	To be used to maintain the efficient running of the facility
(k) Point Henry Fire Levy	Ongoing	To be used for the provision, maintenance and construction of strategic fire prevention activities within the Point Henry Peninsular
(l) Bremer Bay boat ramp	Ongoing	To be used to upgrade and maintain the boat ramp facility at Fisheries Beach in Bremer Bay
(m) Capital Works	Ongoing	To be used to supplement future capital works programme
(n) Swimming Pool	Ongoing	To preserve any surplus funds from the Jerramungup Swimming Pool operations for future financial requirements for the Jerramungup Swimming Pool and associated facilities
(o) Roe Park	Ongoing	To provide funding for the replacement of assets within Roe Park, Jerramungup
(p) Skate Park	Ongoing	To be used to maintain and upgrade the skate park
(q) Regional landfill facility	Ongoing	To be used for capital and rehabilitation costs associated with the landfill facility



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Jerramungup

To the Councillors of the Shire of Jerramungup

Opinion

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

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

In my opinion, the financial report is:

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

Basis for opinion

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

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

Other information

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

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

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

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

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

The Chief Executive Officer of the Shire is responsible for:

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Jerramungup for the year ended 30 June 2022 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

A handwritten signature in black ink, appearing to read 'NRaniga'.

Nayna Raniga
Acting Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 December 2022