



Shire of
Katanning
Heart of the Great Southern



ANNUAL REPORT 2023/2024

Acknowledgment of Country

Ngala kaaditj noongar moort keyen kaadak nitja boodja.

The Shire of Katanning acknowledges the Noongar Goreng people as the traditional custodians of the land that we live and work on. We recognise their cultural heritage, beliefs, and continuing relationship with the land, and pay our respects to Elders past present and emerging.

About the Annual Report

The Shire of Katanning is pleased to present the 2023/2024 Annual Report, which provides an account of the Shire's performance from 1 July 2023 to 30 June 2024.

As required by the *Local Government Act 1995* and associated regulations the Annual Report for 2023/2024 provides an overview of the operations, activities and major projects that have been completed by the Shire for that period or will continue to be completed in the coming financial year.



Shire of
Katanning
Heart of the Great Southern

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Katanning in Brief

Situated in the heart of Western Australia's Great Southern region, three hours southeast of Perth, Katanning is a vibrant country community founded on rural industries and home to over 40 nationalities.

Katanning provides a range of services to meet the community's needs including education, health, recreation facilities and affordable land and housing.

The Shire of Katanning has 7 elected members and employs approximately 79 staff. Emphasis is placed on working together and recognising that every individual, regardless of the type of work they do, makes a valuable contribution to building a better community for Katanning.

The Shire of Katanning has undertaken several transformational projects in recent years including the redevelopment of the All-Ages Playground, Piesse Park, visitor facilities, residential land development and community facilities.

**Distance
from Perth**



283km

Population



4,057
(ABS, 2023, LGA)

Area



1,523
square km

**Number of
Electors**



2,494
WA Electoral
Commission 2023

**Number of
Dwellings**



1,737

**Length of
Unsealed
Roads**



528.4km

**Length of
Sealed Roads**



255.3km

**Total Rates
Levied**



\$5,104,823

Total Revenue



\$11,810,130

**Number of
Employees**



58 FTE



KATANNING

● MOOJEBING

● COBLININE

BADGEBUP ●

● PINWERNYING

● COYRECUP

●
KATANNING
TOWN SITE

● EWLYAMARTUP

● CARROLUP

● MURDONG

President's Report



Welcome to the Shire of Katanning Annual Report 2023/2024. I am delighted to share an update on the Shire's activities during my first year as President. It has been a busy and productive year as we have worked diligently to provide strategic leadership and make informed decisions to ensure Katanning continues to prosper.

Strengthening our commitment to a robust and authentic strategic planning framework that guides the growth and development of the Katanning community, the Council has achieved significant milestones this year. We adopted the Corporate Business Plan 2023 - 2027, Disability Inclusion Plan 2023–2027 and the Katanning Leisure Centre (KLC) Master Plan, all of which provide valuable direction for future initiatives and activities within the Shire.

I acknowledge the State and Federal Governments for their vital support through various funding opportunities. Through the Local Roads and Infrastructure Program, we successfully completed the final phase of the Federal Government's funding initiative, enabling us to reseal several priority roads within the townsite, install new play equipment at Prosser Oval and planned upgrades to the Cemetery.


We have had significant success in developing new projects and exciting initiatives for our community. In 23/24 the Shire of Katanning successfully obtained funding that will deliver two key projects being the Kaarl Yarning Place and the Quartermaine Oval upgrades. These exciting developments reflect our ongoing commitment to enhancing local infrastructure and community spaces.

The 2023/24 year brought significant changes to the Shire's personnel.

In December 2023, we welcomed our new Chief Executive Officer, Mr. Peter Klein, whose fresh perspective and renewed vision have already inspired forward-thinking leadership and progress for the Shire.

In the 2023 Local Government elections, we welcomed two new Councillors, Paul Totino and Ian Hanna, along with the return of Liz Guidera for a two-year term. We are grateful for their commitment to serving on the Council and providing valuable leadership for our community.

A special note of appreciation to retiring Councillor Serena Sandwell for her eight years of passionate and dedicated service. Ms. Sandwell's commitment to her role has made a lasting and valuable contribution to our community.



Our community's success is a testament to the collective efforts of many. I express my sincere gratitude to all who have contributed, including our dedicated Shire staff both past and present, elected members current and former and the active members of our community.

A heartfelt thank you to Deputy President Liz Guidera for her tireless dedication to our community and her outstanding guidance and support. Her efforts are deeply appreciated and make a lasting impact.

I extend sincere gratitude to all Councillors, thank you for your unwavering commitment to representing the voice of our community.

Together, we celebrate the progress achieved and remain committed to advocating for and working with the Katanning community towards a brighter future.

Cr Kristy D'Aprile
PRESIDENT

Chief Executive Officer Report



I commenced in the role on 13 December 2023 and therefore acknowledge the contribution that former CEO Julian Murphy and Acting CEO Dale Putland made to the organisation's performance during the first half of the 2023/24 reporting period.

During this period, Council returned an operating deficit of \$7.28M but after deducting depreciation and other non-cash expenses, the Council's operating result is +\$1.75M. The operating deficit was higher than budgeted, principally due to depreciation being \$3.68M higher. The operating deficit reflects the Council's asset-heavy balance sheet and the challenge of ensuring adequate investment in the maintenance and recapitalisation of these assets over the longer term.

As reported last financial year, we received a qualified audit report in respect to the Council's 2022/23 Annual Financial Statements. This qualification related to an asset revaluation performed in 2023 and consequent depreciation rates applied against some asset classes. Unfortunately, resolving these matters spilled into FY24 and addressing the source of this qualification has consumed a significant management effort.

I would like to acknowledge the work of Executive Manager David Blurton and his finance team in navigating a solution approved by both the auditor and the OAG.

The outcome is an amendment to the 2022/23 Annual Financial Statement and a change to the opening balance approved in the 2023/24 budget. These changes are described in more detail later in this report.

Total capital expenditure in 2023/24 was \$1.82M which was lower than the budgeted capital expenditure of \$4.296M principally due to staff turnover and on-going project planning.

However, the project team has been busy planning & preparing several significant capital projects which the Council plans to deliver during FY25. These projects include the \$10.1M Early Childhood Hub, a \$2M Quartermaine Oval project that will deliver new lights, reticulation system and surface upgrade, Katanning University Hub construction, installation of e-tag readers at the Katanning Saleyard and a cemetery upgrade.

Activities under each of these projects have been broad and involved a range of actions from negotiating finance, undertaking consultation and design, to drafting tender documentation. This work has set the Council up for a big 2024/25 with a capital program totaling over \$15m.

The Council once again presented a successful Harmony Festival which celebrated Katanning's diversity and significant multicultural community.

This event provided a boost to our local community groups and the economy but also provided an opportunity to unify Council staff who across the board willingly gave their time and effort to ensure the event's success. I thank everyone for their efforts.

Culturally, the organisation is in reasonable shape with a staff survey showing 75% of staff are feeling valued, nearly 80% noted their work is recognized and appreciated by management and 60% would recommend the Shire as a place to work. There is still work to do to implement strategies to improve staff engagement and this work will continue into next year.

The Council values the mental and physical safety of its staff and to consolidate the organisation's safe approach to work, we resolved to adopt the safety management system promoted by Steve Taylor's Prompt Safety Management Solutions.

Adoption of this system resulted in all works and administrative staff undergoing a comprehensive safety induction which facilitated important messaging around both behavioural and physical safety in the workplace.

The Council has delivered a diverse range of community services and in particular has successfully activated our key social facilities comprising the Katanning Leisure Centre, Library & Art Gallery and Pool. Our facility teams have consistently provided innovative engagement opportunities delivering youth and Book Week activities, school holiday programs, seniors exercise group sessions, quizzes and pingo and opportunities for local and regional artists to display their works.

This effort has been rewarded with strong visitation numbers led by 33,222 visits to the Leisure Centre (excluding events), 34,162 library visits, 3,372 visits to the Art Gallery and 12,589 visits to the pool. I would like to extend my thanks to our facility managers for their commitment to their facilities and for their achievements.

Unfortunately, the 2023/24 summer/autumn period was unusually dry and despite the community benefitting from a well-structured supply of non-potable water thanks to access to WaterCorp's treated water and water captured from the Katanning Saleyards, irrigation restrictions were implemented from mid-Autumn.

These restrictions affected the water available to the golf course, schools, ovals and open spaces but thanks to the cooperation demonstrated by the Katanning Country Club and schools we were able to manage without any significant loss of amenity. These restrictions however, highlight the need for our community to review and strengthen its non-potable water supply to avoid similar restrictions in future.

In conclusion, I would like to thank Councillors for their support and contribution to the achievements delivered this year and to acknowledge the commitment and dedication of our hardworking teams who make it all happen and who do a stellar job servicing our community.

Peter Klein
CHIEF EXECUTIVE OFFICER

Our Vision and Values

Our Vision

“
Katanning is a safe, sustainable, and prosperous community.
We respect and celebrate our diverse culture. ”

Our Values



LEADERSHIP AND ACCOUNTABILITY

We will be ethical and act with integrity. We will lead by example, set direction, provide good governance and be responsive to our community.



COLLABORATION

We will work as a team, creating partnerships to achieve our vision.



INCLUSIVE & REPRESENTATIVE

We will engage with our community to ensure our actions are representative of our community's needs and values.



RESPECT

We will be respectful of people, ideas, culture and environment.



SAFETY

We will work together to establish and sustain a strong, safe and healthy community.



About Council

The Council of the Shire of Katanning consists of seven elected members. Councillors are elected for a four-year term, with half of their terms expiring every two years.

Local government ordinary elections are held on the third Saturday of October every two years. The next local government ordinary elections will be held on 18 October 2025.



Cr Kristy D'Aprile
Shire President

Term expires: 2025



Cr Matt Collis
Councillor

Term expires: 2027



Cr Paul Totino
Councillor

Term expires: 2027



Cr Michelle Salter
Councillor

Term expires: 2025



Cr Liz Guidera
Deputy Shire President

Term expires: 2025



Cr John Goodheart
Councillor

Term expires: 2027



Cr Ian Hanna
Councillor

Term expires: 2027

Councillor Demographics



Gender

Female: 3
Male: 4



Linguistic Background

English: 7



Country of Birth

Australia: 6
International: 1



Age Profile

35 - 44 years: 1
45 - 54 years: 3

55 - 64 years: 2
65+ years: 1



Aboriginal or Torres Strait Islander

None

Councillor Meeting Attendance

Ordinary Council Meetings were held on every fourth Wednesday of each month at the Shire Administration and Civic Centre located at 52 Austral Terrace Katanning, usually commencing at 6:00pm unless otherwise stated.

The number of Council meetings held during the year ended 30 June 2024 and the numbers of those meetings attended by each Elected Member is as follows:

COUNCILLOR	ORDINARY COUNCIL	SPECIAL COUNCIL	ANNUAL ELECTORS	COMMITTEE MEETINGS	TOTAL
Cr Kristy D'Aprile (Shire President)	12	6	1	9	28
Cr Liz Guidera (Deputy Shire President)	10	6	1	4	21
Cr John Goodheart	12	6	1	10	29
Cr Michelle Salter	12	6	1	4	23
Cr Matt Collis	11	6	1	6	24
Cr Ian Hanna	8	2	1	6	17
Cr Paul Totino	6	2	0	3	11
Cr Serena Sandwell (Term expired Oct 2023)	4	3	0	0	7



Our Organisation

Executive Management Team



Peter Klein
Chief Executive Officer

Governance
Economic Development
Community Relations
Human Resources
OSH and Risk



David Blurton
Executive Manager Corporate
and Community

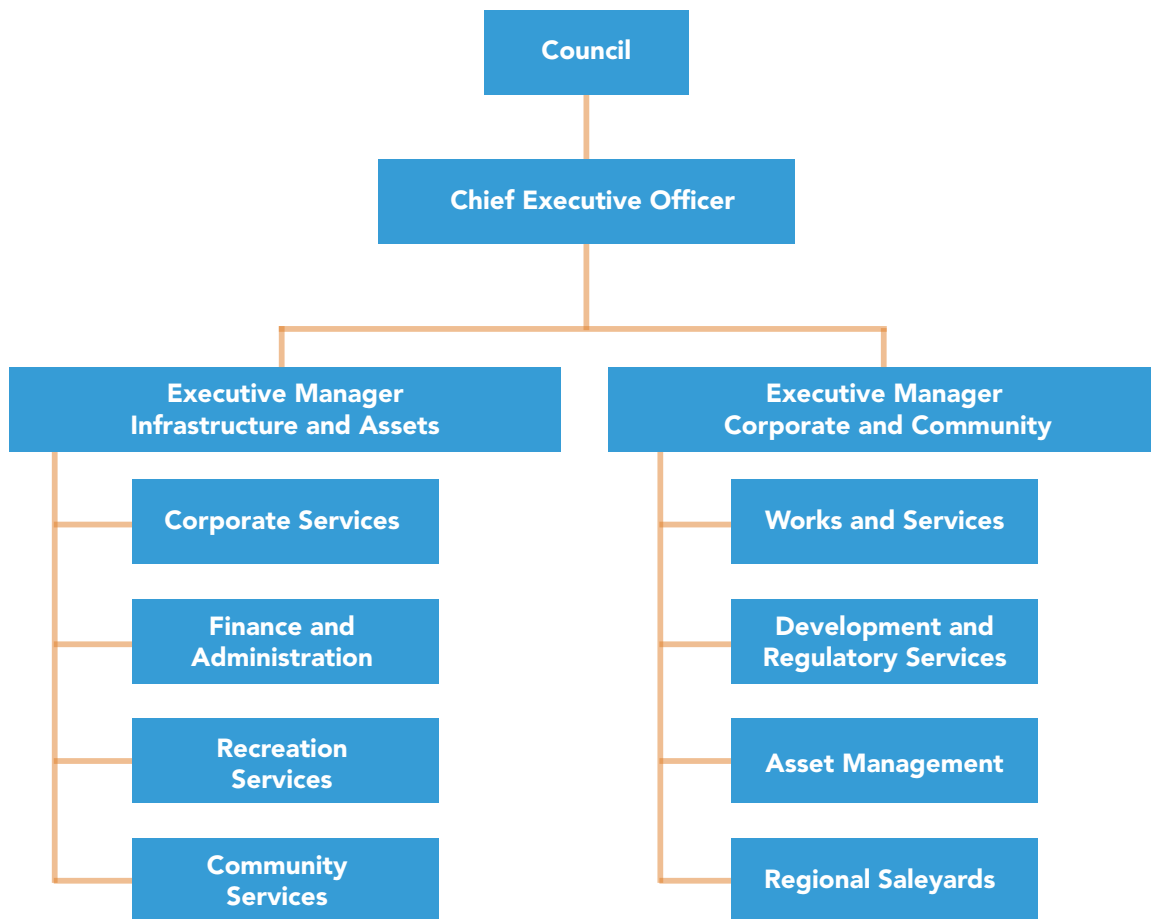
Corporate Services
Finance and Administration
Recreation Services
Community Development
Library and Gallery



Samuel Bryce
Executive Manager
Infrastructure and Assets

Works and Services
Development and Regulatory Services
Project Management
Asset Management
Regional Saleyards

Organisational Structure



Community Highlights 2023/2024

July 2023

July school holidays offered many activities for kids of all ages in Katanning, with something to do every day. Katanning Leisure Centre (KLC) hosted a variety of fun activities including rollerblading sessions, NAIDOC week art sessions, a colourful cooking activity, a slimy and sticky science session, Lego building competitions and indigenous sporting activities held in conjunction with the Institute of Indigenous Wellbeing and Sports Inc. The library got creative with windchime making and beading activities. A polymer clay jewellery workshop, hosted at the library and a games day held at the local pool hall were the highlight for our youth.



Story Time at the library, in partnership with Australian Red Cross, held 3 special 'Pillowcase and Story Time with Birdie' sessions with stories about different emergencies that can occur around the home, and how to stay calm in stressful situations. After the stories, children decorated a pillowcase to take home, which could be used to store their items and belongings in case of an emergency.

During NAIDOC week, the library celebrated by hosting a meet the author event with local indigenous elder, Ezzard Flowers. Recounting stories from his book 'No Longer a Wandering Spirit: Family and Kin Reclaiming the Memory of Minang Woman Bessy Flowers' Ezzard had his audience mesmerised. The event concluded with a light bushtucker lunch.

A Steering group was established to help shape the Building Community Capacity Project it comprised of active community advocates. Online surveys were conducted by Quantum Consulting Australia to identify community needs receiving a total of 120 community member responses and 28 community organisation responses. The surveys identified gaps, strengths and weaknesses that are there in services provided within Katanning.

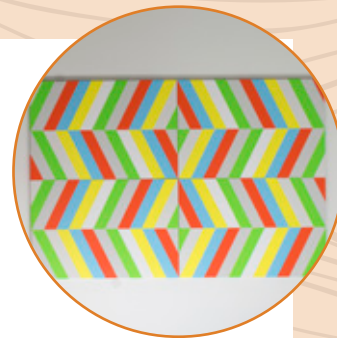
August 2023

Comedy Gold, held in the Town Hall was the highlight of August, featuring comedians Kel Balnaves, Simone Springer, Emo Majak and Kat Davidson. Food was available to purchase on the night from Mohana Catering, the event was a big success attracting 88 attendees.

The Katanning Art Gallery hosted an Art on The Move exhibition by Trevor Richards, 'Roll the Tape' which showcased works from the past 20 years of Trevor's career, the exhibition featured abstract paintings and sculptures.

The Katanning Leisure Centre hosted several regional events including the Netball WA, Primary School Netball Cup and the Rabobank Annual Ram Sale. These events showcased the Katanning Leisure Centre as a multipurpose regional facility.

The Community Capacity Project held consultation workshops during August. There was a total attendance of 26 people and representation from 19 community groups. These workshops provided an opportunity for the community to identify problems being faced by the local not-for -profits and the Katanning community at large and to collaborate and suggest solutions.



September 2023

Children's book week brought Stig Wemyss, Narrator for Andy Griffiths Treehouse series to Katanning! Stig and the library coordinator attended all 3 local primary schools over 2 days, holding 4 interactive (also sometimes loud and wet) sessions with 380 children. There wasn't one child who didn't walk away with a smile on their face.

With September comes Spring and with that comes the Bloom Festival! Katanning hosted the Great Southern Treasures Bloom 2023 launch event, kicking off with a free Family Festival & Eco Fair offering an array

of entertainment including Circus WA, bush basket making, giant kites, live music, markets, delectable food stalls showcasing local flavours, and an abundance of engaging activities to captivate the imaginations of young and old alike.

Other Bloom activities included, Bloom themed Story Time, flower crafts, wooden flower painting, flowerpot decorating at the library, Bloom roller disco and movie night at the KLC. A Bloom Festival Exhibition where members of the community participated in creating floral arrangements based on a painting displayed in the gallery.

Finals for multiple sports were held on the grounds at KLC including the Upper Great Southern Football Preliminary Final at Quartermaine Oval and the Central Great Southern Hockey Association Preliminary Final on the top oval. Katanning Netball Association INC. hosted their Inaugural Awards Night in the Pioneer Room, showcasing the award winners for each division, life member presentation and recognising their volunteer of the year.



October 2023

School holidays began in the last week of September and ended the first week of October the Community Development team organised engaging activities to the town for youth. Activities included a youth first aid course in partnership with St John's Katanning, a jewellery workshop, iron beads and free art sessions held at the library, and spring crafts, spring dioramas, space themed cooking, basketball clinics, cricket clinics and mini-Olympics. Overall, there was something for everyone.

Community Highlights 2023/2024

With October came the 132nd WAMMCO International Katanning Agricultural Show, the Shire of Katanning hosted a stall providing information, promoting what the town has to offer and showcasing upcoming events such as the Katanning Harmony Festival. The stall also featured consultation for the Bike Plan, an online survey received 64 responses.



A yarn crafting group, 'Needles and Hooks Among the Books' was launched at the library to encourage community members to get creative by knitting or crocheting to add to the yarn bombing for the Katanning Harmony Festival. The group met every Tuesday from 5:30pm to 6:30pm.

Workshops for the 'Our Home. Our Heart. Our Stories' glass box exhibition was held at the library. 20 community members got involved, eager to share their stories.

Summer sports started at Katanning Leisure Centre with the commencement of Senior and Junior Basketball and the Aussie Hoops Program. Outdoor grounds were activated with Katanning Wanderers Cricket Club and Australs Cricket Club beginning their home and away season; additionally Braeside Primary School and Katanning Primary School hosting their school Athletics Carnivals on Quartermaine Oval.



November 2023

Remembrance Day event began with introductions and welcome by Cr John Goodheart followed by the poem 'In Flanders Fields' by Lieutenant Colonel John McCrae. Shire President Kristy D'Aprile gave a commemorative address, then wreaths were laid by Katanning Senior High School, Katanning Primary School, Braeside Primary School, Katanning Police, Rotary Katanning, Katanning Girl Guides, Katanning Scouts, St John's Katanning, Katanning Fire Brigade and the Shire of Katanning. After the wreath laying came The Ode, 'The Last Post' and a minute of silence. The service attracted a good number of community members paying their respects.

December 2023

Carols in the Park was held at Piesse Park, hosted by the combined Churches of Katanning. Carols is always a wonderful family event that brings people together around Christmas.



The library held a Story Time Christmas party to end the year. The Christmas classic 'Twas the Night Before Christmas' by Clement C. Moore was read followed by Christmas crafts and morning. 14 children and their families attended, with many dressed up bringing the Christmas spirit.

Following on from the November Club Development seminar the Shire of Katanning Club Development Officer organised Strategic Planning Workshops. These were attended by Katanning Netball Association, Katanning Wanderers Football Club and Katanning Wanderers Cricket Club, all clubs drafted strategic plans.

January 2024

With the Summer school holidays in full swing, activities included a multi-sports day, a summer cooking session, street football sessions, science sensory play, a beach day, frisbee golf, water activities, a games morning, and Australia Day crafts. The library held cultural crafts including fan & lantern crafting, world flag collages, decorating a harmony tree and felt flower crafts, which were then used as decorations at the harmony festival. The library also hosted an iron beads session as these are always popular with the children.



The Australia Day Breakfast event was held at the Katanning Lions Park. The program consisted of a free community BBQ, welcome speech, flag raising ceremony, Australian National Anthem, Citizenship Ceremony, Affirmations Ceremony, Community Citizen of the Year Awards and was attended by Guest speaker Conrad Liveris. The event was presented in partnership with the Katanning Lions Club and Katanning Hub CRC.

February 2024

Katanning Harmony Festival 'Our Home. Our Heart. Our Stories' project started holding weekly workshops at the library with 20 story box creators preparing their story boxes, showcasing 18 cultures from within the Katanning community.



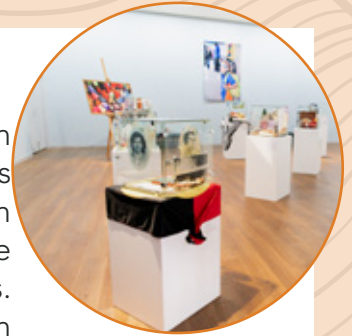
With school back in session, the library activated a 'home schooling hub'. The home-schooling hub was created to bring together local home-schooling families, fostering friendships, collaborating resources, and creating opportunities, which is held Wednesday afternoons during the school term. Overall, there are currently 9 families, with 21 children collectively that participate, on a casual basis.

A WA Cricket Future Planning workshop was held at KLC with Katanning Wanderers Cricket Club, Katanning Junior Cricket, Australs Cricket Club, State Sporting Association representative Jarrad Hansen, WACA representatives, and Club Development Officer Emily Kennedy attending. This workshop helped define the needs for the region in cricket, and how to move forward with development of programs within the region.

Community Highlights 2023/2024

March 2024

March 14 saw the 'Our Home. Our Heart. Our Stories' gallery exhibition open, 84 people attended the opening event. 20 story box creators showcased their culture in elegant 40 cm squared glass boxes. The aim of this exhibition was to create a vibrant narrative that celebrates the diverse experiences, perspectives, and journeys of our local residents. The project serves as a testament to the power of storytelling in forging connections, breaking down barriers, and fostering a greater sense of belonging. The exhibition opening was followed by a 'Culture in Conversation' panel discussion held in the town hall, led by Shire President Kristy D'Aprile. Five local Katanning women shared their experiences around their culture, with a light supper of Malay, Noongar, Karen food to end the night.



The Katanning Harmony Festival was a great success. Held Friday 22 to Saturday 23 March, the festival attracted approximately 5300 attendees. Katanning Harmony Festival's Friday Food Night, held on Clive Street, was enjoyed by young and old alike. From the delicious food options to the musical performances by Marcus Sturrock and Tinker's Alley, the event was a feast for the senses. Roaming fairies from Ladybird Entertainment brought laughter and joy to the event with giant bubbles and light up wings, it was a magical sight.

The Saturday Street Festival began with the international flag parade, where groups and in traditional cultural dress carried their country's flag. The street festival was packed with entertainment across 2 stages. Highlight performances included the Salama Cultural Group, Roztiashka Ukrainian Cossack Dancers, local Malay drummers, Katanning Taekwondo, Karen Children's Choir and many more.

March was the month that Katanning Basketball Association hosted their finals for the 2023/24 season.

April 2024

April school holidays offered party cooking, AFL clinics, rollerblading, cookies & cupcake baking, wooden crafts and a sports morning at the KLC. The library hosted a bookmark creations session, iron beads and Autumn crafts. Youth had a blast in the Vortex Gaming bus that visited Katanning held at the local Pool Hall this activity was delivered in partnership with Katanning Hub CRC.



Toy Heroes came to town, giving children the opportunity to join Woody, Jessie and Barbie in a sing-along concert at the Town Hall. Children were encouraged to dress up as their favourite toy character and join in with the singing and dancing. After the show there was an opportunity to take a photo with their favourite characters.

Zap Circus visited Katanning offering a charismatic, funny and sometimes heart-stopping circus show and workshop. This show had the Town Hall filled to maximum capacity.

The gallery hosted the Beautiful Bumps exhibition, showcasing families that participated in the WA Country Health Beautiful Bumps Program events in Katanning. The Beautiful Bumps program was initiated to promote healthy pregnancies and healthy babies. The exhibition consisted of photos of all the participating families, and decorated castings of local women's pregnant bellies.

Katanning Leisure Centre hosted the annual Rotary Dinner in the Ram Pavilion, with Rotary turning the Ram Pavilion into a New Zealand wonderland for the evening.

May 2024

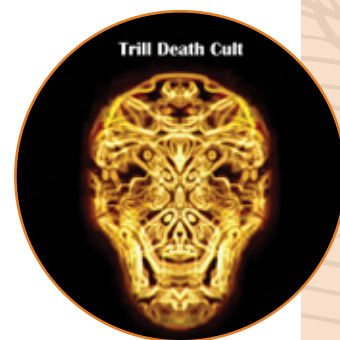
The gallery hosted an exhibition 'In the Footsteps of Bella Kelly'. Green Skills, working with Mt Barker Noongar Elders; Caroline Narkle, Frank Krakouer and their family, Noongar and Wadjella artists, and with the support of community groups and farmers ran a program of 3 Landcare Art Day outings between October 2023 and January 2024. The outings provided a wonderful opportunity for Noongar and Wadjella artists to paint outdoors with Caroline and members of her family in the style of Bella Kelly with the art being exhibited between May and June 2024.

The Katanning Leisure Centre hosted the annual regional Netball WA High School Cup; and the Winter seasons kicked off with the commencement of Hockey, Netball and Football.

June 2024

The gallery hosted 'Trill Death Cult', an hour-long video installation with art and sound by artist James BL Hollands. It contained over 50,000 non-AI images of skulls created by the artist, alongside 10 stills from the video, displayed with strobes. Trill Death Cult was a transcendental work, comprising of video, prints, sound and light, creating an ossuaric temple within the gallery. The video was created and animated in a tradition of artists from Len Lye to John Whitney, and uses techniques influenced by the work of Ryoji Ikeda and Paul Sharits.

The Community Capacity Coordinator held a Grant Writing workshop, with Ian Crawford, on the 10 June. The workshop had a total attendance of 12 people.



Grants Received

The Shire received grant funds totalling over \$3,995,571 during the reporting period.

Name of Grant/Source	Amount
Operating Grants	
2024 Katanning Harmony Festival / Great Southern Development Commission	\$5,000
2024 Katanning Harmony Festival / Healthway	\$5,000
2024 Katanning Harmony Festival / Lotterywest	\$30,000
2024 Katanning Harmony Festival / Office of Multicultural Interests	\$7,500
2024 Katanning Harmony Festival / Tourism WA	\$7,500
2024 Katanning Harmony Festival / Southern Port Authority	\$2,000
Youth Services / Department of Communities	\$28,515
KidSport Contract / Department of Local Government, Sport and Cultural Industries	\$455
Saleyards / Great Southern Development Commission	\$7,500
Every Club Grant Scheme / Department of Local Government, Sport and Cultural Industries	\$29,491
Direct Roads Grant / Main Roads WA	\$153,378
Swim and Survive / Royal Life Saving	\$2,000
Local Government Grant Scheme Bush Fire Brigade / Department of Fire and Emergency Services	\$45,253
Federal Assistance Grants / WA Grants Commission	\$2,601,277
Untied Road Grants / WA Grants Commission	\$31,097
Special Projects Grants / WA Grants Commission	\$35,344
Non-Operating Grants	
KAARL Yarning Place / Lotterywest	\$92,699
Local Roads and Community Infrastructure fund / Commonwealth Department of Infrastructure, Transport, Regional Development, Communications and the Arts	\$310,301
Regional Road Group Funding / Main Roads WA	\$111,638
Roads to Recovery / Commonwealth Department of Infrastructure, Transport, Regional Development, Communications and the Arts	\$189,623
Drought Affected Communities Program / Department of Industry, Science & Resources	\$300,000
TOTAL	\$3,995,571

Major Assets

Katanning Saleyards

2023/24 Actual		2023/24 Budget		2022/23 Actual	
Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
\$371,129	\$1,341,277	\$804,140	\$1,189,224	\$580,697	\$1,117,534

Actual revenue was lower than the previous reporting period, and lower than budgeted for this reporting period. The actual to budget variance in revenue for this period is due to the lower number of sheep being yarded for sale.

Actual expenditure is higher than expenditure during the previous reporting period and higher than budget for this reporting period. This variance is mainly due to higher-than-expected depreciation, salary and consultant costs.



Katanning Leisure Centre

2023/24 Actual		2023/24 Budget		2022/23 Actual	
Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
\$335,073	\$1,754,822	\$283,200	\$1,529,526	\$409,554	\$1,392,656

Actual revenue is lower than previous reporting period and higher than budgeted expectations for this reporting period and that is mainly due to kiosk income, membership fees and lease income.

Actual Expenditure of this reporting period is higher than the previous reporting period and higher than budgeted for this reporting period, due to higher than expected depreciation costs and kiosk expenses





Road Infrastructure

Council considers spending on road infrastructure on an annual basis during the Budget deliberations.

Funds are contributed by Council and external sources such as the Regional Road Group and Roads to Recovery.

Roadwork Completed	2023/24 Actual	2023/24 Budget
Bokarup Street Footbridge	\$15,841	\$26,480
Butterworth Road Re-sheet	\$105,296	\$103,000
Kelly Road Re-sheet	\$144,247	\$143,337
Warren Road Re-sheet	\$3,675	\$14,009
Clive Street Re-sheet	\$60,467	\$200,000
Carew Street	\$449	\$42,484
Pemble Street Reseal	\$79,852	\$110,000
Emu Lane Resurface	\$1,270	\$6,000
TOTAL	\$411,097	\$645,310

Community Grants Program

Each year the Shire of Katanning allocates an amount of funds within the budget to provide financial support to community organisations that meet the objectives of the Community Grants Program (CGP).

The Shire of Katanning is committed to recognising the value of all community organisations and has developed a clear and powerful vision of “Together we are building Katanning’s future”.

There are three CGP categories that are available to community organisations:

- Minor community grant under \$5,000 (ex GST)
- Major community grant over \$5,000 (ex GST)
- Triennium community grant (Minor and Major available)

The Community Grants Program application period is open each financial year from the beginning of July and closes at the end of August with funding announced following approval from Council in December. A second round of funding may be held at a later date, if further budgeted funds remain available.

In 2023/24, Council budgeted \$34,000 ex GST for the Community Grants Program with \$10,000 ex GST already allocated to the third year of the triennium grant agreement with the Katanning Historical Society. The total amount available for the 2023/24 annual budget was \$24,000.

The program awarded \$9,642.77 ex GST to local community groups. The following donations were awarded in the 2023/24 financial year.

Amount	Recipient	Purpose
\$6017.15	Carols in the Park – Katanning Baptist Church	Carols in the Park 2024
\$2,385.62	Katanning Wanderer’s Football Club	Upgrade of canteen facilities to bring into alignment with new standards
\$1,240.00	Katanning Scout Group	Outdoor Equipment

Strategic Community Plan

All local governments in Western Australia are required to prepare a plan for the future under S5.56 (1) of the *Local Government Act 1995*.

The minimum requirements of the plan for the future are set under the *Local Government (Administration) Regulations 1996*, which requires the development of a Strategic Community Plan and Corporate Business Plan.

These documents are delivered through Integrated Planning and Reporting Framework to ensure greater level of community input and effective delivery of the local government's strategic intentions.

During the 2021-22 period, the Shire of Katanning undertook a major review of the Strategic Community Plan following extensive community consultation and the outcomes of that process have informed the Strategic Community Plan 2022 – 2032.

The Shire of Katanning Strategic Community Plan 2022 – 2032 was adopted by Council at the Ordinary Council Meeting held on 24 March 2022.

In accordance with the legislations, Council is required to report to the community annually its progress towards achieving the objectives.

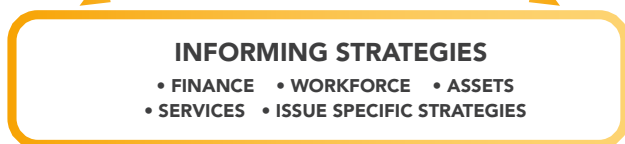
The diagram below highlights the components of the framework:

COMMUNITY ENGAGEMENT



MEASUREMENT AND REPORTING

OUTPUTS: PLAN MONITORING AND ANNUAL REPORTING



Element of the Integrated Planning Framework (Source: DLGSC)

In accordance with the legislations, Council is required to report to the community annually its progress towards achieving the objectives.

Our Vision

“ Katanning is a safe, sustainable, and prosperous community.
We respect and celebrate our diverse culture. ”

In partnership with Council the community has developed a clear and powerful vision to build the future of Katanning based on an evolution of growth and progression. The Shire of Katanning will embrace its Aboriginal, agricultural, multicultural, and built heritage as it moves forward as a cohesive community seeking investment in economic, environmental and social infrastructure. Our aim is to achieve self-supporting growth and recognition as the inland heart of the Great Southern.



Corporate Business Plan Annual Highlights

Social

S1: To provide support for the physical and mental health and wellbeing of our community.

Library programs increased this year, offering jewellery-making activities with polymer clay and beads during the September/October holidays. Ongoing Story Time sessions continued, with 14 children attending the Christmas Party. In total, 65 Story Time sessions were held between July 2023 and June 2024, attracting 420 attendees. During Children's Book Week, visiting narrator Stig and the Library Coordinator hosted interactive storytelling sessions at all three primary schools, engaging 380 children.

S2: To provide a safe place to live, work and play.

The Council continued the expansion and maintenance of its CCTV network to ensure the safety and wellbeing of the community.

S3: To provide access to services, support and activities for young people.

School holiday activities included Games Day at the Pool Hall, Windchime Making at the Library, and Indigenous Sporting Activities at the KLC.

S4: To provide support, services and infrastructure for people with disabilities.

Council developed and adopted a Disability Access and Inclusion Plan. Implementation of this plan is on-going.

S5: To support and encourage community events that bring us together.

The Comedy Gold event at the Town Hall sold 88 tickets and was a great success. The Katanning Harmony Festival was a highly successful event, with approximately 2,000 people attending the Friday Night food event and 5,000 people attending the main Street Festival. The Katanning Agricultural Show was held in October 2023, was also a big success. The Remembrance Day ceremony attracted 75 people and the Australia Day event was held at Lions Park.

Built Environment

BE1: To take pride in our town to create an inviting and welcoming place.

The Council approved a development application to create a nature-based park at Lot 8154, Warren Road, Coblinine, subject to specific conditions.

At the Council meeting on August 24, 2023, funding allocations for the Local Roads and Community Infrastructure Program Phase 4 were approved, including \$250,000 for improvements to the Katanning Cemetery, \$101,812 for the Prosser Park upgrade, and \$202,933 for the shared pathway development along the Great Southern Highway. However, at the September 21, 2023, meeting, the Federal Government advised that the Phase 4 – Part B grant must be used exclusively for road projects, prompting a revision of priorities. The revised budget allocated \$202,933 to resealing projects on Piesse Street, Dore Street, and Beaufort Street.

On February 28, 2024, the Council reduced the Katanning Wanderers Football Club lease fee for 2024-2025 to \$1,000 (excluding GST). The Shire of Katanning 2025-2035 Bike Plan was adopted and will be included in future asset management and cycleway infrastructure planning. The Council also endorsed the Great Southern 2050 Cycling Strategy during the year.

BE2: To encourage a range of housing options to cater for our diverse population.

The Shire of Katanning has partnered with the Great Southern Development Commission and partnered local governments to develop a Great Southern Housing Strategy.

This objective based strategy will identify the shortfall in housing, particularly in relation to worker accommodation and explore options for how this housing demand can be met and grant funding opportunities.

On October 19, 2023, the Council approved the remaining lots in the Piesse Lake Estate being presented for sale through local real estate agents.

BE3: To provide infrastructure that enables safe movement through our community.

Council delivered its planned gravel road maintenance program utilising internal staff and plant and locally sourced gravel.

In addition, the Council delivered its planned capital roads program utilising funds sourced from the Federal Government's Roads to Recovery Program and State Government funding through its Regional Road Group program.

BE4: To provide well maintained public and open spaces that facilitate active and passive recreation.

The Clive Street Activation project included the installation of a sound system in Town Square.

The Council continued to maintain its parks, ovals and facilities to a high standard.

Council has endorsed a Katanning Leisure Centre master plan and consideration is on-going regarding its implementation. Planning for upgrading Quartermaine Oval turf and drainage, the highest priority identified by the master plan, is well advanced with construction expected to commence in 2024/25.

At the March 27, 2024, Council meeting, \$25,000 was allocated in the FY25 budget to assist the Katanning Tennis Club with resurfacing tennis courts, contingent upon the Country Club contributing \$10,000 and securing \$80,000 in sponsorship funding and \$37,970 in organizational cash.

Natural Environment

NE1: A community and Council that are environmentally aware and engaged.

The Council continued to support the activities of Katanning Landcare who provide programs that address land care issues in the Katanning community.

Friends of Piesse Park are also supported by the Council in the delivery of a range of diverse programs and workshops that encourage and educate people in sustainable practices.

Sustainable development has been integrated into the Council's purchasing policy as a criterion for Request for Quote (RFQ) and tender assessments.

The Council approved the Bushfire Risk Management Plan for 2024-2026 and endorsed the FY25 Fire Management Requirements Brochure for distribution.

NE2: To support and encourage greater urban tree canopy and vegetation in the townsite.

The 'Adopt a Pot' scheme continues to be run by volunteers in the Katanning community.

NE3: To support minimisation of waste and promote reuse and recycling behaviours.

The Council continued to undertake and promote kerbside recycling and other waste minimisation activities in line with its Corporate Business Plan during 2023/24.

Economic

E1: To enable more businesses to locate in Katanning to support the needs of the local population.

The Council resolved to adopt a new delegation over town planning matters in accordance with the authority provided by Schedule 2 of the Planning and Development (LPS) Regulations 2015. Changes will improve the processing of Development Applications thereby encouraging greater business investment in the local community.

In the October 2023 Council meeting, an application was approved to extend retail trading hours in Katanning for the Boxing Day public holiday on December 26, 2023. Local traders may choose whether to open during the extended hours period.

The Council also identified and prioritised industrial land for future development and made application to the Department of Lands for the realignment of Dore St to facilitate development of old Katanning Saleyard site.

E2: To promote and facilitate tourism opportunities that showcase the unique character, culture and offerings of Katanning.

The Council was actively involved with several strategic partnerships aimed at delivering tourism outcomes during the year, including Great Southern Treasures and various events associated with the Bloom Festival.

The Council also provided support for the FY24 Katanning Agricultural Show and Katanning Shears events.

E3: To work alongside local businesses to facilitate employment, growth and development.

The Council initiated a study into Katanning/ Great Southern Live Sheep Export Impact Assessment which was also supported by neighboring shires.

The outcomes of this report demonstrated the importance of the industry to the broader Great Southern region and helped support advocacy efforts to State and Federal government representatives.

On-going delivery of the Building Community Capacity program focused on improving the governance capability of local not for profit and sporting organisations.

E4: To advocate for improved youth education and training and opportunities for local employment in the region.

An Organisational restructure was undertaken which provided for the employment of a Youth Officer with a revised reporting line. We expect this change will result in the delivery of even greater support for our youth and increased activation of the Katanning Leisure Centre in the years ahead.

E5: To advocate and support training opportunities that create pathways to employment.

In partnership with Regional Development Australia, Council supported establishment of a University Hub in Katanning, within Shire owned facilities to enable locals to pursue on-line tertiary qualifications supported by a local study centre and mentoring service.

Leadership

L1: To facilitate diversity and representation within the decision-making process.

The Council facilitates meetings of the Katanning Noongar Leadership Group which aims to achieve cooperation in the decision making process regarding matters affecting the Katanning Noongar community.

Council also convenes the Katanning Recreation Facilities User Group and participated on the coordination committee for the concurrent hosting of the annual Katanning Agricultural Show and the Katanning and National Shears events.

Support was also provided to establish and implement the Harmony Festival coordination committee.

The Council continued to host open and transparent Council meetings, the posting of Council agendas & minutes, media and social media posts and production and distribution of a quarterly community newsletter.

L2: To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community.

Purchasing and buy local policies were reviewed to maintain their currency and staff were inducted on changes made.

Application by staff of these policies ensures that the best value for money procurement proposition is selected, every time.

L3: To lead by example – be involved, respectful and inclusive.

The Council successfully led calls for the establishment of facilities to accommodate improved childcare and family services to Katanning and the broader Great Southern region.

The Council actively engaged with other participants of Katanning water reuse scheme to share knowledge and collectively plan and manage water allocations to maximise community outcomes.

As in prior years, the Council convened Australia Day and Remembrance Day events to recognise and encourage outstanding contributions to our community and to reflect on the sacrifice of those who have served in defense of our way of life.

The Council also successfully advocated for the State Government to act in respect to the future of the St Andrews Hostel.

L4: To ensure Aboriginal inclusion is more intentional at the Shire of Katanning.

The Council commenced planning for the delivery of the Kaarl Yarning project to create an outdoors meeting space around a fire pit at the Katanning Aboriginal Corporation's premises.

The Council advanced its reconciliation efforts by:

- a) implementing its Reflect Reconciliation Action Plan (RAP)
- b) drafting a Noongar community statement and engagement plan
- c) establishing a Reconciliation Action Plan working group,
- d) improving relationships with local Aboriginal people through the Katanning Noongar Leadership Group and
- e) establishing the organisation's vision for reconciliation

Cultural

C1: To improve our understanding of all cultures in our diverse community.

Twenty community members shared cultural stories via a panel discussion during the Harmony Festival in March 2024 and this panel discussion was attended by 84 people. Story boxes including memories relevant to these cultural stories were also exhibited during the Harmony Festival.

C2: To acknowledge and respect the past, present and future Aboriginal and Torres Strait Islander Community.

The Noongar Author Ezzard Flowers' book launch was held in the library during NAIDOC Week, with 16 people attending. Additionally, a NAIDOC event was held for all shire staff.

C3: To be a welcoming and inviting place for all cultures – existing and future.

The Katanning Shire is an equal opportunity employer and continues to employ people on merit from all sectors of the Katanning Community.

C4: To support the community to have safe spaces to share, connect and celebrate culture.

The "Beautiful Bumps" exhibition showcased castings of local women's pregnant bellies, supported by WACHS. "Reclaim the Void" was a community workshop with Vivienne Robertson held at the library. "In the Footsteps of Bella Kelly" featured Landcare Art Day outings with Noongar and Wadjel-la artists. The "Trill Death Cult" exhibit opened in June and was attended by 39 people.



Compliance

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers, and the economy by removing unnecessary protection of monopolies of markets where competition can be enhanced. It affects local government as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to Council's responsibilities in relation to the National Competition Policy, for this reporting period, the Shire reports as follows:

- No business enterprise of the Shire of Katanning has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

Freedom of Information (FOI)

In accordance with Section 96 and 97 of the *Freedom of Information Act 1992*, the Shire is required to publish an Information Statement which details the process of applying for information under the Act, as well as information that the Shire provides outside the Act.

The Shire of Katanning's Information Statement is reviewed annually and is available via Council's website or at the Shire administration office. The information statement contains information on the type of documents available to the public and how to access those documents.

During the 2023/24 financial year, the Shire of Katanning received 13 applications for FOI.

Record Keeping Statement

In accordance with Section 19 of the *State Records Act 2000*, Local Governments are required to have a Record Keeping Plan (RKP) approved by the State Records Commission (SRC).

The purpose of the plan is to provide an accurate reflection of the record keeping program in the organisation, including information regarding the organisation's record keeping system, disposal arrangements, policies, practices, and processes.

The Shire of Katanning ensures that records are created, managed, and maintained over time and disposed of in accordance with the principles and standards issued by the SRC. The RKP is the primary means of providing evidence of compliance with the Act and the implementation of best-practice record keeping in the organisation.

Section 28 of the *State Records Act 2000* requires the Shire of Katanning's RKP to be reviewed every 5 years. The next plan review will be submitted to SRC by 16th November 2026.



Disability Access and Inclusion Plan (DAIP)

All Western Australian Local Government Authorities are required to develop and implement Disability Access and Inclusion Plans in accordance with the Disability Services Act (1993) to ensure people with disability have the same opportunity as others to access council services, facilities, information, employment and civic participation. The Shire of Katanning offers many services that ensure the community is inclusive of people with disability and their families.

People with disabilities represent a significant section of the Katanning community. According to the Disability Services Commission (Disability Services Commission website, 2004) the number of people living in the Shire of Katanning who have a disability is 17.8% of the total population. This represents almost one in five people or approximately 900 people.

Given that Katanning is also a regional service provider for the Shire's of Broomehill, Woodanilling, Dumbleyung, Kojonup, Gnowangerup, and Kent it can be estimated that the number of people with Disabilities for whom the Shire of Katanning provides services and facilities is significantly higher than 1000.

Most people with a disability (or disabilities) live in the community. It is therefore important that they have the same opportunities and choices as other people to participate in community life.

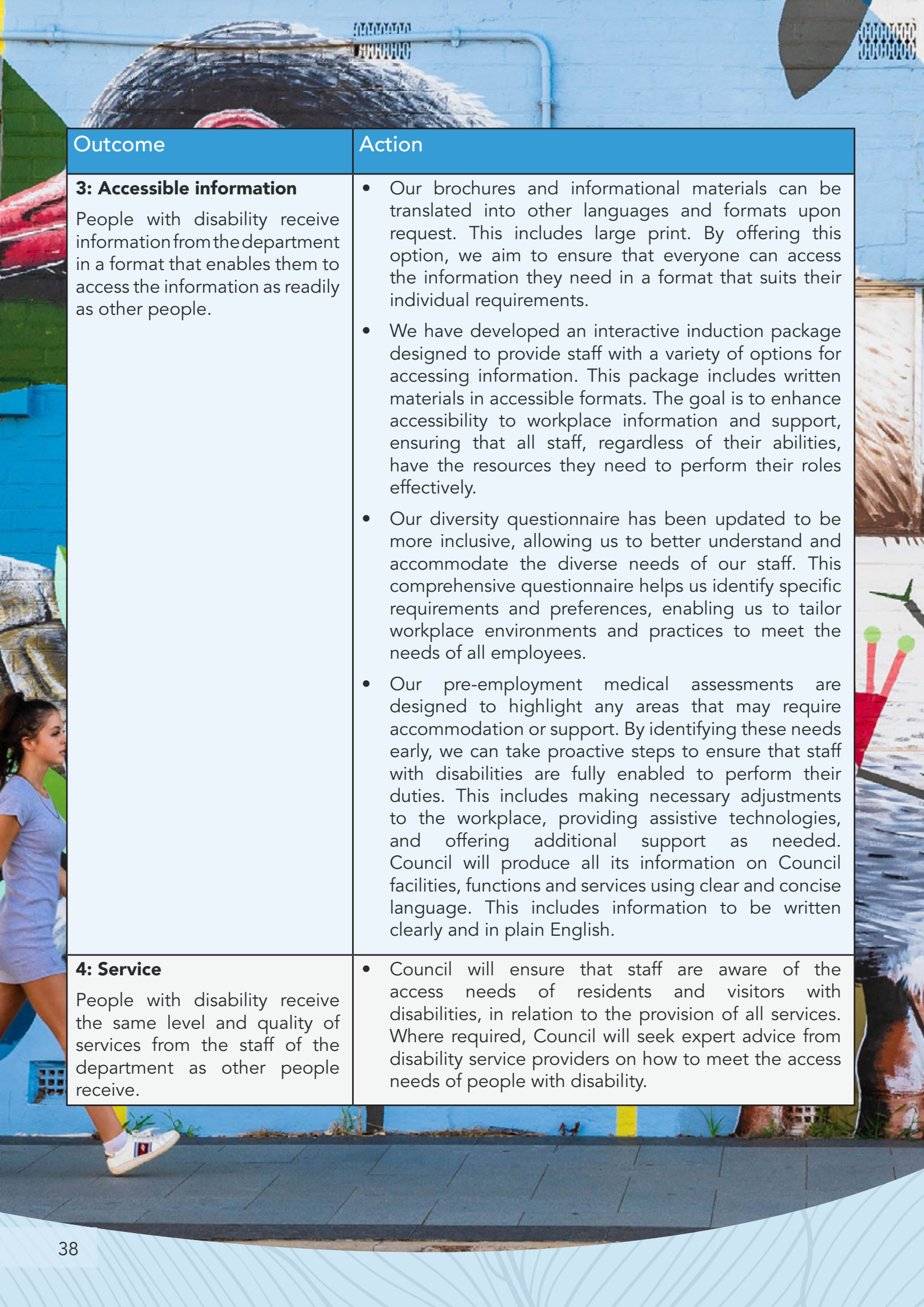
Given the broad range of services provided to its communities, Local Government plays a vital role in the lives of people with disabilities, their carers and families.

In 2023/2024 the following Shire initiatives contributed towards the achievement of our DAIP objectives which address seven desired outcomes:

Outcome	Action
<p>1: Services and Events</p> <p>People with disability have the same opportunities as other people to access the services of, and any events organised by, the department.</p>	<ul style="list-style-type: none"> • The library has introduced an inclusive program designed to welcome individuals with disabilities and their carers. This program includes a variety of engaging activities such as solving puzzles, playing board games, using computers, and reading together. The initiative aims to create a supportive and interactive environment where people with disabilities can enjoy the library's resources alongside their carers, fostering a sense of community and belonging. • Katanning Leisure Centre staff are aware of the limitations that may occur to people with different forms of disabilities, therefore are aware of how to service people correctly and efficiently to make all activities and areas to the facility available when required.

Outcome	Action
	<ul style="list-style-type: none"> • Katanning Harmony Festival is dedicated to promoting inclusivity and accessibility for all attendees. It highlights available services and support for people with disabilities, ensuring that everyone can facilitate fully. The festival is hosted in a location that is easily accessible, and it features disability-accessible toilets to cater to the needs of attendees. Additionally, the festival includes a quiet zone, providing a calm space for individuals who may require a more relaxed environment. These measures ensure that the festival is welcoming and accommodating for people with disabilities. • Organise, facilitate and coordinate meetings of the Disability Access and Inclusion Group, collaborate with community organisations and stakeholders to gather feedback and identify areas for improvement, and develop and promote community programs and events that are inclusive and accessible for people with disabilities. • Council will make certain there are processes to ensure that all new services include access and inclusion strategies to meet the needs of people with disability. Council will ensure that all policies and practices that govern the operation of Council facilities, functions and services are consistent with Council's policy on access.
<p>2: Buildings and facilities</p> <p>People with disability have the same opportunities as other people to access the buildings and other facilities of the department.</p>	<ul style="list-style-type: none"> • Council will incorporate the priorities regarding access for people with disability, identified during the consultations, into its submission for its capital works improvement program. Modification will commence as funds are made available. Council will liaise with town site developers to increase their awareness of the access requirements of people with disability. • Perform regular audits of all Shire-owned buildings and facilities to identify and address accessibility barriers and involve people with disabilities in the audit process to gather firsthand insights and feedback.





Outcome	Action
	<ul style="list-style-type: none"> • The library has introduced an inclusive program designed to welcome individuals with disabilities and their carers. This program includes a variety of engaging activities such as solving puzzles, playing board games, using computers, and reading together. The initiative aims to create a supportive and interactive environment where people with disabilities can enjoy the library's resources alongside their carers, fostering a sense of community and belonging. • Our staff are aware of the limitations that may occur to people with different forms of disabilities, therefore are aware of how to service people correctly and efficiently to make all activities and areas to the facility available when required. • Provide comprehensive training for all staff on disability awareness, inclusive practises, and effective communication with people with disabilities, and offer refresher courses and updates on new accessibility standards and technologies.
<p>5: Complaints</p> <p>People with disability have the same opportunities as other people to make complaints to the department.</p>	<ul style="list-style-type: none"> • Council will ensure that current grievance mechanisms are accessible for people with disability. • Depending on the disability we will assist with taking the complaint for the person and pass it on to the relevant sources as required. We can assist in filling in forms or guiding people in the right direction for them to follow the complaint guidelines. • Provide multiple complaint submission options, including in-person, phone, email, online forms and mail. • Provide assistant to people with disabilities in filling out complaint forms or articulation their complaints and train staff to be sensitive to the needs of people with disabilities and to provide appropriate assistance without causing discomfort and inconvenience. • Train all staff on how to handle complaints from people with disabilities sensitively and effectively. Ensure staff are aware of the various ways in which complaints can be submitted and how to aid if needed.

Outcome	Action
<p>6: Consultation</p> <p>People with disability have the same opportunities as other people to participate in any public consultation by the department.</p>	<ul style="list-style-type: none"> • Council will ensure that information is available in clear and concise language on how residents can participate in decision making processes, public consultations, and grievance mechanisms. Council will support people with disability to attend meetings of Council. • Always have many ways for people to be involved in any public consultation that is happening within the Shire of Katanning. We actively engage people through offering a variety of ways to complete surveys, examples of this are offering online, face to face with assistance of explaining and writing answers for them if required. • Ensure public consultations are accessible by organising them at venues with full accessibility features and providing materials in alternative formats. They can facilitate multiple participation options, including online and phone submissions. Additionally, they can actively engage with disability advocacy groups to encourage participation, promote consultations through accessible channels, and provide training for staff on supporting people with disabilities. These efforts will help ensure inclusive and equitable participation in public consultations.
<p>7: Employment</p> <p>People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.</p>	<ul style="list-style-type: none"> • The Shire of Katanning continues to work in partnership with the local Disability Services Commission to identify and support employment and volunteer options for people with disability. • This is listed on all our employment packs and website to encourage anyone to apply and work for the Shire of Katanning "We are actively encouraging people with disability, people from culturally diverse backgrounds, Aboriginal and Torres Strait Islanders to apply for available positions." • The Shire of Katanning can ensure equal employment opportunities for people with disabilities by implementing inclusive recruitment practices, providing reasonable accommodations, and creating an accessible work environment. This includes offering disability awareness training, fostering mentorship programs, and establishing supportive policies against discrimination. Regular feedback and monitoring, along with partnership with disability employment services, will further promote an inclusive workplace where employees with disabilities can thrive and succeed.





Reconciliation Action Plan

The Shire of Katanning team spent two years working in partnership with the Noongar Community and Reconciliation Australia to create the Shire’s first Reconciliation Action Plan, which we proudly launched in March 2023.

As the first step in our RAP journey, the Reflect RAP clearly sets out the steps required to prepare for reconciliation initiative and will allow the Shire of

Katanning to spend time developing relationships with Aboriginal and Torres Strait Islander stakeholders, shaping our vision for reconciliation and our sphere of influence, all while exploring actions we will commit to.

Our Reflect RAP outlines initiatives that the Shire will undertake from March 2023 to March 2024, and will assist the Shire in producing future Reconciliation Action Plans that are relevant, sustainable, and beneficial to our organisation and wider community.

The Shire of Katanning’s Reconciliation Action Plan is available to read on our website or visit the Shire Administration office to pick up a copy.

Employee Remuneration Disclosure

Regulation 19B of the *Local Government (Administration) Regulation 1996* requires the Shire to include the following information in its Annual Report:

- The number of employees of the Shire entitles to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

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

Salary Package Range	Employees
130000 – 139999	0
140000 – 149999	1
150000 – 159999	0
170000 - 179999	1
180000 - 189999	1
190000 – 199999	0
220000 – 229999	0
230000 - 239999	1

CEO Remuneration

CEO Name	Date	Total Remuneration Paid
Julian Murphy	July 23 - August 23	\$45,105
Dale Putland	August 23 - November 23	\$71,546
Peter Klein	November 23 - June 24	\$183,028

CEO's remuneration has the meaning given in the *Salaries and Allowances Act 1975* section 4(1)) and includes salary and the value of all allowances, fees, emoluments and benefits (whether money or not).

Public Interest Disclosures

The *Public Interest Disclosures Act 2003* facilitates the disclosure of public interest information and provides protection for those making such disclosure and those who are the subject of disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

The Chief Executive Officer has complied with all obligations under the Act including:

Appointing the Executive Manager Corporate and Community as the PID officer for the organisation and publishing an internal procedure relating to the Shire's obligation. Providing protection from detrimental action or the threat of detrimental action for an employee of the Shire who makes an appropriate disclosure of public interest information.

There were no Public Interest Disclosure requests received during this reporting period.

Complaints Register

The Shire of Katanning maintains a register of complaints, which records all complaints that result in an action under the *Local Government Act 1995* s5.121 (6)(b) or (c).

In the financial year ending 30 June 2024 no complaints were lodged against elected members.





Shire of
Katanning
Heart of the Great Southern



ANNUAL FINANCIAL REPORT 2023/2024

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

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

Katanning is a safe, sustainable, and prosperous community. We respect and celebrate our diverse culture.

Principal place of business:
52 Austral Terrace
KATANNING 6317

**SHIRE OF KATANNING
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 Katanning 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 17 day of DECEMBER 2024



CEO

Peter Klein

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

	NOTE	2024 Actual \$	2024 Budget \$	2023 Restated \$
Revenue				
Rates	2(a),22	5,016,764	5,020,494	4,653,561
Grants, subsidies and contributions	2(a)	3,278,705	1,820,827	3,995,834
Fees and charges	2(a)	2,153,742	1,889,732	1,990,760
Interest revenue	2(a)	535,953	384,000	379,390
Other revenue	2(a)	339,235	261,707	516,646
		11,324,399	9,376,760	11,536,191
Expenses				
Employee costs	2(b)	(4,607,368)	(4,776,332)	(4,097,889)
Materials and contracts		(3,471,073)	(4,517,078)	(3,463,587)
Utility charges		(528,272)	(508,844)	(521,861)
Depreciation		(9,028,003)	(5,342,903)	(6,499,289) *
Finance costs		(120,411)	(133,326)	(123,991)
Insurance		(477,713)	(460,713)	(407,681)
Other expenditure	2(b)	(369,487)	(365,151)	(333,323)
		(18,602,327)	(16,104,347)	(15,447,621)
		(7,277,928)	(6,727,587)	(3,911,430)
Capital grants, subsidies and contributions	2(a)	601,261	471,593	1,220,141
Profit on asset disposals		104,831	195,378	37,247
Loss on asset disposals		0	(34,996)	0
Loss on revaluation of Infrastructure - parks and ovals		0	0	(2,986,069)
Fair value adjustments at fair value through profit or loss	4(b)	0	0	17,970
		706,092	631,975	(1,710,711)
Net result for the period		(6,571,836)	(6,095,612)	(5,622,141)
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	0	0	65,468,602 *
Total other comprehensive income for the period		0	0	65,468,602
Total comprehensive income for the period		(6,571,836)	(6,095,612)	59,846,461

* Please refer to Note 26 "Correction of prior period errors" for the restatement of comparative figures.

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

SHIRE OF KATANNING
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024	Restated 2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	15,635,259	15,311,940
Trade and other receivables	5	1,453,023	1,394,727
Other financial assets	4(a)	21,880	21,042
Inventories	6	14,684	20,508
TOTAL CURRENT ASSETS		17,124,846	16,748,217
NON-CURRENT ASSETS			
Trade and other receivables	5	268,323	268,323
Other financial assets	4(b)	344,554	366,435
Property, plant and equipment	7	58,275,262	60,346,177 *
Infrastructure	8	213,799,542	219,106,523 *
Right-of-use assets	10(a)	2,120	15,319
TOTAL NON-CURRENT ASSETS		272,689,801	280,102,777
TOTAL ASSETS		289,814,647	296,850,994
CURRENT LIABILITIES			
Trade and other payables	11	1,412,437	1,987,185
Other liabilities	12	4,855,782	103,112
Lease liabilities	10(b)	878	15,095
Borrowings	13	293,447	284,958
Employee related provisions	14	582,279	630,441
TOTAL CURRENT LIABILITIES		7,144,823	3,020,791
NON-CURRENT LIABILITIES			
Other liabilities	12	0	4,336,743
Lease liabilities	10(b)	0	955
Borrowings	13	3,006,633	3,300,081
Employee related provisions	14	109,024	100,850
Other provisions	15	608,233	573,804
TOTAL NON-CURRENT LIABILITIES		3,723,890	8,312,433
TOTAL LIABILITIES		10,868,713	11,333,224
NET ASSETS		278,945,934	285,517,770
EQUITY			
Retained surplus		85,391,968	92,024,703 *
Reserve accounts	25	7,794,695	7,733,796
Revaluation surplus	16	185,759,271	185,759,271 *
TOTAL EQUITY		278,945,934	285,517,770

* Please refer to Note 26 "Correction of prior period errors" for the restatement of comparative figures.

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

**SHIRE OF KATANNING
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		97,758,487	7,622,153	120,290,669	225,671,309
Comprehensive income for the period					
Net result for the period (restated)		(5,622,141) *	0	0	(5,622,141)
Other comprehensive income for the period		0	0	65,468,602 *	65,468,602
Total comprehensive income for the period		(5,622,141)	0	65,468,602	59,846,461
Transfers from reserve accounts	25	657,418	(657,418)	0	0
Transfers to reserve accounts	25	(769,061)	769,061	0	0
Balance as at 30 June 2023 (restated)		92,024,703	7,733,796	185,759,271	285,517,770
Comprehensive income for the period					
Net result for the period		(6,571,836)	0	0	(6,571,836)
Other comprehensive income for the period		0	0	0	0
Total comprehensive income for the period		(6,571,836)	0	0	(6,571,836)
Transfers from reserve accounts	25	657,301	(657,301)	0	0
Transfers to reserve accounts	25	(718,200)	718,200	0	0
Balance as at 30 June 2024		85,391,968	7,794,695	185,759,271	278,945,934

* Please refer to Note 26 "Correction of prior period errors" for the restatement of comparative figures.

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

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

NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	4,939,220	4,651,919
Grants, subsidies and contributions	3,790,807	3,732,640
Fees and charges	2,153,742	2,250,244
Interest revenue	535,953	379,390
Goods and services tax received	612,543	934,026
Other revenue	339,233	513,704
	<u>12,371,498</u>	<u>12,461,923</u>
Payments		
Employee costs	(4,674,728)	(4,118,461)
Materials and contracts	(4,055,454)	(3,287,761)
Utility charges	(528,272)	(625,724)
Finance costs	(120,411)	(121,883)
Insurance paid	(477,713)	(407,681)
Goods and services tax paid	(612,213)	(908,027)
Other expenditure	(369,487)	(333,301)
	<u>(10,838,278)</u>	<u>(9,802,838)</u>
Net cash provided by operating activities	1,533,220	2,659,085
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	7(a) (1,284,619)	(1,178,490)
Payments for construction of infrastructure	8(a) (534,507)	(1,661,154)
Capital grants, subsidies and contributions	601,261	1,220,141
Proceeds for financial assets at amortised cost	0	4,303,578
Proceeds from financial assets at amortised cost - self supporting loans	21,043	5,133
Proceeds from financial assets at fair values through other comprehensive income	0	(250,000)
Proceeds from sale of property, plant & equipment	287,052	70,045
Net cash provided by (used in) investing activities	(909,770)	2,509,253
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	24(a) (284,959)	(207,627)
Payments for principal portion of lease liabilities	24(b) (15,172)	(13,461)
Proceeds from new borrowings	24(a) 0	650,000
Net cash provided by (used in) financing activities	(300,131)	428,912
Net increase in cash held	323,319	5,597,250
Cash at beginning of year	15,311,940	9,714,690
Cash and cash equivalents at the end of the year	15,635,259	15,311,940

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

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

NOTE	2024 Actual \$	2024 Budget \$	2023 Restated \$
OPERATING ACTIVITIES			
Revenue from operating activities			
General rates	22	5,011,922	4,648,762
Rates excluding general rates	22	4,842	4,799
Grants, subsidies and contributions		3,278,705	3,995,834
Fees and charges		2,153,742	1,990,760
Interest revenue		535,953	379,390
Other revenue		339,235	516,646
Profit on asset disposals		104,831	37,247
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	0	17,970
		11,429,230	11,591,408
Expenditure from operating activities			
Employee costs		(4,607,368)	(4,097,889)
Materials and contracts		(3,471,073)	(3,463,587)
Utility charges		(528,272)	(521,861)
Depreciation (restated)		(9,028,003)	(6,499,289) *
Finance costs		(120,411)	(123,991)
Insurance		(477,713)	(407,681)
Other expenditure		(369,487)	(333,323)
Loss on asset disposals		0	0
		(18,602,327)	(15,447,621)
Non cash amounts excluded from operating activities	23(a)	4,397,568	6,246,804 *
Amount attributable to operating activities		(2,775,529)	2,390,591
INVESTING ACTIVITIES			
Inflows from investing activities			
Capital grants, subsidies and contributions		601,261	1,220,141
Proceeds from disposal of assets		287,052	70,045
Proceeds from financial assets at amortised cost - self supporting loans	24(a)	21,043	0
		909,356	1,290,186
Outflows from investing activities			
Payments for financial assets at amortised cost - self supporting loans		(21,043)	0
Purchase of property, plant and equipment	7(a)	(1,284,619)	(1,178,490)
Purchase and construction of infrastructure	8(a)	(534,507)	(1,661,154)
		(1,840,169)	(2,839,644)
Amount attributable to investing activities		(930,813)	(1,549,458)
FINANCING ACTIVITIES			
Inflows from financing activities			
Proceeds from borrowings	24(a)	0	650,000
Transfers from reserve accounts	25	657,301	657,418
		657,301	1,307,418
Outflows from financing activities			
Repayment of borrowings	24(a)	(284,959)	(207,627)
Payments for principal portion of lease liabilities	24(b)	(15,172)	(13,461)
Transfers to reserve accounts	25	(718,200)	(769,061)
		(1,018,331)	(990,149)
Amount attributable to financing activities		(361,030)	317,269
MOVEMENT IN SURPLUS OR DEFICIT			
Surplus or deficit at the start of the financial year	23(b)	8,179,621	7,021,219
Amount attributable to operating activities		(2,775,529)	2,390,591
Amount attributable to investing activities		(930,813)	(1,549,458)
Amount attributable to financing activities		(361,030)	317,269
Surplus or deficit after imposition of general rates	23(b)	4,112,249	8,179,621

* Please refer to Note 26 "Correction of prior period errors" for the restatement of comparative figures.

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

**SHIRE OF KATANNING
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF KATANNING
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 Katanning which is a Class 3 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 ;
- and 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 assess at each reporting date whether the carrying amount of the of the above mentioned non-financial assets materially differs from their and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report. The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 7
 - Infrastructure - note 8
 - Measurement of employee benefits - note 14
 - Measurement of provisions - note 15

Fair value hierarchy information can be found in note 21

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.

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*

This 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 KATANNING
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
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal site	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 - sale of stock	KLC stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	5,016,764	0	5,016,764
Grants, subsidies and contributions	332,029	0	2,946,676	0	3,278,705
Fees and charges	2,153,742	0	0	0	2,153,742
Interest revenue	439,512	0	78,249	18,192	535,953
Other revenue	164,517	0	137,218	37,500	339,235
Capital grants, subsidies and contributions	0	411,638	0	189,623	601,261
Total	3,089,800	411,638	8,178,907	245,315	11,925,660

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	4,653,561	0	4,653,561
Grants, subsidies and contributions	731,102	0	3,264,732	0	3,995,834
Fees and charges	1,990,760	0	0	0	1,990,760
Interest revenue	297,113	0	82,277	0	379,390
Other revenue	372,736	0	143,910	0	516,646
Capital grants, subsidies and contributions	0	822,407	0	397,734	1,220,141
Total	3,391,711	822,407	8,144,480	397,734	12,756,332

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

The Shire utilises volunteer services at its bush fire brigade facility
All other volunteer services are not recognised as revenue as
the fair value of the services cannot be reliably estimated.

Interest revenue

Financial assets at amortised cost - self supporting loans
Interest on reserve account
Trade and other receivables overdue interest
Other interest revenue

The 2024 original budget estimate in relation to:
Trade and other receivables overdue interest was \$75,000

Fees and charges relating to rates receivable

Charges on instalment plan

The 2024 original budget estimate in relation to:
Charges on instalment plan was \$9,500

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services – grant acquittals

Employee Costs

Employee benefit costs
Other employee costs

Other expenditure

Sundry expenses

	2024 Actual	2023 Actual
	\$	\$
	9,310	4,269
	356,585	257,062
	68,938	78,009
	101,120	40,050
	<u>535,953</u>	<u>379,390</u>
	9,810	9,360
	82,800	65,900
	11,220	13,615
	<u>94,020</u>	<u>79,515</u>
	3,996,224	3,711,057
	611,143	386,832
	<u>4,607,367</u>	<u>4,097,889</u>
	369,487	333,323
	<u>369,487</u>	<u>333,323</u>

**SHIRE OF KATANNING
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	7,840,564	7,578,144
Term deposits	7,794,695	7,733,796
Total cash and cash equivalents	15,635,259	15,311,940
Held as		
- Unrestricted cash and cash equivalents	2,984,781	3,064,879
- Restricted cash and cash equivalents	17 12,650,478	12,247,061
	15,635,259	15,311,940

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

Note	2024	2023
	\$	\$
(a) Current assets		
Financial assets at amortised cost	21,880	21,042
	21,880	21,042
Other financial assets at amortised cost		
Self supporting loans receivable	24(a) 21,880	21,042
	21,880	21,042
Held as		
- Unrestricted other financial assets at amortised cost	21,880	21,042
	21,880	21,042
(b) Non-current assets		
Financial assets at amortised cost	201,947	223,828
Financial assets at fair values through other comprehensive income	142,607	142,607
	344,554	366,435
Financial assets at amortised cost		
Self supporting loans receivable	180,905	223,825
	180,905	223,825
Financial assets at fair values through profit or loss		
Financial assets at fair values through profit or loss	142,607	142,607
	142,607	142,607
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	142,607	124,637
Movement attributable to fair value increment	0	17,970
Units in Local Government House Trust - closing balance	142,607	142,607

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 24(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see note 21) 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 values 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 profit or loss.
- equity investments which the Shire has elected to recognise as fair value gains and losses through other comprehensive income.

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

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables	1,302,300	1,181,930
Trade receivables	427,232	497,773
Other receivables	58,480	29,276
GST receivable	27,273	330
Allowance for credit losses of rates and statutory receivables and trade receivables	(362,262)	(314,582)
	1,453,023	1,394,727

Non-current

Rates and statutory receivables	268,323	268,323
	268,323	268,323

Note	2024	2023
	\$	\$
	1,302,300	1,181,930
	427,232	497,773
	58,480	29,276
	27,273	330
	(362,262)	(314,582)
	1,453,023	1,394,727
	268,323	268,323
	268,323	268,323

Disclosure of opening and closing balances related to contracts with customers

Allowance for credit losses of rates and statutory receivables and trade receivables

Note	30 June 2024	30 June 2023	1 July 2022
	Actual	Actual	Actual
	\$	\$	\$
5	(362,262)	(314,582)	(377,308)
	(362,262)	(314,582)	(377,308)

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.

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

6. INVENTORIES

Current

Fuel and materials

	2024	2023
	\$	\$
	14,684	20,508
	14,684	20,508
	20,508	20,508
	(5,824)	0
	14,684	20,508

The following movements in inventories occurred during the year:

Balance at beginning of year

Adjustments to inventory

Balance at end of year

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 sales

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

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Total Property (Assets not subject to operating lease)				Plant and equipment					Total property, plant and equipment
	Land	Buildings - non-specialised	Buildings - specialised	Total Property	Furniture and equipment	Plant and equipment	Other property, plant and equipment - motor vehicles	Other property, plant and equipment - equipment	Other property, plant and equipment - paintings & sculptures	
Balance at 1 July 2022	5,731,900	3,925,000	45,064,491	54,721,391	177,976	3,074,471	480,011	692,695	308,170	59,454,714
Additions	0	106,898	250,993	357,891	0	304,704	91,715	414,750	9,430	1,178,490
Disposals	0	0	0	0	0	(4,788)	(28,011)	0	0	(32,799)
Depreciation (Restated)	0	(183,351)	(1,984,042)	(2,167,393)	(43,557)	(523,990)	(59,178)	(174,771)	(2,649)	(2,971,538)
Transfers (Restated) (see note 8(a))	0	0	2,581,535	2,581,535	0	0	0	0	0	2,581,535
Transfers (See Note 8(a))	0	0	0	0	0	0	0	12,046	123,728	135,774
Balance at 30 June 2023 - restated	5,731,900	3,848,547	45,912,977	55,493,424	134,419	2,850,397	484,537	944,720	438,679	60,346,176
Comprises:										
Gross balance amount at 30 June 2023	5,731,900	4,031,898	48,066,412	57,830,210	295,016	5,510,591	777,948	1,799,057	446,058	66,658,880
Accumulated depreciation at 30 June 2023	0	(183,351)	(2,153,435)	(2,336,786)	(160,597)	(2,660,194)	(293,411)	(854,337)	(7,379)	(6,312,704)
Balance at 30 June 2023 - restated	5,731,900	3,848,547	45,912,977	55,493,424	134,419	2,850,397	484,537	944,720	438,679	60,346,176
Additions	0	0	159,155	159,155	0	1,070,907	44,057	0	10,500	1,284,619
Disposals	(64,000)	0	0	(64,000)	0	(118,221)	0	0	0	(182,221)
Depreciation	0	(185,467)	(1,989,381)	(2,174,848)	(43,590)	(608,360)	(135,202)	(208,745)	(2,567)	(3,173,312)
Balance at 30 June 2024	5,667,900	3,663,080	44,082,751	53,413,731	90,829	3,194,723	393,392	735,975	446,612	58,275,262
Comprises:										
Gross balance amount at 30 June 2024	5,667,900	4,031,898	48,225,567	57,925,365	295,016	5,942,179	822,005	1,799,057	456,558	67,240,180
Accumulated depreciation at 30 June 2024	0	(368,818)	(4,142,816)	(4,511,634)	(204,187)	(2,747,456)	(428,613)	(1,063,082)	(9,946)	(8,964,918)
Balance at 30 June 2024	5,667,900	3,663,080	44,082,751	53,413,731	90,829	3,194,723	393,392	735,975	446,612	58,275,262

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

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Fair Value					
Land and Buildings					
Land	2	Market approach using recent observable market for similar properties	Independent Registered Valuer	June 2022	Price per square metre
Buildings - Non Specialised	2	Market approach using recent observable market data for similar properties	Independent Registered Valuer	June 2022	Price per square metre
Buildings - Specialised	2 & 3	Cost approach using current replacement cost	Independent Registered Valuer	June 2022	Construction cost and current condition, residual values and remaining useful life assessments

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

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

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

8. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - landfill assets	Other infrastructure - bridges	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	118,629,601	2,240,567	9,638,154	15,207,919	15,016,788	61,597	399,076	161,193,702
Additions	1,364,695	143,352	0	0	114,584	0	38,523	1,661,154
Revaluation increments / (decrements) transferred to revaluation surplus (Restated)	54,264,836	853,394	9,713,716	(4,473,235)	1,792,053	0	331,769	62,482,533
Impairment (losses) / reversals								0
Depreciation	(1,997,009)	(137,155)	(202,872)	(575,206)	(582,445)	(4,758)	(14,112)	(3,513,557)
Transfers (Restated) (see note 7(a))	0	0	0	0	(2,581,535)	0	0	(2,581,535)
Transfers (see note 7(a))	0	0	0	(53,425)	(82,349)	0	0	(135,774)
Balance at 30 June 2023 - restated	172,262,123	3,100,158	19,148,998	10,106,053	13,677,096	56,839	755,256	219,106,523
Comprises:								
Gross balance at 30 June 2023	172,262,123	3,100,158	19,148,998	10,106,053	13,677,096	317,460	755,256	219,367,144
Accumulated depreciation at 30 June 2023	0	0	0	0	0	(260,621)	0	(260,621)
Balance at 30 June 2023 - restated	172,262,123	3,100,158	19,148,998	10,106,053	13,677,096	56,839	755,256	219,106,523
Additions	395,259	0	0	97,800	25,607	0	15,841	534,507
Depreciation	(4,525,506)	(93,152)	(301,188)	(420,165)	(442,113)	(4,762)	(54,602)	(5,841,488)
Balance at 30 June 2024	168,131,876	3,007,006	18,847,810	9,783,688	13,260,590	52,077	716,495	213,799,542
Comprises:								
Gross balance at 30 June 2024	172,657,382	3,100,158	19,148,998	10,203,853	13,702,703	317,460	771,097	219,901,651
Accumulated depreciation at 30 June 2024	(4,525,506)	(93,152)	(301,188)	(420,165)	(442,113)	(265,383)	(54,602)	(6,102,109)
Balance at 30 June 2024	168,131,876	3,007,006	18,847,810	9,783,688	13,260,590	52,077	716,495	213,799,542

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

8. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent Registered Valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent Registered Valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent Registered Valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Independent Registered Valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Infrastructure - other	3	Cost approach using current replacement cost	Independent Registered Valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessments
Other infrastructure - bridges	3	Cost approach using current replacement cost	Independent Registered Valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessments

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

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

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

9. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings	4 to 50 years
Furniture and equipment	4 to 20 years
Plant	5 to 15 years
Motor Vehicles	5 to 10 years
Equipment	5 to 50 years
Painting and Sculptures	not depreciated
Sealed roads and streets	
formation	not depreciated
pavement	2.5 to 72 years
seal	
- bituminous seals	2 to 18 years
- asphalt surfaces	9 to 27 years
Gravel roads	
formation	not depreciated
pavement	5 to 63 years
Footpaths - slab	7 to 80 years
Water supply piping and drainage systems	80 to 100 years
Landfill assets	6 to 34 years
Right-of-use (plant and equipment)	Based on the remaining lease term

Revision of useful lives of plant and equipment

During the year, the estimated total useful lives of all infrastructure assets were revised following the revaluation of infrastructure in previous year.

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

9. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable Value

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

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

Revaluation

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

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

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

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.

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

10. LEASES

(a) Right-of-Use Assets

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

Note	Right-of-use assets \$	Right-of-use assets Total \$
Balance at 1 July 2022	29,523	29,523
Depreciation	(14,221)	(14,221)
Balance at 30 June 2023	15,302	15,302
Gross balance amount at 30 June 2023	47,289	47,289
Accumulated depreciation at 30 June 2023	(31,970)	(31,970)
Balance at 30 June 2023	15,319	15,319
Depreciation	(13,199)	(13,199)
Balance at 30 June 2024	2,120	2,120
Gross balance amount at 30 June 2024	52,767	52,767
Accumulated depreciation at 30 June 2024	(50,647)	(50,647)
Balance at 30 June 2024	2,120	2,120

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	(13,199)	(14,221)
Finance charge on lease liabilities	(400)	(1,008)
Total amount recognised in the statement of comprehensive income	(13,599)	(15,229)
Total cash outflow from leases	(15,572)	(14,469)
(b) Lease Liabilities		
Current	878	15,095
Non-current	0	955
	878	16,050

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 24(b).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

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

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors	92,188
Prepaid rates	123,775
Accrued payroll liabilities	97,587
ATO liabilities	0
Bonds and deposits held	70,464
Other payables - accrued expenditure	82,800
Accrued interest on loans	16,033
Other payables - Amherst Village Refundable Capital Deposits	929,590

2024	2023
\$	\$
92,188	577,861
123,775	80,947
97,587	92,679
0	32,280
70,464	73,410
82,800	0
16,033	17,118
929,590	1,112,890
1,412,437	1,987,185

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.

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

12. OTHER LIABILITIES

Current

Contract liabilities
Capital grant/contributions liabilities

Non-current

Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

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

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$348,255 (2023: \$103,112)

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

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year
1 to 2 years
2 to 3 years
3 to 4 years
4 to 5 years
> 5 years

	2024	2023
	\$	\$
Contract liabilities	348,255	103,112
Capital grant/contributions liabilities	4,507,527	0
	4,855,782	103,112
Capital grant/contributions liabilities	0	4,336,743
	0	4,336,743
Opening balance	4,422,028	4,703,049
Additions	433,754	170,571
Revenue from contracts with customers included as a contract liability at the start of the period	0	(451,592)
	4,855,782	4,422,028
Less than 1 year	4,855,782	103,112
1 to 2 years	0	4,336,743
2 to 3 years	0	0
3 to 4 years	0	0
4 to 5 years	0	0
> 5 years	0	0
	4,855,782	4,439,855

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

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

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

13. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		293,447	3,006,633	3,300,080	284,958	3,300,081	3,585,039
Total secured borrowings	24(a)	293,447	3,006,633	3,300,080	284,958	3,300,081	3,585,039

Risk

Details of individual borrowings required by regulations are provided at note 24(a)

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

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	247,524	297,782
Long service leave	334,755	332,659
	<u>582,279</u>	<u>630,441</u>
Total current employee related provisions	582,279	630,441
Non-current provisions		
Employee benefit provisions		
Long service leave	109,024	100,850
	<u>109,024</u>	<u>100,850</u>
Total non-current employee related provisions	109,024	100,850
Total employee related provisions	<u>691,303</u>	<u>731,291</u>

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

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

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.

**SHIRE OF KATANNING
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FOR THE YEAR ENDED 30 JUNE 2024**

15. OTHER PROVISIONS

	Make good provisions	Total
	\$	\$
Opening balance at 1 July 2023		
Non-current provisions	573,804	573,804
	<u>573,804</u>	<u>573,804</u>
Additional provision	34,429	34,429
Balance at 30 June 2024	<u>608,233</u>	<u>608,233</u>
Comprises		
Non-current	608,233	608,233
	<u>608,233</u>	<u>608,233</u>

Other provisions

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

Make good provisions Katanning Landfill Site

Under the licence for the operation of the Katanning landfill site, the Shire has a legal obligation to restore the site.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

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

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

16. REVALUATION SURPLUS

	2024	2024	2023	Total	2023
	Opening	Closing	Opening	Movement on	Closing
	Balance	Balance	Balance	Revaluation	Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	8,181,336	8,181,336	8,181,336	0	8,181,336
Revaluation surplus - Buildings - non-specialised	5,403,411	5,403,411	5,403,411	0	5,403,411
Revaluation surplus - Buildings - specialised	4,744,578	4,744,578	4,744,578	0	4,744,578
Revaluation surplus - Furniture and equipment	1,773	1,773	1,773	0	1,773
Revaluation surplus - Plant and equipment	1,011,022	1,011,022	1,011,022	0	1,011,022
Revaluation surplus - Other property, plant and equipment - motor vehicles	160,555	160,555	160,555	0	160,555
Revaluation surplus - Other property, plant and equipment - equipment	579,346	579,346	579,346	0	579,346
Revaluation surplus - Other property, plant and equipment - paintings & sculptures	240,066	240,066	240,066	0	240,066
Revaluation surplus - Infrastructure - roads	136,673,080	136,673,080	82,408,244	54,264,836	136,673,080
Revaluation surplus - Infrastructure - footpaths	2,333,663	2,333,663	1,480,269	853,394	2,333,663
Revaluation surplus - Infrastructure - drainage	20,167,819	20,167,819	10,454,103	9,713,716	20,167,819
Revaluation surplus - Infrastructure - parks and ovals	0	0	1,487,166	(1,487,166)	0
Revaluation surplus - Infrastructure - other	5,871,027	5,871,027	4,078,974	1,792,053	5,871,027
Revaluation surplus - Other infrastructure - bridges	391,595	391,595	59,826	331,769	391,595
	185,759,271	185,759,271	120,290,669	65,468,602	185,759,271

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

17. RESTRICTIONS OVER FINANCIAL ASSETS

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

Note	2024 Actual \$	2023 Actual \$
3	12,650,478	12,247,061
	12,650,478	12,247,061

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

Restricted reserve accounts

Contract liabilities

Bonds and Deposits held

Total restricted financial assets

25	7,794,695	7,733,796
12	4,855,783	4,439,855
	0	73,410
	12,650,478	12,247,061

**18. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS**

Bank overdraft limit

Bank overdraft at balance date

Credit card limit

Credit card balance at balance date

Total amount of credit unused

250,000	250,000
0	0
65,000	65,000
0	0
315,000	315,000

Loan facilities

Loan facilities - current

Loan facilities - non-current

Total facilities in use at balance date

293,447	284,958
3,006,633	3,300,081
3,300,080	3,585,039

Unused loan facilities at balance date

0	0
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**SHIRE OF KATANNING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

19. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11 , the Shire has identified sites to be possible sources of contamination. Details of those sites are:

1. Katanning Regional Sheep Saleyard - Crown Reserve 50922, Lot 500 Katanning-Nyabing Road, Katanning. This site is suspected of being contaminated but has not been assessed at this time.

2. Shire Depot - Lot 996 Cullen Street, Katanning
This site is suspected of being contaminated but has not been assessed at this time.

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

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

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	29,375	30,000	30,000
President's meeting attendance fees	15,000	15,000	15,000
President's ICT expenses	1,100	1,100	1,100
	45,475	46,100	46,100
Deputy President's annual allowance	8,125	7,500	7,500
Deputy President's meeting attendance fees	15,000	15,000	15,000
Deputy President's annual allowance for ICT expenses	1,100	1,100	1,100
	24,225	23,600	23,600
All other council member's meeting attendance fees	72,500	75,000	66,155
All other council member's annual allowance for ICT expenses	5,317	7,500	4,871
	77,817	82,500	71,026
20(b)	147,517	152,200	140,726

(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	554,711	520,061
Post-employment benefits	65,304	61,668
Employee - other long-term benefits	33,396	68,505
Employee - termination benefits	80,417	0
Council member costs	147,517	140,726
20(a)	881,345	790,960

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

20. RELATED PARTY TRANSACTIONS

Transactions with related parties

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

No outstanding balances or provisions for doubtful debts or 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
	\$	\$
Sale of goods and services	0	20,364
Purchase of goods and services	39,307	25,480

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 20(a) and 20(b).

ii. Other Related Parties

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The purchase of goods involved materials for plant maintenance and tourism services, being \$39,307 in the current year (\$25,480 in prior year). Sale of goods and services was \$nil in 2024 (was \$20,364 in 2023).

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.

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

21. 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 9.

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

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

22. 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
GRV	Gross rental valuation	0.119201	1,201	20,289,339	2,418,509	(4,133)	2,414,376	2,418,509	1,000	2,419,509	2,237,869
UV	Unimproved valuation	0.00754	203	228,209,000	1,720,696	(974)	1,719,722	1,720,696		1,720,696	1,618,429
Total general rates			1,404	248,498,339	4,139,205	(5,107)	4,134,098	4,139,205	1,000	4,140,205	3,856,298
Minimum Payment \$											
GRV	Gross rental valuation	1,152	609	3,903,900	701,568	0	701,568	701,568		701,568	654,346
UV	Unimproved valuation	1,152	153	10,332,181	176,256	0	176,256	176,256		176,256	141,218
Total minimum payments			762	14,236,081	877,824	0	877,824	877,824	0	877,824	795,564
Total general rates and minimum payments			2,166	262,734,420	5,017,029	(5,107)	5,011,922	5,017,029	1,000	5,018,029	4,651,862
Ex-gratia Rates											
CBH			1	0	4,842	0	4,842	5,150		5,150	4,799
Total amount raised from rates (excluding general rates)			1	0	4,842	0	4,842	5,150	0	5,150	4,799
Discounts										(2,685)	(3,100)
Total Rates							5,016,764			5,020,494	4,653,561
Rate instalment interest							12,638			12,000	11,789
Rate overdue interest							65,611			75,000	70,488

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

23. DETERMINATION OF SURPLUS OR DEFICIT

Note	2023/24 (30 June 2024 Carried Forward) \$	2023/24 Budget (30 June 2024 Carried Forward) \$	2023/24 (1 July 2023 Brought Forward) \$	2023/24 Restated (1 July 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	(104,831)	(195,378)	(37,247)	(37,247)
Add: Loss on disposal of assets	0	34,996	0	0
Movement in Amherst deposits	(183,301)	0	0	(103,854)
Employee benefit provisions (current)	8,174	0	0	(19,361)
Add: Depreciation	9,028,003	5,342,903	5,347,988	6,499,289
Non-cash movements in non-current assets and liabilities:				
Employee benefit provisions	(48,163)	0	(10,264)	(10,264)
Financial assets at amortised cost-self supporting loan	0	0	0	(223,828)
Pensioner deferred rates	0	0	0	(15,174)
Other provisions	34,429	0	(330,248)	31,969
Contract liabilities	(4,336,743)	0	125,274	125,274
Non-cash amounts excluded from operating activities	4,397,568	5,182,521	5,095,503	6,246,804
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	25 (7,794,695)	(6,302,936)	(7,733,796)	(7,733,796)
Less: Financial assets at amortised cost - self supporting loans	4(a) (21,880)	0	0	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13 293,447	0	284,958	284,958
- Amherst deposits	11 929,590	1,116,238	1,112,890	1,112,890
- Local Government House Equity	4(b) 142,607	0	142,607	142,607
- Current portion of lease liabilities	10(b) 878	0	15,095	15,095
- Employee benefit provisions	14 582,279	630,441	630,441	630,441
Total adjustments to net current assets	(5,867,774)	(4,556,257)	(5,547,805)	(5,547,805)
Net current assets used in the Statement of Financial Activity				
Total current assets	17,124,846	11,580,847	12,240,689	16,748,217
Less: Total current liabilities	(7,144,823)	(7,024,590)	(3,020,791)	(3,020,791)
Less: Total adjustments to net current assets	(5,867,774)	(4,556,257)	(5,547,805)	(5,547,805)
Surplus or deficit after imposition of general rates	4,112,249	0	3,672,093	8,179,621

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

24. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal		Principal at 30 June 2023	Principal		Principal at 30 June 2024	Principal at 1 July 2023	Principal		Principal at 30 June 2024	
		Principal at 1 July 2022	New Loans During 2022-23		Repayments During 2022-23	New Loans During 2023-24			Repayments During 2023-24	New Loans During 2023-24		Repayments During 2023-24
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
158 Administration Building		2,138,269	0	(99,268)	2,039,001	0	(103,074)	1,935,927	2,039,001	0	(103,074)	1,935,927
159 Aged & Key Worker Accom		645,095	0	(43,982)	601,113	0	(44,561)	556,552	601,113	0	(44,561)	556,552
160 Water Cart		145,431	0	(16,558)	128,873	0	(16,702)	112,171	128,873	0	(16,702)	112,171
161 CAT Grader		213,871	0	(24,350)	189,521	0	(24,562)	164,959	189,521	0	(24,562)	164,959
163 Road Sweeper		0	210,000	(9,626)	200,374	0	(39,384)	160,990	200,374	0	(39,384)	160,990
164 Prime Mover		0	190,000	(8,710)	181,290	0	(35,633)	145,657	181,290	0	(35,633)	145,657
Total		3,142,666	400,000	(202,494)	3,340,172	0	(263,916)	3,076,256	3,340,172	0	(263,916)	3,076,256
Self Supporting Loans												
162 Katanning Country Club		0	250,000	(5,133)	244,867		(21,043)	223,824	244,867	0	(15,910)	228,957
Total Self Supporting Loans		0	250,000	(5,133)	244,867	0	(21,043)	223,824	244,867	0	(15,910)	228,957
Total Borrowings	13	3,142,666	650,000	(207,627)	3,585,039	0	(284,959)	3,300,080	3,585,039	0	(279,826)	3,305,213

Self supporting loans are financed by payments from third parties. These are shown in Note 4(a) 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 ended 30 June 2024	Budget for year ended 30 June 2024	Actual for year ended 30 June 2023
					\$	\$	\$
158 Administration Building	158	WATC	3.80%	2/05/2038	(76,512)	(90,527)	(94,388)
159 Aged & Key Worker Accom	159	WATC	1.31%	6/11/2035	(7,733)	(11,827)	(12,617)
160 Water Cart	160	WATC	0.87%	6/11/2030	(1,084)	(1,942)	(3,317)
161 CAT Grader	161	WATC	0.87%	6/11/2030	(1,595)	(2,856)	(3,001)
163 Road Sweeper	163	WATC	3.62%	17/02/2028	(6,718)	(7,989)	(2,179)
164 Prime Mover	164	WATC	3.62%	17/02/2028	(6,078)	(7,228)	(3,205)
Total					(99,720)	(122,369)	(118,707)
Self Supporting Loans Finance Cost Payments							
162 Katanning Country Club	162	WATC	3.93%	17/02/2033	(9,310)	(10,957)	(4,269)
Total Self Supporting Loans Finance Cost Payments					(9,310)	(10,957)	(4,269)
Total Finance Cost Payments					(109,030)	(133,326)	(122,976)

* WA Treasury Corporation

SHIRE OF KATANNING
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24. BORROWING AND LEASE LIABILITIES (Continued)

(b) 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 1HCG001		28,403	0	(12,353)	16,050	0	(15,172)	878	16,050	0	(15,095)	955
Matric Spin Bicycles		1,108	0	(1,108)	0	0	0	0	0	0	0	0
Total Lease Liabilities	10(b)	29,511	0	(13,461)	16,050	0	(15,172)	878	16,050	0	(15,095)	955

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ended 30 June 2024	Budget for year ended 30 June 2024	Actual for year ended 30 June 2023	Lease Term
					\$	\$	\$	
CESM Vehicle 1HCG001	491912/001	SG Fleet Australia P/L	26.70%	11/08/2024	(400)	0	(1,008)	48 Months
Total Finance Cost Payments					(400)	0	(1,008)	

**SHIRE OF KATANNING
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25. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	744,023	32,563	0	776,586	744,023	25,050	0	769,073	745,770	25,051	(26,798)	744,023
(b) Plant Replacement Reserve	511,586	17,301	(315,346)	213,541	511,587	64,987	(300,000)	276,574	393,787	117,799	0	511,586
(c) Amherst Village Building Maintenance Reserve	181,756	17,955	0	199,711	181,757	12,400	(40,000)	154,157	23,348	158,408	0	181,756
(d) Amherst Village Refundable Deposit Reserve	1,179,038	51,591	(142,800)	1,087,829	1,179,038	42,200	(105,000)	1,116,238	1,292,805	42,233	(156,000)	1,179,038
(e) Old Saleyards Reserve	915,887	40,085	0	955,972	915,887	32,000	(350,000)	597,887	964,277	31,975	(80,365)	915,887
(f) Waste Management Reserve	438,650	19,198	0	457,848	438,651	14,400	0	453,051	424,260	14,390	0	438,650
(g) Land & Building Reserve	1,607,618	70,348	(159,155)	1,518,811	1,607,621	65,350	(1,081,506)	591,465	1,659,550	105,352	(157,287)	1,607,618
(h) Land & Building Facilities for Seniors Reserve	364,328	15,354	0	379,682	350,819	11,500	(60,000)	302,319	339,310	25,018	0	364,328
(i) Regional Sheep Saleyards Reserve	684,730	170,569	0	855,299	698,238	165,000	(96,850)	766,388	765,926	11,509	(92,705)	684,730
(j) Christmas Decoration Reserve	62,811	2,749	0	65,560	62,810	11,820	(50,000)	24,630	50,990	11,821	0	62,811
(k) GRV Revaluation Reserve	63,370	2,771	(40,000)	26,141	63,369	11,830	(50,000)	25,199	51,531	11,839	0	63,370
(l) Quartermaine Oval Reserve	306,030	63,397	0	369,427	306,030	58,840	0	364,870	247,190	58,840	0	306,030
(m) KLC Facilities Reserve	225,788	112,199	0	337,987	225,788	110,590	0	336,378	256,896	58,286	(89,394)	225,788
(n) Election Reserve	34,238	1,498	0	35,736	34,237	10,890	(30,000)	15,127	23,355	10,883	0	34,238
(o) Library Building Reserve	17,887	3,283	0	21,170	17,886	3,030	0	20,916	14,860	3,027	0	17,887
(p) Community & Economic Development Reserve	270,770	11,850	0	282,620	270,770	8,900	0	279,670	261,887	8,883	0	270,770
(q) Lake Ewlyamartup Facilities Reserve	20,575	5,901	0	26,476	20,575	5,550	0	26,125	15,020	5,555	0	20,575
(r) Parks & Playgrounds Reserve	62,329	17,729	0	80,058	62,328	16,680	0	79,008	45,644	16,685	0	62,329
(s) Katanning Aquatic Centre Reserve	6,960	15,306	0	22,266	6,959	16,180	0	23,139	45,644	16,185	(54,869)	6,960
(t) Housing Reserve	35,422	46,553	0	81,975	35,422	45,300	0	80,722	100	35,322	0	35,422
	7,733,796	718,200	(657,301)	7,794,695	7,733,795	732,497	(2,163,356)	6,302,936	7,622,150	769,061	(657,418)	7,733,796

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:

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

25. RESERVE ACCOUNTS (Cont'd)

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave Reserve	To be used to fund accrued employee leave entitlements.
(b) Plant Replacement Reserve	To be used for future plant purchases.
(c) Amherst Village Building Maintenance Reserve	To be used for maintenance of Amherst Village.
(d) Amherst Village Refundable Deposit Reserve	To be used to fund refundable deposits at Amherst Village.
(e) Old Saleyards Reserve	To be used for future capital and maintenance works.
(f) Waste Management Reserve	To be used for capital and maintenance works.
(g) Land & Building Reserve	To provide for construction and maintenance of Council owned buildings.
(h) Land & Building Facilities for Seniors Reserve	To be used for construction and maintenance of land and buildings for the use of seniors.
(i) Regional Sheep Saleyards Reserve	To be used for capital and maintenance works.
(j) Christmas Decoration Reserve	To be used to fund significant Christmas decoration purchases.
(k) GRV Revaluation Reserve	To be used to fund quinquennial gross rental value revaluations.
(l) Quartermaine Oval Reserve	To be used to fund future maintenance and upgrades of Quartermaine Oval.
(m) KLC Facilities Reserve	To be used to fund future maintenance and upgrades to the KLC buildings and grounds.
(n) Election Reserve	To be used for biannual councillor elections.
(o) Library Building Reserve	To be used to fund future maintenance and upgrades to the library building.
(p) Community & Economic Development Reserve	To be used for Community and Economic Development Projects.
(q) Lake Ewlyamartup Facilities Reserve	To be used to fund facilities at Lake Ewlyamartup.
(r) Parks & Playgrounds Reserve	To be used to fund future maintenance and upgrades.
(s) Katanning Aquatic Centre Reserve	To be used to fund future maintenance and upgrades to the KLC Aquatic Centre.
(t) Housing Reserve	To be used to fund future housing maintenance and upgrades

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

26. CORRECTION OF PRIOR PERIOD ERRORS

Balances relating to the 2022/2023 comparative year have been amended due to the correction of prior period errors. These errors have been adjusted as shown below, and in accordance with the requirements of AASB 108.

(a) Infrastructure has now been reviewed to reflect the fair value balances to comply with Regulation 17A(4)(b) of the Local Government (Financial Management) Regulations 1996.

This has resulted in an increase in Infrastructure by \$60m and Revaluation Surplus by \$65m.

(b) The depreciation rates on buildings has now been reviewed after they have been revalued in 2021/22.

This has resulted in an increase in depreciation by \$1.1m in the Statement of Financial Position and the Statement of Comprehensive Income.

Overall the net result and retained surplus have decreased by \$4m.

The changes in comparative figures have been reported below:-

	Previous Balance 2023	Increase/ (Decrease)	Restated Balance 2023
	\$	\$	\$
Statement of Financial Position			
(Extract)			
Property, plant and equipment	58,915,944	1,430,233	60,346,177
Infrastructure	159,205,524	59,900,999	219,106,523
Total assets	235,519,762	61,331,232	296,850,994
Net assets	224,186,538	61,331,232	285,517,770
Retained surplus	96,162,073	(4,137,370)	92,024,703
Revaluation surplus	120,290,669	65,468,602	185,759,271
Total equity	224,186,538	61,331,232	285,517,770
Statement of Comprehensive Income			
(Extract)			
Depreciation	(5,347,988)	(1,151,301)	(6,499,289)
Loss on revaluation of infrastructure - parks and ovals	0	(2,986,069)	(2,986,069)
Net result for the period	(1,484,771)	(4,137,370)	(5,622,141)
Changes in asset revaluation surplus	0	65,468,602	65,468,602
Other comprehensive income for the period	0	65,468,602	65,468,602
Total comprehensive income for the period	(1,484,771)	61,331,232	59,846,461
Statement of Changes in Equity			
(Extract)			
Net result for the period	(1,484,771)	(4,137,370)	(5,622,141)
Other comprehensive income for the period	0	65,468,602	65,468,602
Total comprehensive income for the period	(1,484,771)	61,331,232	59,846,461
Statement of Financial Activity			
(Extract)			
Depreciation	(5,347,988)	(1,151,301)	(6,499,289)
Non-cash amounts excluded from operating activities	5,095,503	1,151,301	6,246,804
Note 7(a) - Property, Plant and Equipment			
(Extract)			
Depreciation	(1,820,237)	(1,151,301)	(2,971,538)
Transfer	0	2,581,535	2,581,535
Note 8(a) - Infrastructure			
(Extract)			
Revaluation Increments	0	62,482,533	62,482,533
Transfer	0	(2,581,535)	(2,581,535)
Note 16 - Revaluation Surplus			
(Extract)			
Revaluation surplus - Infrastructure - roads	82,408,244	54,264,836	136,673,080
Revaluation surplus - Infrastructure - footpaths	1,480,269	853,394	2,333,663
Revaluation surplus - Infrastructure - drainage	10,454,103	9,713,716	20,167,819
Revaluation surplus - Infrastructure - parks and ovals	1,487,166	(1,487,166)	0
Revaluation surplus - Infrastructure - other	4,078,974	1,792,053	5,871,027
Revaluation surplus - Other infrastructure - bridges	59,826	331,769	391,595
Note 23 - Determination of Surplus or Deficit			
(Extract)			
Depreciation	5,347,988	1,151,301	6,499,289
Non-cash amounts excluded from operating activities	5,095,503	1,151,301	6,246,804

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

27. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

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



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Katanning

To the Council of the Shire of Katanning

Opinion

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

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

In my opinion, the financial report:

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

Basis for opinion

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

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

Emphasis of matter – Restatement of comparative balances

I draw attention to Note 26 of the financial report which states that the amounts reported in the previously issued 30 June 2023 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

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 Katanning 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.

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