



Shire of
Nannup
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Annual Report

2023-2024

The Shire of Nannup was founded in 1834. It covers an area of 2,953 square km and embraces the town and localities of Nannup, Donnelly River, Biddelia, Carlotta, Cundinup, Scott River East, Lake Jasper, Darradup, Barrabup, Peerabeelup, Jalbarragup and East Nannup.

The Shire of Nannup is bounded by the Shires of Augusta-Margaret River to the west, Manjimup to the south-east, Bridgetown-Greenbushes to the north-east, Donnybrook-Balingup to the north and Busselton to the north-west. The Southern Ocean defines the southern boundary.



SHIRE OF NANNUP

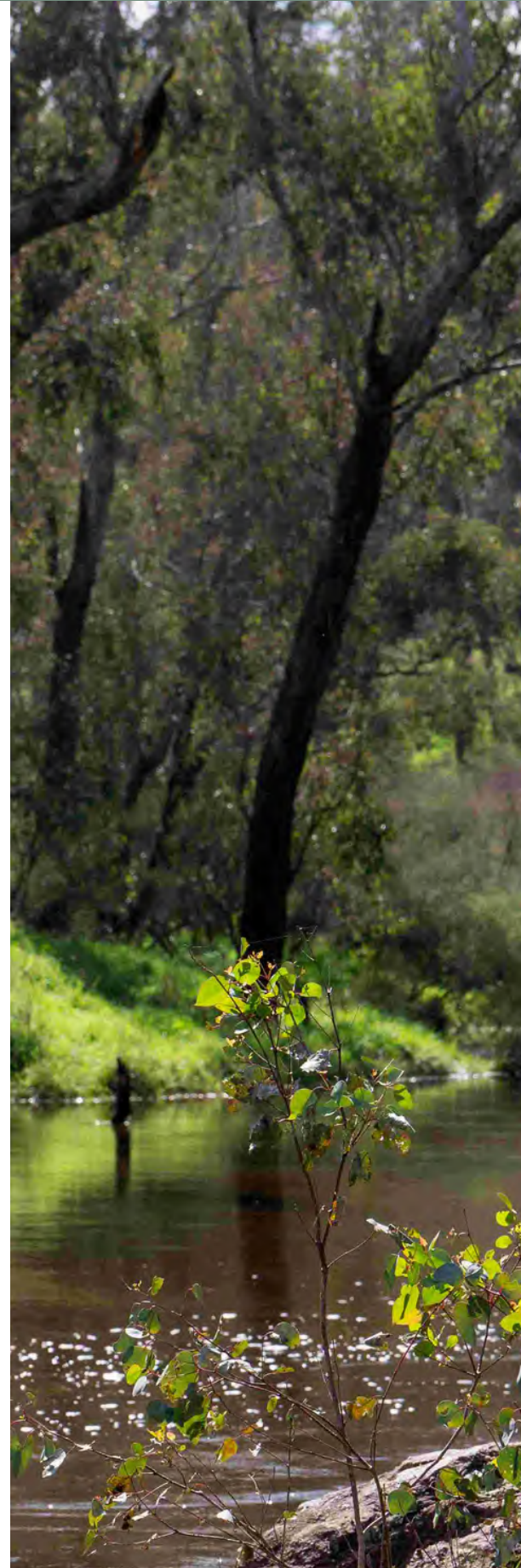
ANNUAL REPORT 2023-24



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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 management relating to the report on the financial report

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Nannup for the year ended 30 June 2024 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Mark Ambrose
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
4 February 2025

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ACKNOWLEDGEMENT OF COUNTRY

The Shire of Nannup acknowledges the Wardandi and Bibbulum people as the native title holders of the lands and waters in and around Nannup together with all native title holders throughout the Shire.

We pay respect to the Elders, past, present and emerging, of the Wardandi and Bibbulmun people and extend that respect to all Aboriginal Australians.

OUR VISION, MISSION AND VALUES

Vision

"To foster a community that acknowledges its heritage, values and lifestyles whilst encouraging sustainable development."

Mission Statement

"The Shire of Nannup will deliver quality services, facilities and representation in order to achieve our Vision."

Values

"We promote and enhance the following values in all our relationships with our community"

Honesty in our dealings

Integrity in our actions

Consistency in decision making

Teamwork in our operations

Respect for others and their decisions

Caring for people in our community

Commitment to decisions and roles

Responsive to the needs of other

Effective communication with all





OUR COMMUNITY STATEMENT

Our Community

We are a unique town that role models sustainability, friendliness, take the time to celebrate our heritage and festivals

- *We will retain our pride in being a small, friendly town that is a nice place to live and full of wonderful people*
- *We role model self-sufficiency and sustainability as a community*
- *We respect and value our aged*
- *Our youth are important and we will focus our energy to give them reasons to stay in Nannup (or come back)*

Our Economy

"Sustainability is the key to Nannup's future

- *We will have a sustainable, innovative and equitable economy*
- *Working together to attract people to our amazing Shire*

Our Built Environment

Keep the charm and fabric of Nannup

- *Keep the charm and fabric of our unique shire and upgrade the amenity*
- *Providing a quality planning outcome for community benefit through good consultation*
- *Increase coverage of our communication systems*

Our Natural Environment

We are surrounded by amazing nature, from our magnificent forests and bush land, to our pristine coastlines

- *We will protect our amazing nature, magnificent forests, managed bushland, rivers, agriculture and our pristine coastline*
- *Keep our beautiful combination of natural landscapes and built environments to retain our community and amenity*
- *To achieve a green clean future*

Our Community leadership

We listen to our community leaders

- *To listen and partner with our community leaders and all our diverse groups*
- *To have united community groups working together*

Our Council Leadership

A listening leadership that provides for and represents all

- *A listening leadership that provides and represents all*
- *To do what is right and fair for the people*





OUR COUNCIL

On 3 July 2022, the Minister for Housing, Lands, Homelessness, and Local Government announced the final package of proposed local government reforms. These reforms were formalised with the enactment of the Local Government Amendment Act 2023, which came into effect on 18 May 2023.

In response, the Shire of Nannup conducted a Ward and Representation Review in alignment with the proposed reforms and engaged in community consultation.

The implementation of the Local Government Amendment Act 2023 resulted in two key changes for the Shire of Nannup:

1. A reduction in the number of elected members from eight to seven.
2. The abolition of the Ward system.

Between 1 July 2023 and 21 October 2023, the Council consisted of eight Councillors elected from three wards: North, Central, and South. The North and Central Wards each had three representatives, while the South Ward had two, reflecting the distribution of electors across the wards. During this period, the Shire President and Deputy Shire President were elected by the Council.

From 22 October 2023, following the abolition of the Ward system, the Council transitioned to a district-wide representation model comprising seven Councillors. The Council continues to elect the Shire President and Deputy Shire President.

Council is the decision making body on all policy matters. It meets monthly, with Ordinary Meetings of Council being held on the fourth Thursday of every month commencing at 4.30 pm. Members of the public are welcome to attend all meetings of Council and public question time of at least 15 minutes' duration is scheduled at the commencement of all public meetings. In the interest of ensuring that questions are reported correctly within the minutes of the meeting, Council requests, wherever possible, a written copy of questions asked by members of the public be handed to Council once questions have been presented. Agendas for Ordinary Council Meetings are available to members of the public four days prior to meetings. Minutes are published on the Shire of Nannup website within ten working days after each meeting.

A number of Acts of Parliament give the Shire of Nannup the necessary powers to make decisions regarding the natural, built and legal environments which it administers. The Local Government Act 1995 enables the Shire to administer its local government area. Local authorities operate strictly within this act and are not able to undertake actions, activities or services that are not specifically provided for in this or other legislation.

Local laws may be adopted by Council to regulate and govern local issues. Council has adopted local laws relating to:

- Health
- Parking and Parking Facilities
- Standing Orders
- Dogs

The work of Council is informed by a number of Advisory committees as listed below:

- Audit and Risk Committee (7 councillors)
- Bush Fire Advisory Committee (2 councillors)
- Local Emergency Management Advisory Committee (2 councillors)
- Australia Day Advisory Committee (5 councillors)
- Local Drug Action Group (1 councillor)
- Tourism Committee (7 councillors)

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Shire President: Tony Dean

EXPIRES: 2027

PHONE: 0409 371 151

EMAIL: Shire.President@nannup.wa.gov.au

Deputy Shire President: Vicki Hansen

EXPIRES: 2025

PHONE: 9756 0165

EMAIL: Vicki.Hansen@nannup.wa.gov.au

Councillor: Cheryle Brown

EXPIRES: 2027

PHONE: 0428 526 598

EMAIL: Cheryle.Brown@nannup.wa.gov.au

Councillor: Chris Buckland

RESIGNED: Effective 31 March 2024

PHONE: 0411 752 761

EMAIL: Chris.Buckland@nannup.wa.gov.au

Councillor: Patricia Fraser

EXPIRES: 2027

PHONE: 9756 1112

EMAIL: Patricia.Fraser@nannup.wa.gov.au

Councillor: Ian Gibb

EXPIRES: 2025

PHONE: 0488 110 496

EMAIL: Ian.Gibb@nannup.wa.gov.au

Councillor: Charles Gilbert

SERVED TO: Local Government Elections October 2023

PHONE: 9756 1184

EMAIL: Charles.Gilbert@nannup.wa.gov.au

Councillor: Bob Longmore

RESIGNED: Effective 30 April 2024

PHONE: 0427 560 303

EMAIL: Robert.Longmore@nannup.wa.gov.au

COUNCILLORS



COMMITTEE MEETING ATTENDANCE 1 JULY 2023 TO 30 JUNE 2024

Elected Member	AUDIT AND RISK COMMITTEE	BUSHFIRE ADVISORY COMMITTEE	LOCAL EMERGENCY MANAGEMENT ADVISORY COMMITTEE	LOCAL DRUG ACTION GROUP COMMITTEE	TOURISM COMMITTEE	AUSTRALIA DAY ADVISORY COMMITTEE
Tony Dean	3		1		0	
Vicki Hansen	3			1	0	0
Cheryle Brown	2	7		0	0	0
Ian Gibb	1		2		0	
Charles Gilbert	0				0	
Robert Longmore	3				0	0
Chris Buckland	2				0	0
Patricia Fraser	3	4			0	0

 Denotes Elected member is not a member on the Committee



ORGANISATIONAL CHART

Our Community

The Shire Nannup is organised into three main directorates, two of which are headed by an Executive Manager who reports to the Chief Executive Officer (CEO). Within these directorates are our various departments, all of which have the teams of staff that bring you a wide range of services and facilities, and committedly work towards achieving the Council Plan.

Office of the CEO

- Elected Members
- Economic Development
- Community Development
- Community Emergency Services
- Land Use and Planning
- Environmental Health
- Building Services
- Communications

Corporate Services

- Financial Management
- Payroll
- Property Rates
- Payroll
- Records Management
- Information Technology
- Customer Service
- Governance and Compliance
- Risk Management
- Financial Audit
- Ranger Services
- Library Services
- Cemeteries

Infrastructure Services

- Parks & Services
- Plant & Equipment
- Building Projects
- Assets Management
- Waste Management
- Work Health & Safety (WHS)
- Traffic Management
- Road Maintenance
- Road Renewal





MESSAGE FROM THE SHIRE PRESIDENT

As Shire President I am pleased to present the 2023-2024 Annual Report.

It has been another busy, and important, year with progress being made on significant projects and activities aligned with the strategic direction of the Shire of Nannup.

There has been a strong focus on transparent communication with multiple newsletters, social media pages and community consultations. Areas of consultation have included trail town aspirations, senior housing, the Nannup Arts, Recreation, Tourism and Liveability (NARTL) Masterplan and sustainability.

As a member of the Sustainability Advisory Committee, I have been thrilled to see the Shire of Nannup support a move towards renewable energy with the installation of solar panels on the Nannup Recreation Centre, Town Hall, and Waste Management Facility.

Once again, it has been my honour to be involved in numerous events as Shire President. I enjoyed celebrating our local heroes with the Australia Day Awards. I commend everyone nominated and awarded for the excellent, and often tireless work, they do for our small town of Nannup. The Australia Day 2024 celebrations also saw Charles Gilbert awarded the title of Honorary Freeman for his outstanding service.

Another significant event was the official opening of the Ngoolark MTB Park in June 2024. This milestone marked the culmination of the Shire of Nannup team's hard work, adding another asset to Nannup's trail town development. The park enhances Nannup's ability to provide a mountain biking experience for all.

It was again, a busy year on the event calendar in Nannup. The year opened with the Nannup Family Fun Day which was a great showcase of how Nannup rallies together for the wellbeing of all. The event, coordinated by the Shire of Nannup and the Nannup Local Drug Action Group (Nannup LDAG) promotes positive messaging to reduce alcohol and drug consumption in the community. Important work that is continued throughout the year through the Nannup Youth Zone and School Holiday program.

In closing, I would like to thank my fellow Councillors for their dedication to their role and to their community. This year, both Cr Chris Buckland and Cr Bob Longmore resigned, and Cr Charles Gilbert served to the October 2023 Local Government Elections. I would like to take this opportunity to thank them all for their service.

Tony Dean
Shire President





MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

In opening, I would like to thank the Shire President and Councillors for their hard work and dedication to serving the community of Nannup. I would like to thank all the Shire of Nannup staff for continuing to strive to serve the Nannup community as best as possible.

It has been another big year with the following works being completed:

- Jephson Street Sealing and Kerbing
- Milyeannup Coast Road Shoulders
- Cundinup South Road Shoulders and Sealing
- Brockman (Bridgetown) Highway , Drainage, Shoulders and Sealing
- Governor Broome Road Widen and Resheet
- Four Acres Road Widen and Resheet
- Guthridge Road Reform and Resheet
- Mowen Road Drainage Works
- East Nannup Drainage Works
- Cundinup South Road Drainage Works
- Hitchcock Drive Footpath Replacement
- Constructed the new State Emergency Services shed
- Completed the Cundinup Bush Fire Shed
- Replaced the Bowling Club Floor
- Refurbishment to the Old Roads Board (Historical Society) Building

2024 saw the Shire embark on the Nannup, Arts, Recreation, Tourism and Liveability Masterplan (NARTL). The Masterplan will cover a precinct study area bound by the Nannup Recreation Area and Golf Course through to the Nannup Mill. The Masterplan will explore opportunities to develop recreational community facilities, increase tourism, attract population growth, and leverage cultural and heritage features to retain the character of Nannup. It will include site assessments to identify future land and infrastructure requirements to adequately cater for growth and economic diversification to support Nannup's transition from native forestry. This is an exciting project; I am keen to see how the community pulls together to drive the outcomes.

Nannup's Trail Town development continued with the continuation of the planning phases for the construction of the Native Forest Mountain Bike Park. The project has been progressing with land access and approvals along with concept trail planning. The project is set to be constructed by the end of 2026.

In closing, I would like to thank all the community members that work tirelessly to make Nannup such a special place to live. We have a significant volunteer base and many community groups and organisation who do fantastic work in making Nannup the warm, welcoming community it is.

David Taylor
Chief Executive Officer





ACTIVITIES THROUGH THE YEAR

The Shire of Nannup is committed to making our community a great place for people to rest, connect and grow. Over the last year, we have many key achievements and major projects that resonate with our Nannup Strategic Community Plan 2021-2036.

Our Community

The 'Push to Pedal' program offered participants a structured pathway from mountain biking basics to race ready. This was a capacity building program organised with the Nannup Mountain Bike Club. It continued with success into the 2023-2024 financial year, with sessions booking out. Participant testimonials offered an insight into the valuable skills and knowledge obtained through the program.

As part of the Push to Pedal Program, funded through the Outdoor Active Recreation Participation Program, Jack the Ultra Cyclist, an elite cyclist, visited Nannup as part of the Munda Biddi Dreaming project. His visit, on the back of his world record ride of the Munda Biddi Trail, promoted mental health using mountain biking to overcome hardship. The aim was to support positive mental health through outdoor activities, while fostering community spirit.

While in Nannup, Jack shared his experiences with students at Nannup District High school and then again at the Nannup Community Kitchen. Before dinner, Jack, together with some members of the community, cycled to the Ngoolark MTB Jump Park to demonstrate the new jumps.

The Shire of Nannup Librarian attended training to bring more learning opportunities to Nannup for the early literacy program Rhyme Time, inclusive of Science Technology, Engineering and Mathematics (STEM). For 'Get Online Week,' the library hosted local author Brendan Murray, author of 'School's Out! and the Hair is 1969' and 'Jail Road Shadows.' Participants also learned all about digital library systems: Borrowbox, Kanopy as well as audio books, documentaries and magazines. All participants had support setting up their devices.

Throughout the year, the Friends of the Cemetery volunteers regularly met to tidy up the Nannup Cemetery. The Shire of Nannup partners with the group to provide a nice resting place for those interred in the Nannup Cemetery. The Shire of Nannup Parks and Gardens team also maintain the Cemetery rose gardens, water the trees, and mow the lawn.

The Shire of Nannup Development Services team created a map identifying each interred person in the Nannup Cemetery. The Nannup Cemetery first opened for burials in 1908 and is the final resting place of hundreds of West Australians. Monuments and headstones bear many local family names, including those of some of the first settlers to Nannup. The map can be found on the Shire of Nannup website under Services - Community Services - Cemetery.



MILWARD

TO
NANNUP



ACTIVITIES THROUGH THE YEAR

Our Community Continued

A Working Party was established for the Seniors Housing Precinct in July 2023. Ongoing correspondence has occurred with landowners, the Catholic Church and the Uniting Church, the Department of Communities and the Department of Planning, Lands and Heritage. As the project progressed, the Request for Quotation process was halted as a clear direction was sought. Four distinct areas to the project became obvious: community housing, private housing development along Adam Street, Catholic Church land and greater infill of residential land for purchase.

Ranger Services used multiple communication channels to share information about pet registrations, firebreaks, and bush fire compliance with the community. To prevent bush fires and to minimise the spread of a bush fire, all owners and occupiers of land within the Shire of Nannup are required to comply with the 2023-24 Bushfire Risk Compliance Notice and Section 33 Bush Fires Act 1954. The Shire distributed this compliance notice with the rates. It is also available on the Shire website or as a printed copy from the Administration Office.

The Shire of Nannup shared bushfire preparedness and burn information regularly through communication channels. This extended through both the Restricted and Prohibited Burning Periods with information on how to obtain permits, safe burning practices and information on the Warning Systems. Further links to Emergency WA and the Department of Fire and Emergency Services (DFES) were provided, linking to current campaigns such as 'My Bushfire Plan'.

The Development Services Team drafted an updated version of the Shires Local Heritage Survey, listing all the Heritage properties listed in the Shire of Nannup. From this information, an online interactive map was created, showing the location of the Shires 82 Heritage Listed places, along with any available information associated with these places.

A review of the Local Heritage Survey (LHS) then commenced in April 2024, providing the community with the chance to submit information on places that are important, highlight gaps in the themes representing the Shire's heritage, and reinforce the importance of places that are already listed. The Local Heritage Survey (previously known as the Municipal Heritage Inventory) is a guiding document describing places that have cultural heritage significance. These places tell the story of the local government area. The Shire assessed additional places received from the community prior to drafting the final for Council approval.

Nannup hosts many events and festivals throughout the year. Some events are regionally significant and provide strong economic benefits for the local economy. Many are coordinated by community groups and managed by volunteers. The Shire of Nannup has been developing a Sponsorship Package to implement a more strategic, long-term working partnership with regular events. The Sponsorship Agreement is being factored into the 2024-2025 budget.

The Shire of Nannup has attracted some large-scale cycling events to the Nannup Tank 7 MTB Park. The XCO WA State MTB Championships occurred in the last weekend of August 2023. Visiting Nannup for the first time, the WA Gravity Enduro Round 7 occurred in September 2023. The event brought roughly 800 people to Nannup, with local food businesses reporting to be very busy over the weekend. Another event promoting their arrival in Nannup is the Cape to Cape. Organisers added Nannup as Stage 2 of the course, taking place at the Nannup Tank 7 MTB Park in October 2024.

The Nannup Arts, Recreation, Tourism and Liveability (NARTL) Masterplan contract was awarded to OTIUM Planning Group. The Masterplan concept explores all the possibilities that will enhance the arts, recreation, tourism and liveability in Nannup within the study area; including but not limited to sporting facility upgrades, tourism features, housing options, community facilities, cultural and heritage investment and similar. Consultation occurred from March to May 2024 with the report due back in the 2024-2025 year.



ACTIVITIES THROUGH THE YEAR

Our Economy

As part of Nannup's efforts to become an accredited Trail Town, the focus shifted towards developing its second world-class mountain bike park. World Trail, a renowned trail construction company, was awarded the contract to design the Native Forest MTB Park Concept Plan. The proposed location was Gussies Mill at the Kearney Block, near Cockatoo Valley, with plans for 40km of mixed-use trails. However, the consultant's report highlighted that this site would not offer a unique product for the mountain biking market.

Additionally, community feedback revealed that Gussies Mill and its surrounding native forest were not ideal for the park. As a result, the Shire of Nannup began exploring alternative locations to advance the Nannup Cycle Master Plan 2020.

Gussies Mill at the Kearney Block is now being considered for a Play Pocket proposal for the betterment of the community. Funding from the Department of Local Government, Sport and Industry's Community Trail Planning Grants Program is being matched by the Shire of Nannup. The project aims to develop the detailed design of two shared multi-use trails and field studies encompassing flora and fauna, dieback interpretation and aboriginal cultural heritage. The 'Play Pockets' propose to feature accessible pathways with seating, interpretive panels, and art installations, offering recreational opportunities for all ages.

Construction of the Ngoolark MTB Jump Park recommenced in September 2023 after a break because of the weather. After some delays seeking endorsement to name the mountain bike jump park in aboriginal language to represent the White-Tailed Black Cockatoo, the park officially opened on Wednesday 19 June 2024. The Shire President, Tony Dean and Rick Wilson MP performed the opening in front of a group of mountain bike enthusiasts and officials, media, and trail town representatives.

The park consists of two downhill mountain bike jump lines and one return trail. There is one intermediate (Blue) Jump Trail of 160m in length and an advanced (Black) Jump Trail of 160m in length, with a return trail that will see upgrades to existing tracks and roads along Miller Road including the Old Timberline Trail alignment. 'Ngoolark' has been utilised to create a striking logo that continues the branding and colour scheme of Nannup Trail Town assets.

Nannup featured once again on the Trail Towns TV show in September 2023 airing on SBS and SBS On Demand. Western Australia's Department of Biodiversity of Conservation and Attractions partnered with Trail Towns to create 2 episodes in the South West region of WA. Local towns Nannup, Collie and Dwellingup starred in the episodes, shining a light on how cycling tourism can transform a region.

Expressions of Interest (EOI) to support the provision of a Visitor Information Service opened in June 2023 with the EOI process carrying into the 2023-2024 year. The EOI sought to engage a collective model to empower local business support for brand assets. The outcome of this process was that three businesses, Nanna's Pantry, Bonnet and Entrance and Wild Eyed Press, are being supplied with a wall map of the Shire of Nannup and Experience Nannup branding.





ACTIVITIES THROUGH THE YEAR

Our Economy Continued

The Shire of Nannup ordered new Experience Nannup collateral for distribution, including brochures and coasters. Further to the Experience Nannup products, the Southern Forests and Valleys maps continue to be distributed to businesses. Nannup also features in the Australia's South West 2024 Map and 2024 Holiday Planner. The Shire promoted both for download and addition to business websites to boost promotion. Hard copies were also available through the Blackwood Café.

New maps were updated and installed at both ends of town with a new design. New community assets were added, including the Nannup Tank 7 MTB Park, the Ngoolark MTB Jump Park, the Town to Tank link and new information about trails and gravel routes. Some trail alignments were edited for further accuracy. Information regarding the Experience Nannup App was also included.

The Experience Nannup App continued to be promoted through all Shire of Nannup communication channels. The refreshed Shire of Nannup website includes an Experience Nannup section, informing the community about the app and how to add businesses or attractions.

The Experience Nannup App now features the 'Nannup Autumn Tree Trail,' showcasing trees that the Shire of Nannup Parks and Gardens team grew and maintains. The trail is designed for walking, riding or driving, and takes people past 30 varieties of trees, looping around town with 12 markers along the way.

The Shire of Nannup hosted the Creative Tech Village (CTV) Regional Collaboration Forum on 18 July 2023 to connect creatives, techs and innovators across the region. Held in the Nannup Town Hall, the event provided an opportunity to connect and collaborate across multiple industry sectors. Martin Wilson, Director of Pieces and Great White, also pitched his new feature film *Deadly Creatures*, proposed to be filmed in Nannup, depicting Big Cat urban legend. Participants discussed Nannup's central location, highlighting its ability to support local creatives and provide accessible pathways.





ACTIVITIES THROUGH THE YEAR

Our Built Environment

The Shire of Nannup worked with the Nannup Chamber of Commerce and Industry (NCCI) and Department of Primary Industries and Regional Development (DPIRD) to develop a Telecommunications Survey in July 2023. The aim of the survey was to better understand Telecommunication Experiences in Nannup. DPIRD received a comprehensive report for further analysis. The Shire of Nannup is also working with nbn to create a Digital Connectivity Plan.

The Shire of Nannup maintenance program continued this financial year, including:

- Grading and General Road Maintenance
- Road Shoulder repair, patching, drainage and sign/guidepost replacement
- Emergency Assistance
- Fallen or Hazardous Tree pruning and removal
- Bridges
- Weed control/spraying
- Parks and Gardens maintenance
- General building maintenance
- Event assistance inclusive of Traffic Management Plans

The Shire of Nannup completed several major projects in building maintenance, including:

- The Nannup Recreation Centre, Town Hall, and Waste Management Facility all received solar panel installations.
- Scott River Fire Shed roof was repaired after hail damage
- The Depot and Nannup Town Hall had roof anchor points and ladder access installed
- A new cleaners shed was completed at The Depot
- The asbestos in the Old Kindy Building floor was removed, and a new floor installed in its place
- The French Drain at the Bowling Club was completed, and underpinning occurred
- The Nannup Recreation Centre floor was sanded, polished and line marking was completed
- The Nannup Recreation Centre received dual pressure pumps to support the installation of portable showers
- A new shed was installed at the SES Centre

Other major projects include:

- Resheeting works on Guthridge Road, Fouracres Road and Governor Broome Road were completed
- Pipes and headwalls for culvert replacements on Fouracres Road and Governor Broome Roads were installed
- Guideposts were added on Governor Broome Road
- The reconstruction of Jephson Street was successfully completed, improving drainage and sealing the previously unsealed section of the roadway
- Culverts were replaced on East Nannup Road
- The Mowen Road drainage project was completed

The Shire completed direct drilling across Brockman Highway as part of supplying water to Nannup District High School and the Nannup Cemetery. An additional water pipe was installed to the pump at the Mill dam.

Main Roads Western Australia (MRWA has completed and approved design drawings) for review of the Southern Entrance shared path.





ACTIVITIES THROUGH THE YEAR

Our Natural Environment

The community received information about storm preparedness, with the key message being the risk of property damage during winter storms. Residents received tips from the Department of Fire and Emergency Services (DFES) to help them prepare for storms.

The Department of Fire and Emergency Services (DFES) campaign 'How Fireproof Is Your Plan?' campaign encouraged community members to create, or update, bushfire plans and ensure properties were prepared for bushfires. The Shire of Nannup shared additional information from the Water Corporation about water supply during a bushfire. The Shire Notes contained information from DFES about lithium-ion batteries and how they can overheat when left on charge or when faulty.

In September 2023, Nannup hosted a formal fleet handover for emergency services aimed at strengthening the Southwest's bushfire response. The Cundinup Bushfire Brigade received a new light tanker, as did Nannup Volunteer Fire and Rescue Service (VFRS). Nannup State Emergency Service (SES) received a General Rescue utility as well.

Every three months, the Local Emergency Management Committee convened to support a unified strategy for emergency management. The Bush Fire Advisory Committee also met quarterly, advising and assisting Council in the effective management of Bush Fire related activities in the district. The Shire of Nannup Community Emergency Services Manager (CESM) provides updates on the Mitigation Activity Fund Grants Program at these committee meetings.

The Shire of Nannup is part of the Warren Blackwood Alliance of Councils—Climate Change Action Plan Implementation Reference Group. This group oversees the implementation of the Warren Blackwood Alliance of Councils (WBAC) sub-regional Climate Change Policy and Action Plan. It considers the different Climate Change initiatives Shires can implement.

In July 2023, the Shire of Nannup instigated the Sustainability Advisory Committee, to support local Climate Change efforts, signed a Climate Change Declaration. The purpose of the Sustainability Advisory Committee is to look for practical and achievable actions to take.

The Shire of Nannup added solar panels to the Waste Management Facility, the Nannup Recreation Centre, and the Nannup Town Hall as part of its effort to incorporate renewable sources of energy where possible.

The Shire of Nannup website shared key information regarding pests, diseases, and weeds that can pose significant threats to WA production systems. The information from the Department of Agriculture and Food, Western Australia (DAFWA) encouraged the reporting of pests, diseases and weeds to enable early detection.

At the Ngoolark MTB Jump Park site, the Shire of Nannup Parks and Gardens Team planted native seedlings to replace the invasive species Black Wattle that were removed. The Black Wattle eradication and planting of native species will be ongoing as part of a bid to clean up and revegetate the site.

After seeking clarity from the Department of Biodiversity, Conservation and Attractions (DBCA) regarding Declared Rare Flora versus Priority species, the Shire of Nannup carried out vegetation removal on the road shoulders and table drains along Milyeannup Coast Road.



ACTIVITIES THROUGH THE YEAR

Our Health

The Shire of Nannup continued to provide environmental health education in areas such as 'FoodSafe' and disease control. The Shire of Nannup shared information regarding food safety standards. One standard enables businesses to manage food safety risks more effectively, and the other enhances food safety for the primary production and processing of leafy vegetables, melons, and berries.

With drought conditions affecting Nannup, the Shire shared information about water tanks to inform the community about safe drinking water and filling rainwater tanks with bore water. Further links to the Government of Western Australia Department of Health were also provided.

The Shire of Nannup also shared information from the 'Fight the Bite' campaign to raise awareness of mosquito-borne diseases in Australia. The Shire of Nannup shared the key message from this campaign in the Shire Notes and on the Shire of Nannup Facebook page.

The Shire of Nannup continued to encourage personal health screening by sharing information regarding services visiting Nannup. During their visit, Breastscreen WA provided free mammograms to women forty years and over. The Nannup Family Fun Day event successfully attracted 500 attendees on Tuesday 16 January. The Shire's Emergency Services groups were involved in the event, including the Nannup SES, St John Ambulance, the Nannup Police, Cundinup Volunteer Bush Fire Brigade and the Nannup Volunteer Fire and Rescue.

Worthy Contracting, Nannup Lions, Nannup Men's Shed, Nannup Music Club, Nannup Community Resource Centre, Shire of Nannup Councillors, and Nannup Fresh Fruit also provided further support.





ACTIVITIES THROUGH THE YEAR

Our Health Continued

Participants enjoyed the Institute of Indigenous Wellbeing & Sport, Discover Deadly, laser tag, water play, native flora and insect workshops and art and craft with Leanne White and Creative Heart Counselling. The 2024 event had record stalls with Black Dog Ride, GP Down South, SW Community Alcohol & Drug Service, Holyoake and more.

Families took part in seed education sessions as part of Family Fun Day. 'Australian Seed' supplied seeds after the Shire of Nannup requested a Western Australian native wildflower mix. Participants could plant the seeds and take them home. The Shire of Nannup also planted seeds through town. The event theme in 2024 focused on sustainability and future proofing our environment.

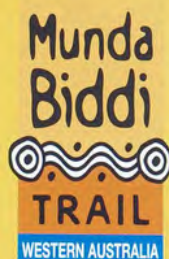
In May 2024, the Nannup Youth Zone reopened, focusing on socialisation, confidence, and teamwork. Occurring each Tuesday, the Youth Zone incorporates sport and craft activities with a long table dinner also organised once a month.

The Alcohol and Drug Foundation approved the 2023 / 2024 Community Action Plan (CAP-9), 'Broadening Their Horizons'. The CAP funds the Shire of Nannup's Youth Zone Program and the Nannup Local Drug Action Group (Nannup LDAG) coordinates it. The Nannup LDAG worked predominately with young people between the ages of 11 and 18 to enhance their connections to the community.

Regularly meeting throughout the year, the Nannup LDAG disseminated information at key community locations to reduce alcohol and drug consumption. The Nannup LDAG encouraged smoke-free venues and events at Shire facilities.

The KidSport program continued to be administered, making sport participation accessible for financially disadvantaged families. The Youth page on the Shire of Nannup website shared information about KidSport. Nannup sports clubs received facility access through the support of the Community Grants Program.

Signage, mapping and branding for trails has continued through the development of the Ngoolark MTB Jump Park. Installation of the signage occurred in May 2024, ahead of the June 19, 2024 official opening. The Ngoolark MTB Jump Park activates another engaging public space with robust and varied trails.



HALFWAY

These lockers are for bike storage only and short term holdings. If the locker is used for



ACTIVITIES THROUGH THE YEAR

Our Shire

The 2024 Australia Day celebrations occurred over multiple events. An outdoor movie screening of Bran Nue Dae occurred on Thursday 25 January, organised by the Nannup Community Cinema and National Australia Day Council.

On Friday 26 January, 300 people attended the community breakfast, cooked by the Nannup Lions Club, at Foreshore Park. A Welcome to Country was performed by Wardandi Cultural Custodian Mitchella Hutchins. The Nala Boodja Eco Clan Aboriginal Corporation (Nala Boodja) and local choir, Key Notes, sang the 'Spirit of the Heart' song. Local musicians, the Black Stump Project, also provided entertainment and Petit Bleu provided everyone with free coffee.

The Australia Day Awards honoured community members who volunteer their time, expertise, and knowledge. Tiana Bornatici received the Youth Citizen Award, Denise Green the Citizen Award and John Thompson the Senior Citizen Award. The Nannup Amateur Basketball Association received the Event or Community Group of the Year Award.

The Shire of Nannup honoured Charles Gilbert with the Honorary Freeman award for his significant service. Barbara Dunnet, as the 2014 recipient of this award, presented Charles with the 2024 Award Medal. The Honorary Freeman title is the highest local honour awarded to a citizen of the Shire.

To conclude the Australia Day celebrations, the Nala Boodja Custodians created a yarning circle with 100 participants who attended and provided ochre face painting.

The Shire of Nannup Community Grants Program continued to provide funding and support for community events and groups. This year, the Community Grants program supported 15 projects to a combined amount of \$30,000. Funding and/or in-kind support was provided to the following groups and events:

- The Nannup Community Cinema Incorporated
- The Bibbulmum Track Foundation
- Friends of Donnelly Village
- Nannup Historical Society
- Friends of the Foreshore
- Nannup Playgroup
- Southern Forests Arts
- Nannup Mountain Bike Club
- The Southwest Food Bowl Association Inc.
- Nannup Golf Club Inc.
- Blackwood River Arts Trail Inc.
- Nannup Amateur Basketball Association
- St Thomas More Catholic Church
- Nannup Tigers Cricket Club
- Community Markets

The Shire of Nannup Community Grants Program also supported the very successful blister packs recycling trial and subsequent program through the Nannup Pharmacy. The Shire of Nannup proudly sponsored this project to help make Nannup more sustainable.





ACTIVITIES THROUGH THE YEAR

Our Shire Continued

The Shire of Nannup increased its communication channels to enable open communications with rate payers and residents. The Quarterly Newsletter provides a comprehensive overview of initiatives within the Shire. It also provides opportunities for the Shire of Nannup to recognise the great work being done by community volunteers and groups such as Friends of the Foreshore, Nannup Community Kitchen and Friends of the Cemetery.

Nannup Connect is a fortnightly e-newsletter that shares useful information regarding grants, workshops, events, blogs and current information for residents. Originally designed as a newsletter to support small business, it expanded to provide content for the broader community. The newsletter shares information from other organisations such as nbn, the Water Corporation, Telstra, and Western Power.

The Shire Notes is a monthly addition to the Nannup Telegraph produced by the Nannup Community Resource Centre. This publication informs residents of Shire changes, statutory information, and public notices. This financial year, the Shire used the Shire Notes to share rate information, particularly to ensure pensioners received their concession.

The Shire of Nannup website underwent a design refresh in March 2024. The refresh modernised the design and streamlined site map navigation to make information easier to access. Further inclusions to the website in the 2023/24 year were the Road Maintenance Map, Heritage Map, and Cemetery Map.

The Shire of Nannup also managed multiple social media pages to communicate both corporate and tourism focused information.

In February 2024, the Sustainability Committee facilitated community consultation to support the development of a Sustainability Action Plan. Over 30 representatives from the community took part, offering a diverse cross-section and varying expertise, identifying broad areas for progression. Further consultation also occurred in Scott River in March 2024 to ensure the viability and sustainability of the Scott River while protecting the environment. An incentive implemented from this was a skip bin trial for domestic waste situated at Scott River. In May 2024, a Sustainability Survey also supported the development of the Sustainability Action Plan.

The Nannup Arts, Recreation, Tourism and Liveability (NARTL) Masterplan Consultation occurred in April 2024. Facilitated by OTIUM Planning Group, the consultation aimed to ensure community needs and potential development options for the site aligned. The session was predominately an around the table style consultation with participants actively contributing ideas to questions posed by OTIUM Planning Group.

Consultation also occurred with the Nannup Adopt a Name Competition to name the areas behind the Nannup Town Hall and those next to the Old Roads Board Building. The process, guided by Landgate, led to names being formally adopted for the two areas. The area behind the Nannup Town Hall is now 'Village Green' and the area next to the Old Roads Board Building is 'Old Depot Park'.

The Shire of Nannup continues to ensure Council and committee meetings are open and transparent with notes published on the Shire of Nannup website. The Shire of Nannup shares key highlights from each Ordinary Council Meeting, along with the link to the minutes, on the Shire of Nannup Facebook page.



STATUTORY COMPLIANCE REPORT

This section of the Annual Report fulfils reporting requirements that may be imposed on the Shire of Nannup through State and Federal Statutes and subsidiary legislation.

Freedom of Information Act 1992 – Information Statement

Council adopted its Information Statement on 23 November 2000. This Statement was prepared in accordance with part 5 of the Freedom of Information Act 1992, and associated guidelines.

There was 1 Freedom of Information application received during 2023/24.

The Information Statement was updated and endorsed by Council at the Ordinary Council Meeting on 22 October 2020. It can be found on Council's website.

<https://www.nannup.wa.gov.au/council/our-shire/freedom-of-information.aspx>

Public Interest Disclosure

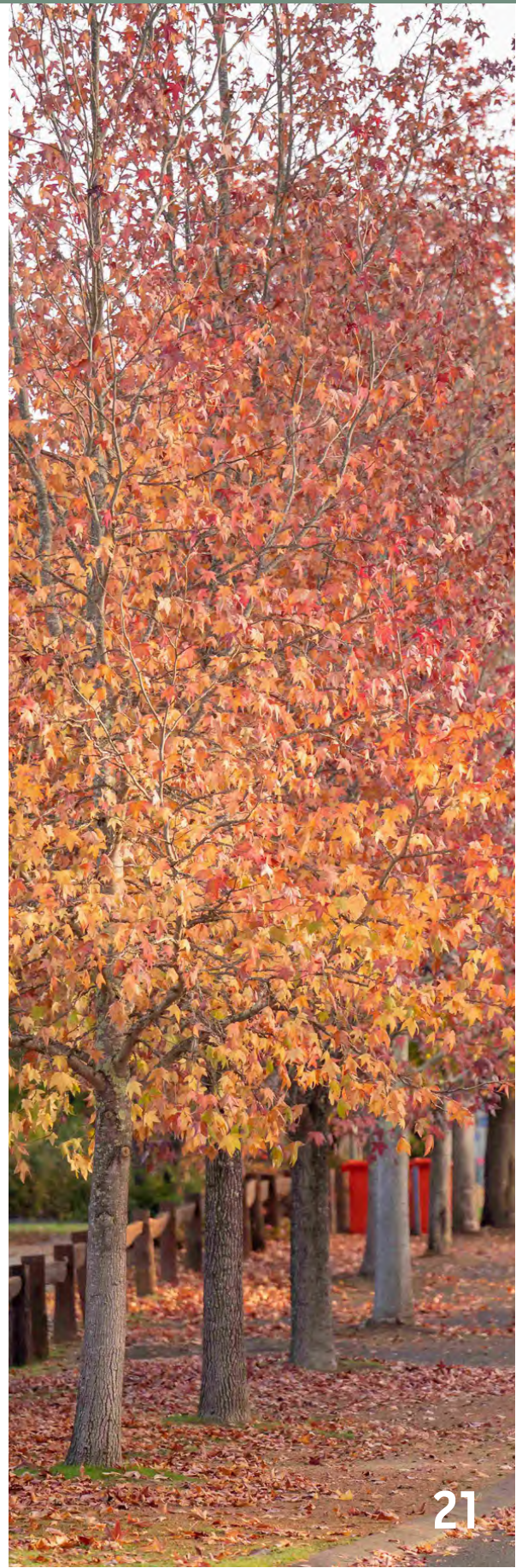
A local government is required to appoint one of its officers to act as the Council's Public Interest Disclosure Officer under the Public Interest Disclosures Act 2003.

The CEO has appointed the Governance Officer to fulfil this role. The legislation requires the reporting of serious wrongdoing with State Public Sector and Local Government as well as providing the mechanism for responding to reports.

No disclosures were received in relation to the Shire of Nannup during 2023/24.

Record Keeping Plan (State Records Act 2000)

The Shire of Nannup is committed to good record keeping practices compliant with the State Records Act 2000. The Shire's Record Keeping Plan was reviewed and approved by the State Records Commission on 29 August 2023 for a period of 5 years, the next review of the Plan is required to be submitted to the State Records Office no later than 29 August 2028.





OVERVIEW OF INTEGRATED PLANNING

Council's Plan for the Future is articulated in the Strategic Community Plan and the Corporate Business Plan. These plans are the primary documents that form part of the integrated planning and reporting framework legislated by State Government that give communities the opportunity to shape their own future. A review is required of these plans every 4 years. The Shire of Nannup completed this four yearly review process in July 2022 with the next review due by July 2026.

The Community Strategic Plan sits at the top of the Framework supported by the Corporate Business Plan, Annual Budget, Asset Management Plan, Long Term Financial Plan and Workforce Plan. The Corporate Business Plan is the first step towards achieving the communities' key priorities and is reviewed annually.

Members of the public are encouraged to read Council's other publications which are available either from the Administration Building or by visiting our webpage www.nannup.wa.gov.au

EMPLOYEE SALARY

During 2023/24 financial year the number of employees of the local government entitled to an annual salary of \$130 000 or more was as follows:

Band	No
130,000 – 140,000	1

CEO REMUNERATION

In accordance with the Salaries and Allowances Act 1975 section 4(1.) remuneration includes salary, allowances, fees, emoluments and benefits (whether in money or not).

The Chief Executive Officer's remuneration package was \$198,680.

COMPLAINTS UNDER SECTION 5.121 OF THE LOCAL GOVERNMENT ACT 1995

No complaints relating to this section of the Local Government Act 1995.





DISABILITY ACCESS AND INCLUSION PLAN

The Disability Services Amendment Act 2004 introduced a requirement for Councils to produce a Disability Access and Inclusion Plan (DAIP). The Shire's current Disability Access and Inclusion Plan is for the period covering 2021/2026

The 2021-2026 DAIP encompasses 7 Outcome areas, with considerable progress made in its implementation. An overview of achievements in the 2023-2024 year is provided below:

DAIP Outcome 1: Services and events

- Visual communications for customers are heavily pictorial and use as few words as are needed,
- Event application form has a section "Accessibility", to consider how accessible and inclusive their event is. All events in the Nannup Shire must identify how their event is inclusive.

Nannup Music Festival provides:

- level access for all venues
- seating options in all venues for people who may be experiencing fatigue
- Venues are clear of obstacles and trip hazards such as cables, etc
- The NMF provides ACROD Parking bays close to the event

DAIP Outcome 2: Buildings and facilities

- A handrail has been installed in the middle of the steps to aid access to and from the front office
- A sign advising of the public toilet whereabouts has been installed lower on the corner of the Shire building to be more in line of sight for wheelchair persons
- Change table in the All -Access toilet in the Shire Offices has been installed
- Replaced flooring at the Kindy building to ensure a smooth even surface for everyone





DISABILITY ACCESS AND INCLUSION PLAN CONTINUED

DAIP Outcome 3: Accessible information

- Events- Traffic Management Plans for Events to ensure sufficient number of ACROD Parking and ease of access to the events on pathways
- accessibility information is distributed through the Shire of Nannup Website and social media
- The Access and Inclusion Plan and the Annual Report has been produced in an easy read format and available by request

DAIP Outcome 4: Service

- Customer Service - All staff are provided with information required to understand their obligations in equitable customer service for people with varied abilities as part of their induction
- Key word signs for in Library to support young people with learning difficulties

DAIP Outcome 5: Complaints

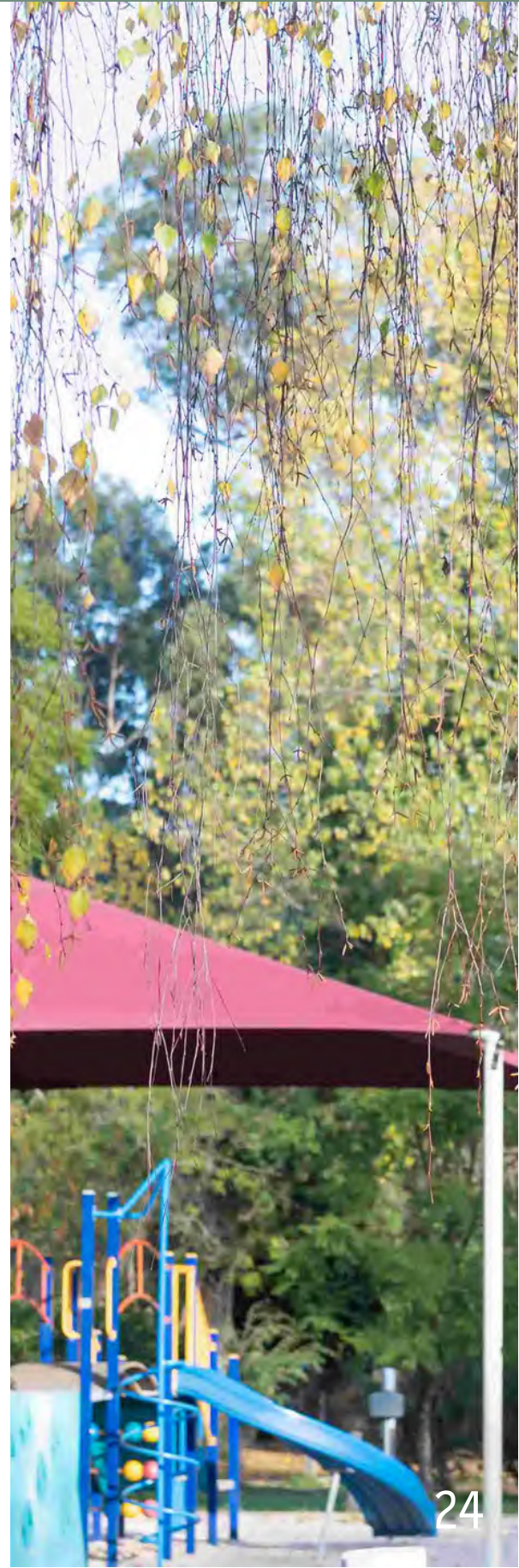
- Customer service will complete forms for clients, if necessary, listen and assist to ensure grievance mechanisms are accessible

DAIP Outcome 6: Consultation

- Public consultation is accessible. Public Consultation included UCI Event Information, Meet the Councillors and other consultations have the same opportunities:
- easy access to building,
- wider doors,
- space - easy movement around the room
- lower access to afternoon tea table
- Seating spaced for access
- Assistance by organisers if required

DAIP Outcome 7: Employment

- People with disability have the same opportunities as other people to obtain and maintain employment with the Shire



SHIRE OF NANNUP
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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

To foster a community that acknowledges its heritage, values and lifestyles whilst encouraging sustainable development

Principal place of business:
15 Adam Street
Nannup WA 6275

**SHIRE OF NANNUP
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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

STATEMENT BY CEO

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

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

Signed on the

31st day of

January 2025



Chief Executive Officer

David Taylor
CEO



**SHIRE OF NANNUP
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),24	2,178,462	2,287,735	2,043,753
Grants, subsidies and contributions	2(a)	2,054,992	1,113,455	2,600,824
Fees and charges	2(a)	681,344	605,668	479,950
Interest revenue	2(a)	255,085	54,903	49,944
Other revenue	2(a)	60,560	43,800	63,536
		5,230,443	4,105,561	5,238,007
Expenses				
Employee costs	2(b)	(2,757,589)	(2,525,449)	(2,236,236)
Materials and contracts		(1,904,076)	(2,542,565)	(1,785,280)
Utility charges		(120,737)	(58,150)	(71,495)
Depreciation		(1,333,742)	(1,406,769)	(1,287,107)
Finance costs	2(b)	(22,062)	(28,981)	(9,950)
Insurance		(185,035)	(183,189)	(231,511)
Other expenditure	2(b)	(171,598)	(239,900)	(193,973)
		(6,494,839)	(6,985,003)	(5,815,552)
		(1,264,396)	(2,879,442)	(577,545)
Capital grants, subsidies and contributions	2(a)	1,557,753	5,548,240	881,598
Profit on asset disposals		0	68,087	29,600
Loss on asset disposals		(24,521)	(8,893)	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	420	0	2,855
		1,533,652	5,607,434	914,053
Net result for the period		269,256	2,727,992	336,508
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	16,944,145	0	0
Total other comprehensive income for the period	16	16,944,145	0	0
Total comprehensive income for the period		17,213,401	2,727,992	336,508

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



**SHIRE OF NANNUP
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	2,790,002	3,383,880
Trade and other receivables	5	1,509,895	447,275
Other financial assets	4(a)	2,767,360	2,665,490
Inventories	6	7,654	4,164
Other assets	7	72,095	285,558
TOTAL CURRENT ASSETS		7,147,006	6,786,367
NON-CURRENT ASSETS			
Trade and other receivables	5	77,310	83,735
Other financial assets	4(b)	399,286	473,734
Property, plant and equipment	8	18,750,151	12,601,974
Infrastructure	9	112,858,007	100,957,611
Right-of-use assets	11(a)	7,921	12,767
TOTAL NON-CURRENT ASSETS		132,092,675	114,129,821
TOTAL ASSETS		139,239,681	120,916,188
CURRENT LIABILITIES			
Trade and other payables	12	429,348	494,138
Other liabilities	13	1,780,206	452,864
Lease liabilities	11(b)	7,921	12,753
Borrowings	14	95,588	93,027
Employee related provisions	15	347,726	407,038
TOTAL CURRENT LIABILITIES		2,660,789	1,459,820
NON-CURRENT LIABILITIES			
Borrowings	14	569,209	664,796
Employee related provisions	15	42,372	37,662
TOTAL NON-CURRENT LIABILITIES		611,581	702,458
TOTAL LIABILITIES		3,272,370	2,162,278
NET ASSETS		135,967,311	118,753,910
EQUITY			
Retained surplus		37,066,088	37,078,865
Reserve accounts	27	3,468,803	3,186,770
Revaluation surplus	16	95,432,420	78,488,275
TOTAL EQUITY		135,967,311	118,753,910

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



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		36,719,613	3,209,514	78,488,275	118,417,402
Comprehensive income for the period					
Net result for the period		336,508	0	0	336,508
Total comprehensive income for the period		336,508	0	0	336,508
Transfers from reserve accounts	27	33,020	(33,020)	0	0
Transfers to reserve accounts	27	(10,276)	10,276	0	0
Balance as at 30 June 2023		37,078,865	3,186,770	78,488,275	118,753,910
Comprehensive income for the period					
Net result for the period		269,256	0	0	269,256
Other comprehensive income for the period	16	0	0	16,944,145	16,944,145
Total comprehensive income for the period		269,256	0	16,944,145	17,213,401
Transfers from reserve accounts	27	594,346	(594,346)	0	0
Transfers to reserve accounts	27	(876,379)	876,379	0	0
Balance as at 30 June 2024		37,066,088	3,468,803	95,432,420	135,967,311

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



**SHIRE OF NANNUP
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,359,818	1,840,557
Grants, subsidies and contributions		777,551	2,624,648
Fees and charges		681,344	479,950
Interest revenue		255,085	49,944
Goods and services tax received		444,813	204,018
Other revenue		60,560	63,536
		4,579,171	5,262,653
Payments			
Employee costs		(2,739,820)	(2,449,018)
Materials and contracts		(1,826,096)	(1,588,315)
Utility charges		(120,737)	(71,495)
Finance costs		(22,062)	(9,950)
Insurance paid		(185,035)	(231,511)
Goods and services tax paid		(410,091)	(498,232)
Other expenditure		(171,598)	(193,973)
		(5,475,439)	(5,042,494)
Net cash provided by (used in) operating activities		(896,268)	220,159
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost - self supporting loans		0	(330,000)
Payments for purchase of property, plant & equipment	8(a)	(1,367,256)	(186,120)
Payments for construction of infrastructure	9(a)	(1,116,628)	(1,164,529)
Capital grants, subsidies and contributions		2,885,095	784,817
Proceeds for financial assets at amortised cost		(83,731)	0
Proceeds from financial assets at amortised cost - self supporting loans		56,729	29,026
Proceeds from sale of property, plant & equipment		36,500	51,557
Net cash provided by (used in) investing activities		410,709	(815,249)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	26(a)	(93,026)	(64,878)
Payments for principal portion of lease liabilities	26(c)	(15,293)	(17,001)
Proceeds from new borrowings	26(a)	0	330,000
Net cash provided by (used in) financing activities		(108,319)	248,121
Net (decrease) in cash held		(593,878)	(346,969)
Cash at beginning of year		3,383,880	3,730,849
Cash and cash equivalents at the end of the year		2,790,002	3,383,880

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

**SHIRE OF NANNUP
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	2,178,462	2,225,650	1,981,669
Rates excluding general rates	24	0	62,085	62,084
Grants, subsidies and contributions		2,054,992	1,113,455	2,600,824
Fees and charges		681,344	605,668	479,950
Interest revenue		255,085	54,903	49,944
Other revenue		60,560	43,800	63,536
Profit on asset disposals		0	68,087	29,600
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	420	0	2,855
		5,230,863	4,173,648	5,270,462
Expenditure from operating activities				
Employee costs		(2,757,589)	(2,525,449)	(2,236,236)
Materials and contracts		(1,904,076)	(2,542,565)	(1,785,280)
Utility charges		(120,737)	(58,150)	(71,495)
Depreciation		(1,333,742)	(1,406,769)	(1,287,107)
Finance costs		(22,062)	(28,981)	(9,950)
Insurance		(185,035)	(183,189)	(231,511)
Other expenditure		(171,598)	(239,900)	(193,973)
Loss on asset disposals		(24,521)	(8,893)	0
		(6,519,360)	(6,993,896)	(5,815,552)
Non cash amounts excluded from operating activities	25(a)	1,378,703	1,348,634	1,242,820
Amount attributable to operating activities		90,206	(1,471,614)	697,730
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,557,753	5,548,240	881,598
Proceeds from disposal of assets		36,500	221,000	51,557
Proceeds from financial assets at amortised cost - self supporting loans	26(a)	56,729	56,729	29,026
		1,650,982	5,825,969	962,181
Outflows from investing activities				
Payments for financial assets at amortised cost - self supporting loans		0	0	(330,000)
Right of use assets received - non cash	11(a)	(10,461)	0	0
Purchase of property, plant and equipment	8(a)	(1,367,256)	(2,385,993)	(186,120)
Purchase and construction of infrastructure	9(a)	(1,116,628)	(5,638,455)	(1,164,529)
		(2,494,345)	(8,024,448)	(1,680,649)
Non-cash amounts excluded from investing activities	25(b)	10,461	0	0
Amount attributable to investing activities		(832,902)	(2,198,479)	(718,468)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	0	300,000	330,000
Proceeds from new leases - non cash	26(c)	10,461	0	0
Transfers from reserve accounts	27	594,346	1,674,168	33,020
		604,807	1,974,168	363,020
Outflows from financing activities				
Repayment of borrowings	26(a)	(93,026)	(105,848)	(64,878)
Payments for principal portion of lease liabilities	26(c)	(15,293)	(12,752)	(17,001)
Transfers to reserve accounts	27	(876,379)	(748,084)	(10,276)
		(984,698)	(866,684)	(92,155)
Non-cash amounts excluded from financing activities	25(c)	(10,461)	0	0
Amount attributable to financing activities		(390,352)	1,107,484	270,865
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(d)	2,429,802	2,562,609	2,179,675
Amount attributable to operating activities		90,206	(1,471,614)	697,730
Amount attributable to investing activities		(832,902)	(2,198,479)	(718,468)
Amount attributable to financing activities		(390,352)	1,107,484	270,865
Surplus or deficit after imposition of general rates	25(d)	1,296,754	0	2,429,802

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



**SHIRE OF NANNUP
FOR THE YEAR ENDED 30 JUNE 2024
INDEX OF NOTES TO THE FINANCIAL REPORT**

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**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

1. BASIS OF PREPARATION

The financial report of the Shire of Nannup which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, 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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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

The Local Government (Financial Management) Regulations 1996 provide that:

- Land and buildings classified as property, plant and equipment; or
 - Infrastructure; or
 - Vested improvements that the local government controls;
- measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116: Property, Plant and Equipment, which would have required the Shire to assessed at each reporting date whether the carrying amount of the above mentioned non-financial assets materiality differs from their fair value and, if so, revalue the class of non-financial asset.

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Measurement of employee benefits - note 15

Fair value heirarchy information can be found in note 23

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 0 of the financial report.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

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

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

New accounting standards for application in future years

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

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

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

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

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

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Capital Grants, subsidies and contributions	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds base don 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 - licenses, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the license, registration or approval
Fees and charges - waste management collections	Kerbside collection service	over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
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 - Facility Hire and Entry	Use of halls an facilities	Single point in time	Full payment in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Fees and charges - Other Goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Full payment in advance	None	Output method based on provision of service or competition of works
Other revenue - Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	0	0	2,178,462	0	2,178,462
Grants, subsidies and contributions	2,054,992	0	0	0	2,054,992
Fees and charges	0	0	0	681,344	681,344
Interest revenue	213,529	0	0	41,556	255,085
Other revenue	0	0	0	60,560	60,560
Capital grants, subsidies and contributions	0	1,533,722	0	24,031	1,557,753
Total	2,268,521	1,533,722	2,178,462	807,491	6,788,196

For the year ended 30 June 2023

Nature	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	0	0	2,043,753	0	2,043,753
Grants, subsidies and contributions	2,600,824	0	0	0	2,600,824
Fees and charges	381,903	0	51,369	46,678	479,950
Interest revenue	30,312	0	19,632	0	49,944
Other revenue	23,386	0	0	40,150	63,536
Capital grants, subsidies and contributions	0	881,598	0	0	881,598
Total	3,036,425	881,598	2,114,754	86,828	6,119,605

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual	2023 Actual
	\$	\$
Interest revenue		
Financial assets at amortised cost - self supporting loans	18,904	5,325
Interest on reserve account	143,437	13,751
Other interest revenue	92,744	30,868
	255,085	49,944
Fees and charges relating to rates receivable		
Charges on instalment plan	2,710	2,680
The 2024 original budget estimate in relation to: Charges on instalment plan was \$3,000.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	30,340	32,700
- Other services – grant acquittals	0	5,350
	30,340	38,050
Employee benefit costs	2,635,665	2,181,184
Other employee costs	121,924	55,052
	2,757,589	2,236,236
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	22,062	9,950
	22,062	9,950
Sundry expenses	171,598	193,973
	171,598	193,973

SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	2,790,002	3,383,880
Total cash and cash equivalents	2,790,002	3,383,880
Held as		
- Unrestricted cash and cash equivalents	249,514	2,369,035
- Restricted cash and cash equivalents	17 2,540,488	1,014,845
	2,790,002	3,383,880

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

Note	2024	2023
	\$	\$
(a) Current assets		
Financial assets at amortised cost	2,767,360	2,665,490
	2,767,360	2,665,490
Other financial assets at amortised cost		
Self supporting loans receivable	25(d) 58,839	40,701
Term deposits	2,708,521	2,624,789
	2,767,360	2,665,490
Held as		
- Unrestricted other financial assets at amortised cost	58,839	40,701
- Restricted other financial assets at amortised cost	17 2,708,521	2,624,789
	2,767,360	2,665,490
(b) Non-current assets		
Financial assets at amortised cost	378,493	453,362
Financial assets at fair value through profit or loss	20,793	20,372
	399,286	473,734
Financial assets at amortised cost		
Self supporting loans receivable	378,493	453,362
	378,493	453,362
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	20,373	17,517
Movement attributable to fair value increment	420	2,855
Units in Local Government House Trust - closing balance	20,793	20,372

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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

The Shire has elected to classify the following financial assets at fair value through profit or loss:

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

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

5. TRADE AND OTHER RECEIVABLES

Note	2024	2023
	\$	\$
Current		
Rates and statutory receivables	198,271	378,370
Trade receivables	1,309,964	32,523
Other receivables	1,660	1,660
GST receivable	0	34,722
	<u>1,509,895</u>	<u>447,275</u>
Non-current		
Rates and statutory receivables	77,310	83,735
	<u>77,310</u>	<u>83,735</u>

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

Measurement

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

Classification and subsequent measurement

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

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

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

6. INVENTORIES

Note	2024	2023
	\$	\$
Current		
Fuel and materials	7,654	4,164
	<u>7,654</u>	<u>4,164</u>
The following movements in inventories occurred during the year:		
Balance at beginning of year	4,164	4,164
Inventories expensed during the year	(155,549)	(158,711)
Additions to inventory	159,039	158,711
Balance at end of year	<u>7,654</u>	<u>4,164</u>

MATERIAL ACCOUNTING POLICIES

General

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

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

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

7. OTHER ASSETS

	2024	2023
	\$	\$
Other assets - current		
Accrued income	72,095	285,558
	72,095	285,558

MATERIAL ACCOUNTING POLICIES

Other current assets

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

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Total Property					Plant and equipment		Total property, plant and equipment
	Land	Buildings - non- specialised	Buildings - specialised	Work in progress	Total Property	Furniture and equipment	Plant and equipment	
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	1,615,000	6,011,649	2,645,582	0	10,272,231	26,582	2,495,010	12,793,823
Additions	0	0	127,727	14,293	142,020	0	44,100	186,120
Disposals	0	0	0	0	0	0	(21,957)	(21,957)
Depreciation	0	(5,295)	(42,228)		(47,523)	(11,241)	(297,248)	(356,012)
Balance at 30 June 2023	1,615,000	6,006,354	2,731,081	14,293	10,366,728	15,341	2,219,905	12,601,974
Comprises:								
Gross balance amount at 30 June 2023	1,615,000	6,171,308	2,793,584	14,293	10,594,185	43,478	3,408,714	14,046,377
Accumulated depreciation at 30 June 2023	0	(164,954)	(62,503)	0	(227,457)	(28,137)	(1,188,809)	(1,444,403)
Balance at 30 June 2023	1,615,000	6,006,354	2,731,081	14,293	10,366,728	15,341	2,219,905	12,601,974
Additions	0	7,252	300,722	0	307,974	0	1,059,282	1,367,256
Disposals	0	0	0	0	0	0	(61,021)	(61,021)
Revaluation increments / (decrements) transferred to revaluation surplus	2,541,000	208,233	2,428,460	0	5,177,693	0	0	5,177,693
Depreciation	0	(5,295)	(44,300)	0	(49,595)	(9,675)	(323,937)	(383,207)
Transfers	0	(4,917,544)	4,931,837	(14,293)	0	47,456	0	47,456
Balance at 30 June 2024	4,156,000	1,299,000	10,347,800	0	15,802,800	53,122	2,894,229	18,750,151
Comprises:								
Gross balance amount at 30 June 2024	4,156,000	2,960,000	19,105,800	0	26,221,800	93,908	4,367,996	30,683,704
Accumulated depreciation at 30 June 2024	0	(1,661,000)	(8,758,000)	0	(10,419,000)	(40,786)	(1,473,767)	(11,933,553)
Balance at 30 June 2024	4,156,000	1,299,000	10,347,800	0	15,802,800	53,122	2,894,229	18,750,151

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2024	Price per square meter
Buildings - non-specialised	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Buildings - specialised	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
(ii) Cost					
Furniture and equipment		Cost	At Cost	N/A	N/A
Plant and equipment		Cost	At Cost	N/A	N/A

SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - bridges	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - work in progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	52,233,285	24,724,985	8,309,971	14,808,046	630,889	0	0	100,707,176
Additions	803,818	145,797	0	0	80,981		133,933	1,164,529
Depreciation	(659,442)	(42,185)	(72,097)	(126,249)	(14,121)	0	0	(914,094)
Transfers	24,168,518	(24,168,518)	0	0	0	0	0	0
Balance at 30 June 2023	74,846,519	2,359,739	8,237,874	14,681,797	697,749	0	133,933	100,957,611
Comprises:								
Gross balance at 30 June 2023	80,938,370	2,502,563	8,731,676	15,777,707	742,608	0	133,933	108,826,857
Accumulated depreciation at 30 June 2023	(6,091,851)	(142,824)	(493,802)	(1,095,910)	(44,859)	0	0	(7,869,246)
Balance at 30 June 2023	74,846,519	2,359,739	8,237,874	14,681,797	697,749	0	133,933	100,957,611
Additions	632,912	436,713	47,003	0	0	0	0	1,116,628
Revaluation increments / (decrements) transferred to revaluation surplus	7,475,338	898,249	1,505,960	1,264,451	0	622,454	0	11,766,452
Depreciation	(678,170)	(46,004)	(72,145)	(126,248)	(12,661)	0	0	(935,228)
Transfers	6,300	(2,274,581)	0	0	(685,088)	3,039,846	(133,933)	(47,456)
Balance at 30 June 2024	82,282,899	1,374,116	9,718,692	15,820,000	0	3,662,300	0	112,858,007
Comprises:								
Gross balance at 30 June 2024	113,213,250	1,828,314	13,243,680	39,370,000	0	5,319,000	0	172,974,244
Accumulated depreciation at 30 June 2024	(30,930,351)	(454,198)	(3,524,988)	(23,550,000)	0	(1,656,700)	0	(60,116,237)
Balance at 30 June 2024	82,282,899	1,374,116	9,718,692	15,820,000	0	3,662,300	0	112,858,007

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - bridges	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using current replacement cost	Independent registered valuer	June 2024	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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



**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings - non-specialised	20 to 100 years
Buildings - specialised	20 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	4 to 20 years
Infrastructure - roads	10 to 80 years
Infrastructure - footpaths & cycleways	35 to 60 years
Infrastructure - drainage	60 to 80 years
Infrastructure - bridges	90 to 125 years
Infrastructure - parks and ovals	50 to 75 years
Right-of-use plant and equipment	Based on the remaining lease term

**SHIRE OF NANNUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable Value

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

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

Revaluation

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

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

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

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

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

Depreciation on revaluation

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

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

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

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

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11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - plant and equipment	Right-of-use assets Total
		\$	\$
Balance at 1 July 2022		29,768	29,768
Depreciation		(17,001)	(17,001)
Balance at 30 June 2023		12,767	12,767
Gross balance amount at 30 June 2023		12,767	12,767
Balance at 30 June 2023		12,767	12,767
Additions		10,461	10,461
Depreciation		(15,307)	(15,307)
Balance at 30 June 2024		7,921	7,921
Gross balance amount at 30 June 2024		61,468	61,468
Accumulated depreciation at 30 June 2024		(53,547)	(53,547)
Balance at 30 June 2024		7,921	7,921

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

		2024 Actual	2023 Actual
		\$	\$
Depreciation on right-of-use assets		(15,307)	(17,001)
Finance charge on lease liabilities	26(c)	0	(1,021)
Total amount recognised in the statement of comprehensive income		(15,307)	(18,022)
Total cash outflow from leases		(15,293)	(18,022)
(b) Lease Liabilities			
Current		7,921	12,753
	26(c)	7,921	12,753

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 a default.

MATERIAL 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 for a period of time in exchange for consideration.

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

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

Details of individual lease liabilities required by regulations are provided at Note 26(c).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

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12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued Expenses

	2024	2023
	\$	\$
	135,394	242,070
	32,684	37,852
	51,245	40,260
	109,137	47,751
	100,888	91,186
	0	35,019
	429,348	494,138

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

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13. OTHER LIABILITIES

	2024	2023
	\$	\$
Current		
Capital grant/contributions liabilities	1,780,206	452,864
	1,780,206	452,864
Opening balance	452,864	549,645
Additions	1,780,206	51,904
Revenue from capital grant/contributions held as a liability at the start of the period	(452,864)	(148,685)
	1,780,206	452,864

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

MATERIAL ACCOUNTING POLICIES

Capital grant/contribution liabilities

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

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14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
WA Treasury Corporation		95,588	569,209	664,797	93,027	664,796	757,823
Total secured borrowings	26(a)	95,588	569,209	664,797	93,027	664,796	757,823

Secured liabilities and assets pledged as security

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 26(a).

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15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
Current provisions	\$	\$
Employee benefit provisions		
Annual leave	197,822	222,723
Long service leave	149,904	184,315
	347,726	407,038
Total current employee related provisions	347,726	407,038
Non-current provisions		
Employee benefit provisions		
Long service leave	42,372	37,662
	42,372	37,662
Total non-current employee related provisions	42,372	37,662
Total employee related provisions	390,098	444,700

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.

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

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16. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	2023 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	0	2,541,000	2,541,000	0	0
Revaluation surplus - Buildings - non-specialised	4,812,147	208,233	5,020,380	4,812,147	4,812,147
Revaluation surplus - Buildings - specialised	0	2,428,460	2,428,460	0	0
Revaluation surplus - Furniture and equipment	163	0	163	163	163
Revaluation surplus - Plant and equipment	472,474	0	472,474	472,474	472,474
Revaluation surplus - Infrastructure - roads	50,190,704	7,475,338	57,666,042	50,190,704	50,190,704
Revaluation surplus - Infrastructure - footpaths	794,838	898,249	1,693,087	794,838	794,838
Revaluation surplus - Infrastructure - drainage	6,776,704	1,505,960	8,282,664	6,776,704	6,776,704
Revaluation surplus - Infrastructure - bridges	15,441,245	1,264,451	16,705,696	15,441,245	15,441,245
Revaluation surplus - Infrastructure - other	0	622,454	622,454	0	0
	78,488,275	16,944,145	95,432,420	78,488,275	78,488,275

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17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	2,540,488	1,014,845
- Financial assets at amortised cost	4	2,708,521	2,624,789
		5,249,009	3,639,634
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	3,468,803	3,186,770
Capital grant liabilities	13	1,780,206	452,864
Total restricted financial assets		5,249,009	3,639,634
18. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS			
Bank overdraft limit			
Bank overdraft at balance date			
Credit card limit		16,500	10,000
Credit card balance at balance date		(5,075)	0
Total amount of credit unused		11,425	10,000
Loan facilities			
Loan facilities - current		95,588	93,027
Loan facilities - non-current		569,209	664,796
Total facilities in use at balance date		664,797	757,823
Unused loan facilities at balance date		Nil	Nil

**SHIRE OF NANNUP
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19. CONTINGENT LIABILITIES

The Shire has a refuse site located at Reserve Number: 38737 - Lot 13219 on deposited plan 214941 - Beggars Road, Nannup. This site has been classified by the Department of Water and Environmental Regulation (DEWR) as 'possibly contaminated - investigation required.'

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

20. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects
- plant & equipment purchases

Payable:

- not later than one year

	2024	2023
	\$	\$
	72,336	66,833
	94,503	144,563
	166,839	211,396
	166,839	211,396

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21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

	Note	2024 Actual	2024 Budget	2023 Actual
Fees, expenses and allowances to be paid or reimbursed to elected council members.		\$	\$	\$
President's annual allowance		12,000	12,000	12,000
President's meeting attendance fees		12,000	12,000	12,000
President's annual allowance for ICT expenses		1,100	1,100	1,100
President's travel and accommodation expenses		378	375	3,576
		25,478	25,475	28,676
Deputy President's annual allowance		3,000	3,000	3,000
Deputy President's meeting attendance fees		6,000	6,000	6,000
Deputy President's annual allowance for ICT expenses		1,100	1,100	1,100
Deputy President's travel and accommodation expenses		506	375	1,076
		10,606	10,475	11,176
All other council member's meeting attendance fees		23,000	36,000	30,000
All other council member's ICT expenses		4,675	6,600	5,500
All other council member's travel and accommodation expenses			2,250	0
		27,675	44,850	35,500
	21(b)	63,759	80,800	75,352

(b) Key Management Personnel (KMP) Compensation

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

Short-term employee benefits		563,711		414,112
Post-employment benefits		70,891		56,450
Employee - other long-term benefits		63,541		41,712
Council member costs	21(a)	63,759		75,352
		761,902		587,626

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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

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21. RELATED PARTY TRANSACTIONS (Continued)

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:

	2024 Actual	2023 Actual
	\$	\$
Purchase of goods and services	3,420	1,800

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 Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b).

ii. Other Related Parties

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

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

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22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring after the end of the reporting period.

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23. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

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

i) Fair value hierarchy

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

Level 1

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

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 assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

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

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

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

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24. RATING INFORMATION

(a) General Rates

RATE TYPE	Basis of valuation	Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
Rate Description				\$	\$	\$	\$	\$	\$	\$	\$
(i) General rates											
General	Gross rental valuation	9.7188	393	6,725,083	653,597	3,762	657,359	653,597	0	653,597	622,123
Industrial	Gross rental valuation	10.4130	12	465,235	48,445	28	48,473	48,445	0	48,445	44,823
Short Term	Gross rental valuation	10.8135	24	491,660	53,166	1,418	54,584	53,166	0	53,166	43,448
General	Unimproved valuation	0.4710	234	155,302,000	731,472	(63,194)	668,278	731,473	0	731,473	537,555
Mining	Unimproved valuation	0.4710	0	0	0	0	0	0	0	0	(912)
Plantations	Unimproved valuation	0.5178	42	44,938,998	232,694	9,622	242,316	232,694	0	232,694	180,146
Total general rates			705	207,922,978	1,719,374	(48,364)	1,671,010	1,719,375	0	1,719,375	1,427,183
				Minimum Payment							
				\$							
(ii) Minimum payment											
General	Gross rental valuation	1,163	293	2,319,468	340,759	0	340,759	340,759	0	340,759	344,344
Industrial	Gross rental valuation	1,246	3	25,900	3,738	0	3,738	3,738	0	3,738	4,792
Short Term	Gross rental valuation	1,294	8	68,380	10,352	0	10,352	10,352	0	10,352	9,584
General	Unimproved valuation	1,092	123	14,372,924	134,316	0	134,316	134,316	0	134,316	172,200
Mining	Unimproved valuation	1,092	15	583,247	16,380	397	16,777	16,380	0	16,380	17,850
Plantations	Unimproved valuation	1,510	3	668,000	4,530	0	4,530	4,530	0	4,530	8,388
Total minimum payments			445	18,037,919	510,075	397	510,472	510,075	0	510,075	557,158
Total general rates and minimum payments			1,150	225,960,897	2,229,449	(47,967)	2,181,482	2,229,450	0	2,229,450	1,984,341
				Rate in							
(iii) Ex-gratia Rates											
Department of Biosecurity, Conservation and Attractions			0	0	0	0	0		62,085	62,085	62,084
Total amount raised from rates (excluding general rates)			0	0	0	0	0	0	62,085	62,085	62,084
Discounts							(2,325)			0	0
Concessions							(695)			(3,800)	(2,672)
Total Rates							2,178,462			2,287,735	2,043,753
Rate instalment interest							6,003			5,500	5,185
Rate overdue interest							11,090			15,000	14,447

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

*Rateable Value at time of raising of rate.



SHIRE OF NANNUP
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25. DETERMINATION OF SURPLUS OR DEFICIT

	Note	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
		\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals		0	(68,087)	(29,600)
Less: Movement in liabilities associated with restricted cash		9,725	1,059	718
Less: Fair value adjustments to financial assets at fair value through profit or loss		(420)	0	(2,855)
Add: Loss on disposal of assets		24,521	8,893	0
Add: Impairment of Plant and Equipment	8(a)	0	0	0
Add: Depreciation		1,333,742	1,406,769	1,287,107
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		6,425	0	(7,655)
Employee benefit provisions		4,710	0	(4,895)
Non-cash amounts excluded from operating activities		1,378,703	1,348,634	1,242,820
(b) Non-cash amounts excluded from investing activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to investing activities				
Right of use assets received - non cash	11(a)	10,461	0	0
Non-cash amounts excluded from investing activities		10,461	0	0
(c) Non-cash amounts excluded from financing activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to financing activities				
Non cash proceeds from new leases	26(c)	(10,461)	0	0
Non-cash amounts excluded from financing activities		(10,461)	0	0
(d) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	27	(3,468,803)	(2,293,708)	(3,186,770)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(58,839)	(58,839)	(40,701)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	95,588	105,000	93,027
- Current portion of lease liabilities	11(b)	7,921	1	12,753
- Employee benefit provisions		234,670	226,005	224,946
Total adjustments to net current assets		(3,189,463)	(2,021,541)	(2,896,745)
Net current assets used in the Statement of Financial Activity				
Total current assets		7,147,006	2,893,196	6,786,367
Less: Total current liabilities		(2,660,789)	(871,655)	(1,459,820)
Less: Total adjustments to net current assets		(3,189,463)	(2,021,541)	(2,896,745)
Surplus or deficit after imposition of general rates		1,296,754	0	2,429,802

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26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
Waste Facility Machine	40	\$ 299,613	\$ 0	\$ (35,852)	\$ 263,761	\$ 0	\$ (36,297)	\$ 227,464	\$ 263,762	\$ 0	\$ (35,851)	\$ 227,911
Enterprise Resource Training (ERP) System	42	0	0	0	0	0	0	0	0	300,000	(13,268)	286,732
Total		299,613	0	(35,852)	263,761	0	(36,297)	227,464	263,762	300,000	(49,119)	514,643
Self Supporting Loans												
Nannup Music Club	39a	193,088	0	(29,026)	164,062	0	(29,897)	134,165	164,061	0	(29,897)	134,164
Nannup Music Club	41	0	330,000	0	330,000	0	(26,832)	303,168	330,000	0	(26,832)	303,168
Total Self Supporting Loans		193,088	330,000	(29,026)	494,062	0	(56,729)	437,333	494,061	0	(56,729)	437,332
Total Borrowings	14	492,701	330,000	(64,878)	757,823	0	(93,026)	664,797	757,823	300,000	(105,848)	951,975

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

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
Waste Facility Machine	40	WATC	2.48%	13/05/2030	\$ (3,158)	\$ (3,158)	\$ (3,604)
Total					(3,158)	(3,158)	(3,604)
Self Supporting Loans Finance Cost Payments							
Nannup Music Club	39a	WATC	2.96%	28/09/2028	(4,453)	(4,453)	(5,325)
Nannup Music Club	41	WATC	4.47%	02/03/2033	(14,451)	(14,451)	0
Total Self Supporting Loans Finance Cost Payments					(18,904)	(18,904)	(5,325)
Total Finance Cost Payments					(22,062)	(22,062)	(8,929)

* WA Treasury Corporation

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26. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
Enterprise Resource Training (ERP) System	WATC	Fixed	10	4.19%	\$ 0	\$ 300,000	\$ 0	\$ 0	\$ 0	\$ 0
					0	300,000	0	0	0	0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual				Budget						
		Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
CESM Vehicle		\$ 29,754	\$ 0	\$ (17,001)	\$ 12,753	\$ 10,461	\$ (15,293)	\$ 7,921	\$ 12,752	\$ 0	\$ (12,752)	\$ 0
Total Lease Liabilities	11(b)	29,754	0	(17,001)	12,753	10,461	(15,293)	7,921	12,752	0	(12,752)	0

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term
CESM Vehicle	979823	SG Fleet	N/A	13/04/2025	\$ 0	\$ 0	\$ (1,021)	48 Months
Total Finance Cost Payments					0	0	(1,021)	

Note: Original Lease 979823 Expired 14 March 2024, Extension on Lease 979823 to 13 April 2025.

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FOR THE YEAR ENDED 30 JUNE 2024

27. RESERVE ACCOUNTS	2024	2024	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer	Closing
	Balance	to	(from)	Balance	Balance	to	(from)	Balance	Balance	to	(from)	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	224,945	9,725	0	234,670	224,946	1,059	0	226,005	224,227	718	0	224,945
(b) Plant	429,035	281,492	(321,291)	389,236	458,445	267,388	(604,000)	121,833	456,981	1,463	(29,409)	429,035
(c) Recreation	580	0	(580)	0	580	3	(583)	0	578	2	0	580
(d) Office Equipment	166,647	4,819	(55,000)	116,466	166,647	785	(105,000)	62,432	166,115	532	0	166,647
(e) Asset Management	852,101	30,796	(133,461)	749,436	852,101	4,011	(360,000)	496,112	849,381	2,720	0	852,101
(f) Main Street Upgrade	61	0	(61)	0	61	0	(61)	0	61	0	0	61
(g) Landfill	181,111	7,832	0	188,943	181,111	852	0	181,963	180,586	525	0	181,111
(h) Emergency Management	63,946	2,768	0	66,714	63,946	301	0	64,247	63,742	204	0	63,946
(i) Aged Accommodation	401,706	17,356	0	419,062	401,706	1,891	0	403,597	400,424	1,282	0	401,706
(j) Gravel Pit	164,662	7,114	0	171,776	164,662	775	0	165,437	164,084	578	0	164,662
(k) Community Bus	31,029	0	(31,029)	0	31,029	146	(31,175)	0	30,930	99	0	31,029
(l) Infrastructure	201,924	392,187	0	594,111	201,924	368,665	(442,999)	127,590	201,279	645	0	201,924
(m) Strategic Initiatives	361,922	14,659	(22,716)	353,865	365,533	1,704	(100,000)	267,237	364,366	1,167	(3,611)	361,922
(n) Youth	16,422	703	0	17,125	16,422	77	0	16,499	16,370	52	0	16,422
(o) Footpaths	30,208	0	(30,208)	0	30,208	142	(30,350)	0	30,112	96	0	30,208
(p) Trails	60,471	106,928	0	167,399	60,471	100,285	0	160,756	60,278	193	0	60,471
	3,186,770	876,379	(594,346)	3,468,803	3,219,792	748,084	(1,674,168)	2,293,708	3,209,514	10,276	(33,020)	3,186,770

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

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

Name of reserve account	Anticipated Date of Use	Purpose of the reserve account
Restricted by council		
(a) Leave reserve	Ongoing	To fund leave accumulated by employees
(b) Plant	Ongoing	To fund major repairs, replacement or new acquisition of plant and associated equipment
(c) Recreation	30/06/2024	To be used for future enhancements to recreation facility
(d) Office Equipment	Ongoing	To be used to enquire the equipment required for Council Administration and the supporting computer system is maintained
(e) Asset Management	Ongoing	To fund the major maintenance, improvement or development of Buildings
(f) Main Street Upgrade	30/06/2024	To be used for works to support the Main Street upgrade Project
(g) Landfill	Ongoing	To provide funding for major maintenance of and rehabilitation of the refuse disposal site once it reaches the end of useful life
(h) Emergency Management	Ongoing	To provide funding for costs associated with local emergencies, where the costs cannot be recovered from another party
(i) Aged Accommodation	Ongoing	To be used to facilitate the development of Aged Housing within the Shire of Nannup
(j) Gravel Pit	Ongoing	To be used for the rehabilitation of gravel pits at the end of their useful lives
(k) Community Bus	30/06/2024	To be used to cover future capital upgrades - <i>merged with Plant Reserve</i>
(l) Infrastructure	Ongoing	To fund the major maintenance, improvement or development of Infrastructure
(m) Strategic Initiatives	Ongoing	To fund Strategic Projects identified by Council
(n) Youth	Ongoing	To be used for future Youth Asset Purchases
(o) Footpaths	30/06/2024	To be used for preservation of Footpaths - <i>merged with Infrastructure Reserve</i>
(p) Trails	Ongoing	To be used for major maintenance, upgrade or improvement of Trails



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28. TRUST FUNDS

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Construction Training Fund	0	5,870	(5,870)	0
Other Bonds	44,018	200	(200)	44,018
Building Services Levy	(1,038)	9,896	(8,522)	336
Councillor Nomination Fees	0	1,000	(300)	700
Key, Facility and Equipment Bonds	7,520	3,892	(1,450)	9,962
Retention Bonds	39,692	6,000	0	45,692
Unclaimed Monies	180	0	0	180
Transport	813	350,839	(351,652)	0
	91,185	377,697	(367,994)	100,888



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Nannup

To the Council of the Shire of Nannup

Qualified Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for qualified opinion

Land and buildings and infrastructure

My opinion in the prior year was qualified because land, buildings and infrastructure with carrying values of \$1,615,000, \$8,737,435 and \$100,957,611 respectively disclosed in Notes 8(a) and 9(a) of the financial report as at 30 June 2023, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, my opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

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

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

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

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

The Chief Executive Officer (CEO) of the Shire is responsible for:

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Nannup for the year ended 30 June 2024 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Mark Ambrose

Mark Ambrose
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
4 February 2025