

ANNUAL REPORT

2023–2024



What is the Annual Report?

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 undertaken by the Shire for that period and includes major initiatives proposed to commence or to continue in the next financial year.

The performance of the Council is assessed against the objectives and values as set out in the Shire of Carnarvon Strategic Community Plan 2022-2032 and the actions contained in the Corporate Business Plan 2023-2027.

These plans provide strategic focus for elected members and Shire Administration and affirm our commitments to the community.

Shire of Carnarvon

3 Francis Street
PO Box 459
Carnarvon WA 6701

Ph: (08) 9941 0000
Email: shire@carnarvon.wa.gov.au
www.carnarvon.wa.gov.au



Acknowledgement of Country

The Shire of Carnarvon acknowledges and respects the Yinggarda (Carnarvon) and Baiyungu (Coral Bay) as the traditional custodians of the lands where we live and work.

We pay our respects to Elders, past, present and emerging. The Shire of Carnarvon is committed to honouring the traditional custodians' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.



Our Vision for the Future

Our Community is safe and harmonious

Our livelihoods are thriving

Our lifestyles are sustainable

Our health and learning opportunities serve our community

Our places nurture our past, present and future

Our community is engaged, inclusive and supportive

We Grow Our Horizons



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Shire Profile

Carnarvon's unique location, makes it a tropical oasis on the west coast. Carnarvon is commonly recognised for its banana plantations, tropical fruits, fine seafood and warm climate and situated in the heart of the Gascoyne Region on the doorstep of the Indian Ocean. It is the gateway to Australia's Ningaloo Coast, and very close proximity to the Ningaloo Reef and World Heritage areas. Equally, the vast Australian outback will beckon you and a visit to the majestic Kennedy Range is not to be missed. With an exceptional climate, and a vibrant and diverse community which offers exciting culinary delights, you need to come to Carnarvon and 'Catch a Taste of the Great Life'.

Climate

Carnarvon has an average temperature of 26 degrees and the average yearly rainfall is 229mm. We are almost 10 degrees cooler than Exmouth in the summer months and 10 degrees warmer than Perth in the winter months.

Organisational History

His Excellency, the Governor, Major General Sir Douglas Anthony Kendrew, K.C.M.G., C.B., C.B.E., D.S.O., united the municipalities of the Town of Carnarvon and the Shire of Gascoyne – Minilya to form the Shire of Carnarvon on the 1st March 1965.

Statistics

Distance from Perth	902kms
Area (sq km)	53,000
Length of Sealed Roads	239.21km
Length of Unsealed Roads	1,287.15km
Population	5,528
Number of Electors	2,989
Number of Dwellings	3,693

Temperature

Mean Max Temp	27.1°C (81°F)
Mean Min Temp	17.2°C (63°F)
Annual Rainfall	228.4mm (9 in)

Shire of Carnarvon Administration Centre

3 Francis Street
CARNARVON WA 6701

Shire of Carnarvon Works Depot

Robinson Street
CARNARVON WA 6701

Carnarvon Public Swimming Pool

Babbage Island Road
CARNARVON WA 6701

Shire of Carnarvon Regional Library and Art Gallery

18 Egan Street
CARNARVON WA 6701



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Equally, the vast Australian outback will beckon you and a visit to the majestic Kennedy Range is not to be missed. With an exceptional climate (average yearly temp of 26°C), and a vibrant and diverse community which offers exciting culinary delights, you need to come to Carnarvon and 'Catch a Taste of the Great Life'.

Carnarvon is located 902kms north of Perth, sitting approximately 4m above sea level and positioned right on the edge of WA's Coral Coast, in the centre of the Shark Bay and Ningaloo World Heritage areas.

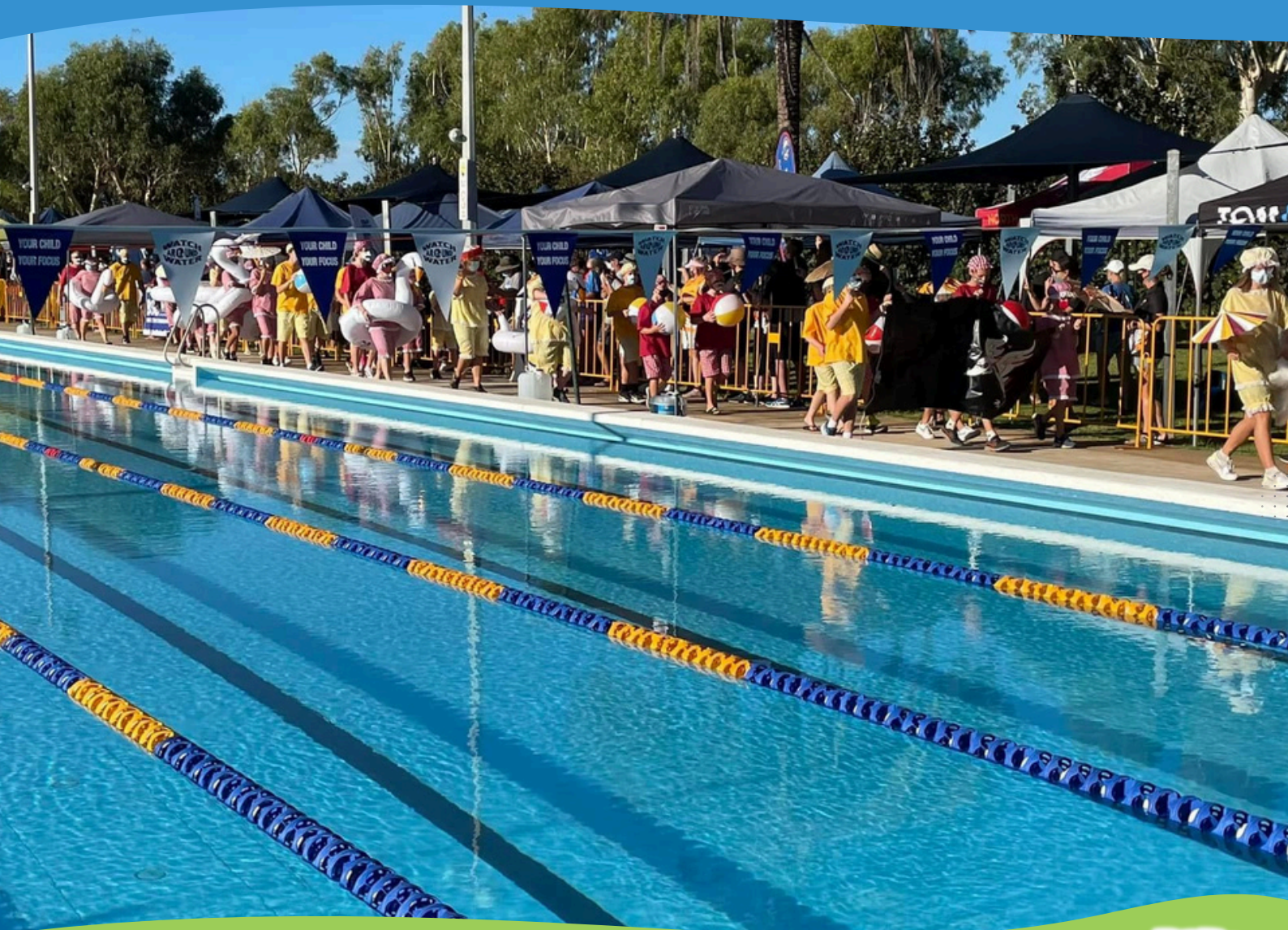
Carnarvon is the only town in Australia where the central desert reaches out to the sea. Carnarvon's population census is approximately 4,600. Carnarvon's tidal range is approximately 0.1m to +1.8m.



Services to the Community

Council provides an extensive variety of services for the community under a wide range of legislation. Services include:

- Airport Services
- Youth Services
- Aquatic Centre and Water Park
- Community Events
- Club Development
- Ranger Services
- Bushfire Control
- Emergency Response and Recovery Coordination
- Entertainment (live shows and movies)
- Tourist Information
- Building Regulations
- Environmental Health Services
- Library Services
- Playground Equipment
- Street Sweeping
- Drainage Infrastructure
- Public Buildings for Hire
- Street Tree Planting and Maintenance
- Bush Fire Control
- Litter Bins
- Roads, Footpaths & Kerbs
- Cemeteries
- Nature based Camping Areas
- Rubbish Collection and Landfill Disposal
- Citizenship Ceremonies
- Recreation Grounds, Parks and Other Reserves
- Land Use Planning and Development Controls
- Street Lighting
- Public Toilets
- Dog Control



President's Report

As we wrap up another financial year, I wanted to take a moment to reflect on all we've experienced together.

What a year it has been! There have been challenges, triumphs, and everything in between, but through it all, we've continued to grow, learn, and inspire one another.

I would like to make special mention to the staff at the Shire of Carnarvon who have shown that a little bit of hard work pays off and of which they have been rewarded for.

The Shire of Carnarvon are a proud team, and their efforts were rewarded by winning a \$3.3 million dollar grant to implement the first phase of Carnarvon Activation Plan.

I sincerely wish to also thank my fellow Councillors and staff for your continued support and efforts over the past year. Overall, I believe the year was a year of positive development across all the functions of our Shire Council and look forward to building on the base which we now have in place.

Now, a little sadly we look ahead to the next year with a significant change happening with our current CEO Andrea Selvey leaving this year, whom I must thank for the very positive change Andrea brought to our Shire.

Mixed with the excitement and anticipation with our incoming CEO Amanda Dexter commencing work in the coming year whom we are sure will bring with her fresh opportunities, new goals, and endless possibilities.

Here's to another year of growth, success, and shared memories!

Together we can make it even better than the last.

Eddie Smith
SHIRE PRESIDENT



CEO's Report

Annual Reports create a chance to reflect on the year gone by, in the hustle and bustle of the Shire's endeavours throughout 2023/2024. The Shire team continues to relentlessly work towards fulfilling the community's aspirations outlined in our Strategic Community Plan.

A shining moment for me personally was our success in winning a \$3.357 million grant to implement the first phase of the Carnarvon Activation Plan. Commencing in mid-2024 it will consist of multiple projects that include:

- The Tramway Walk Trail: This will feature a new Whitlock Island shelter, a healing space, trail furniture, and signage translated into the local Indigenous language, Yinggarda.
- Van Dongen Park: This space will be revitalised to be family-friendly, incorporating facilities such as a new playground, fresh landscaping, and day-use facilities.
- Public Art: Utilising the Art Hub, local artists will design artworks to be placed around Carnarvon.
- Civic Centre: A large digital display screen will be installed outside the Civic Centre for the promotion and marketing of our region.
- Town Oval: This area will receive an upgrade, including a community outdoor stage, furniture, and art.

We extend our gratitude to Lotterywest for their funding support, enabling us to refurbish these community spaces and enhance the overall experience for visitors and residents alike.

While these accomplishments are visible, there is a flurry of work happening behind the scenes as we strive to "Grow our Horizons." I have been privileged to work alongside the dedicated team of staff, Councillors, and volunteers this year who all have a deep commitment to serving our community. We extend our heartfelt thanks to everyone involved for their dedication.

Although, I will be leaving the Shire this year I am completely confident that the incoming CEO, Amanda Dexter will continue to build a community that thrives. Thank you for your continued support.

Andrea Selvey
CHIEF EXECUTIVE OFFICER



About Council

The Shire of Carnarvon have a popularly elected Shire President and 7 Councillors. Councillors are elected for a four-year term, with half the positions becoming vacant each election year.

Local Government Elections are usually held on the third Saturday in October every other year. The October 2023 general election had 5 positions available due to the resignation of Cr Tom Langley. The election resulted in the re-election of Shire President Eddie Smith, Cr Burke Maslen, Cr Luke Vandeleur and the election of Cr Paul Kelly and Cr Dudley Maslen.



PRESIDENT
EDDIE SMITH



DEPUTY PRESIDENT
CR BURKE MASLEN



COUNCILLOR
LUKE VANDELEUR



COUNCILLOR
LUKE SKENDER



COUNCILLOR
ADAM COTTRELL



COUNCILLOR
MARCO FERREIRINHA



COUNCILLOR
PAUL KELLY



COUNCILLOR
DUDLEY MASLEN

Profile of Council Members

No	Age	Gender	Language Spoken at home	Birth
4	35-44	Male	Australian English	Australia
1	35-44	Male	Portuguese	Australia
1	45-54	Male	Australian English	Australia
2	64+	Male	Australian English	Australia

Council Meetings

A total of 12 Ordinary Council Meetings are held in any one year, with 10 Council meetings being held on the fourth Tuesday of each month in the Council Chambers in Carnarvon commencing at 1.00pm. The other 2 meetings are convened on the fourth Tuesday at Bill's Tavern Function Room in Coral Bay at 10.30 am, usually being the months of May and November.

Councillor Meeting Attendance

Councillor Meeting Attendance	Ordinary Council Meeting 12p/a	Special Council Meeting 3p/a	Annual Council Meeting 1p/a	Audit & Risk Meeting 4p/a
Cr Eddie Smith, Shire President, Re-elected 21/10/2023	12	3	1	4
Cr Burke Maslen, Deputy President, Re-elected 21/10/2023	12	3	1	4
Cr Luke Vandeleur, Re-elected 21/10/2023	11	3	1	3
Cr Luke Skender	6	3	0	0
Cr Marco Ferreira	12	3	0	0
Cr Adam Cottrell	8	2	0	0
Cr Paul Kelly, Elected 21/10/2023	8	3	0	3
Cr Dudley Maslen, Elected 21/10/2023	9	2	1	0
Cr Tom Langley, Term Expired 21/10/2023	0	0	0	0
Cr Alexander Fullarton, Term Expired 21/10/2023	3	0	0	1

Councillor Training Records

On 27 June 2019, changes to the Local Government Act 1995 were passed by Parliament which require all Councillors to undertake mandatory training within the first 12 months of being elected and to participate in professional development opportunities. Below is a record of training that has been completed by Councillors between 1 July 2023 and 30 June 2024

Councillor Training Records	Course Information			
Cr Paul Kelly	Date: 27/02/24	Location: Online	Provider: WALGA	Cost: \$240
	Course Attended: Serving on Council			
Cr Dudley Maslen	Date: 12/12/23	Location: Online	Provider: WALGA	Cost: \$1920
	Course Attended: Local Government Roles & Responsibilities; Local Government Decision Making; Local Government Meetings; Local Government Misconduct; Community Engagement; Access to Information & Record Keeping; Delegations; Getting Things Done			
Cr Luke Skender	Date: 11/12/23	Location: Carnarvon	Provider: Steven Tweedie	Cost: \$641
	Course Attended: Local Government Misconduct; Community Engagement; Access to Information & Record Keeping; Delegations; Getting Things Done			
Cr Eddie Smith, Shire President	Date: 11/12/23	Location: Carnarvon	Provider: Steven Tweedie	Cost: \$3,208
Cr Burke Maslen, Deputy President	Course Attended: Local Government Roles & Responsibilities; Local Government Decision Making; Local Government Meetings; Local Government Misconduct; Community Engagement; Access to Information & Record Keeping; Delegations; Getting Things Done			
Cr Luke Vandeleur				
Cr Paul Kelly				
Cr Paul Kelly	Date: 09/12/23	Location: Online	Provider: WALGA	Cost: \$240
	Course Attended: Understanding Financial Reports and Budgets			
Cr Paul Kelly	Date: 26/11/23	Location: Online	Provider: WALGA	Cost: \$720
	Course Attended: Conflicts of Interest, Meeting Procedures, Understanding Local Government			

Structure and Functions of Council

The Shire of Carnarvon is established under the Local Government Act 1995 and has the responsibility for the administration of this legislation across the district. Other significant legislation which falls to the authority of Council to act upon, includes, but is not limited to the following:

- Building Act 2012
- Bush Fires Act 1954
- Caravan and Camping Grounds Act 1995
- Cemeteries Act 1986
- Dog Act 1976
- Cat Act 2011
- Environmental Protection Act 1995 (delegated responsibilities)
- Food Act 2008
- Freedom of Information Act 1992
- Health Act 1911
- Litter Act 1979
- Planning and Development Act 2005

The Governance level of the Shire comprises the elected Council. The Shire President has a range of statutory functions as the leader of the Council. The President chairs all Council meetings and is supported by a Deputy President.

The Shire President together with seven other Councillors duly elected from, and by, the community. The Council as a whole:

- Governs the Shire's affairs
- Is responsible for the performance of the Shire's functions
- Oversees the allocation of the Shire's finances and resources
- Decides the Shire's policies

This includes:

- Applying good governance principles to Council decision-making
- Guiding the Shire organisation through the development of a comprehensive range of policies
- Determining type, range and scope of projects to be undertaken by the Shire
- Developing the Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan along with a range of other plans to ensure a structured and carefully managed approach to the functions of the Council

In the making of these decisions, Ordinary Council Meetings are held on the fourth Tuesday of each month in the Council Chambers commencing at 1.00pm, other than the months of May and October each year where the Ordinary Council Meetings are conducted at Bill's Tavern Function Room in Coral Bay commencing at 10.30am.

Personal Involvement

Elected Members involvement often extends to representing Council on other regional or state bodies that includes:

- WALGA Gascoyne Country Zone (Regional)
- Gascoyne Regional Road Group
- Local Emergency Management Committee
- Gascoyne Joint Development Assessment Panel
- Aviation Community Consultation Group
- Gascoyne Development Commission Board



Standing Committees

At present the Council has four specific Standing Committees, listed below:

- Audit & Risk Management Committee
- Management Review Committee
- Awards Committee
- Community Growth Fund Committee

Occasional Committees and Working Parties

Council utilises Occasional Committees and Working Groups as a tool to address specific issues or guide projects as required.

Agendas

Meeting agendas, largely consisting officer reports and recommendations, are prepared for Council and Committee meetings. These agendas are distributed one week prior to the meeting date. Copies of the meeting agenda is also made available to the public prior to the meeting date in accordance with the *Local Government Act 1995* and can be obtained on Council's website at www.carnarvon.wa.gov.au



Delegated Authority

In accordance with provisions of the *Local Government Act 1995* the Council may delegate many powers to a Committee or the Chief Executive Officer (CEO) of the Local Government, with ability for the Committee or CEO to then further delegate the duty or responsibility to an officer of the organisation. For accountability, delegations are recorded in a register reviewed by Council annually and available for viewing by members of the public.



Executive Team



ANDREA SELVEY
CHIEF EXECUTIVE OFFICER

Governance
Records
Customer Service
Communications
Human Resources
Workplace Health & Safety
Planning
Community Services
Rangers
Environmental Health
Cultural Development
Economic Development



DAVID NIELSEN
EXECUTIVE MANAGER
INFRASTRUCTURE

Fleet Management
Building Maintenance
Roads & Works
Parks & Gardens
Asset Management
Waste Management
Airport
Tenders
Contract Management



ALAN THORNTON
DEPUTY CHIEF
EXECUTIVE OFFICER

Finance
Rates
Emergency Management



Awards & Recognition

Bronze Top Tourism Award

The Real Carnarvon media campaign and a rejuvenated Shire website combined with action to address antisocial behaviour successfully countered negative impressions in the WA media in the previous year. This contributed to the success of the Shire in winning the 2024 Bronze Top Tourism Award in the Small Town category.



Minister for Local Government's Place Innovation Award

The Shire of Carnarvon won the Minister for Local Government's Place Innovation Award for Regional Western Australia for 'The Future is Me' project in 2024.

'The Future is Me' project was designed using an evidence-based, co-design approach with the local community to address youth disengagement. Our early engagement with young people revealed a passion for art, leading us to implement major art projects such as the Egan Street Mural and the revitalisation of the Skate Park.

This award recognises not only beautified community spaces but the fostering of a sense of ownership and pride among our youth.

Volunteer Employer Recognition Award

The Shire of Carnarvon fosters a workplace environment that actively supports volunteer participation in emergency services and was recognised in 2024 with a Volunteer Employer Recognition Award. By offering flexible work arrangements and reducing the financial burden on employees, the Shire had demonstrated its commitment to empowering its staff to serve the community.

Waterwise Council Recognition

The Shire of Carnarvon was recognised by the Water Corporation and the Department of Water and Environmental Regulation in 2024 as a Waterwise Council. The Shire joins forty-seven councils across WA in the Waterwise Councils program.

Being endorsed as a Waterwise Council opens up a world of opportunities for us. It means access to funding to further develop programs that benefit our community and the environment.



Workplace Wellbeing Award

The Warlang Award for Workplace Wellbeing recognises those local governments that have taken remarkable strides in fostering a healthy culture of learning, inclusion, flexibility, and work/life balance. The effectiveness of Shire's staff programs and policies was recognised by winning the 2023 Award through the Local Government Professionals Australia (WA).

2023–24 Year in Review

This section of the report summarises the Shire of Carnarvon's progress during the 2023-24 Financial Year toward attaining the goals, outcomes and strategies set out in the Shire's Strategic Community Plan 2022-32.



Priority Projects

In the 2022 Strategic Plan the Community Jury and Council proposed a series of Big Ideas that would make a significant difference to Carnarvon in the short and long term. Over the last 2 years these ideas or 'projects' have been developed, progressed and added to which led to an attempt to better understand the 'shovel ready status' of projects and the benefit of the project to the community on completion.

In 2023, the Shire developed an innovative mechanism to evaluate the projects. Projects were assessed against criteria the community created to measure the anticipated impact on Objectives from the Community Strategic Plan—economic, social, and environmental—and the ease of implementation. How easy a project is to implement includes factors such as stakeholder engagement, funding acquisition, planning, regulatory requirements, scope of works, and budget considerations.

Projects were initially categorised into four groups based on their implementation difficulty and community impact:

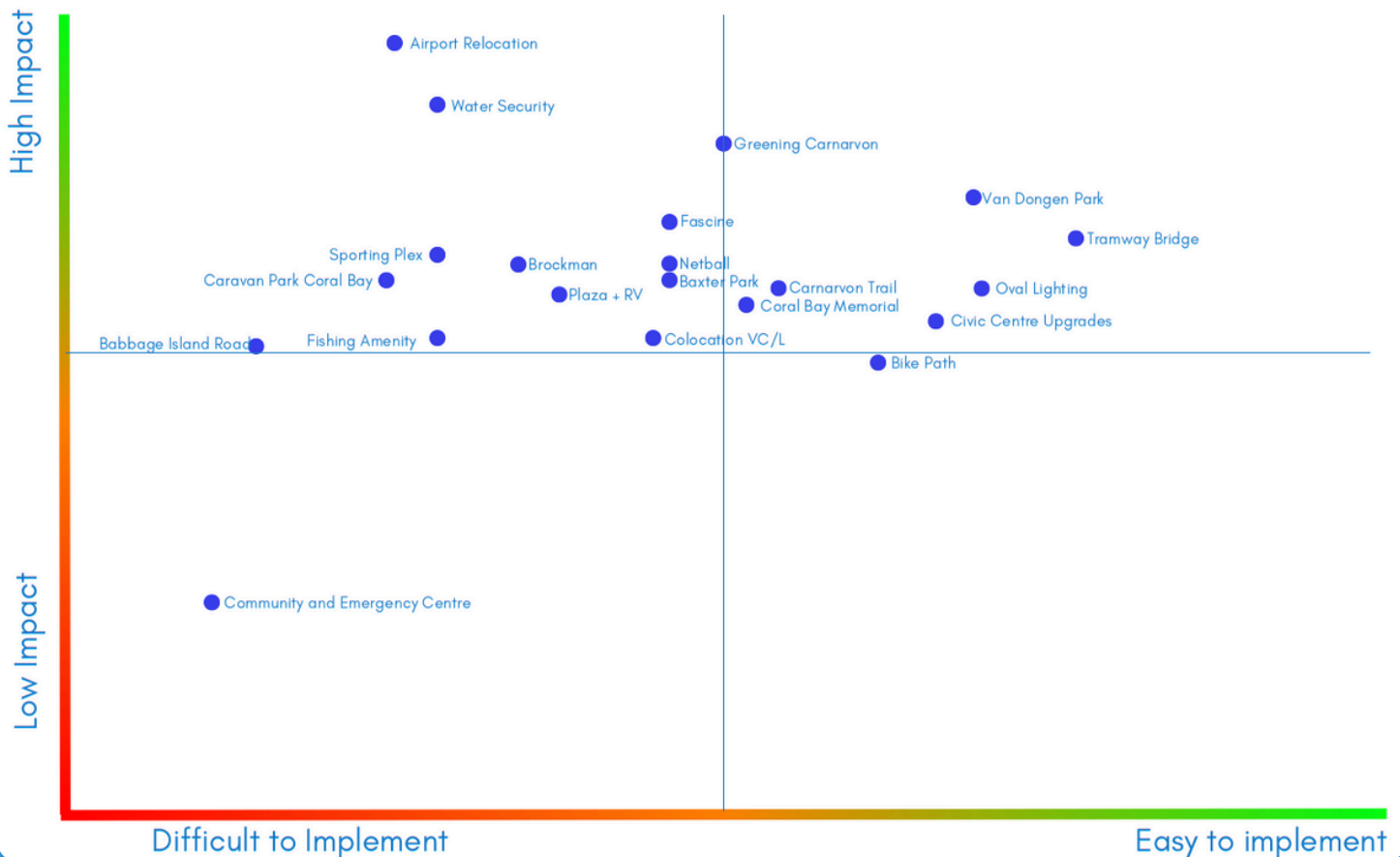
- Easy to implement, low impact.
- Easy to implement, high impact.
- Difficult to implement, high impact.
- Difficult to implement, low impact.

The matrix below shows the results of this assessment process.

After in-depth discussion, the Council has resolved to endorse the following Priority Projects for 2024:

- Airport Relocation
- Carnarvon Trails Project
- Sports and Leisure Complex
- Fascine Waterway Basin Dredging
- Greening Carnarvon
- Integrated Plan and Water Security
- Coral Bay Workers Accommodation Caravan Park (Lot 64).

PRIORITY PROJECTS MATRIX



Integrated Planning Update

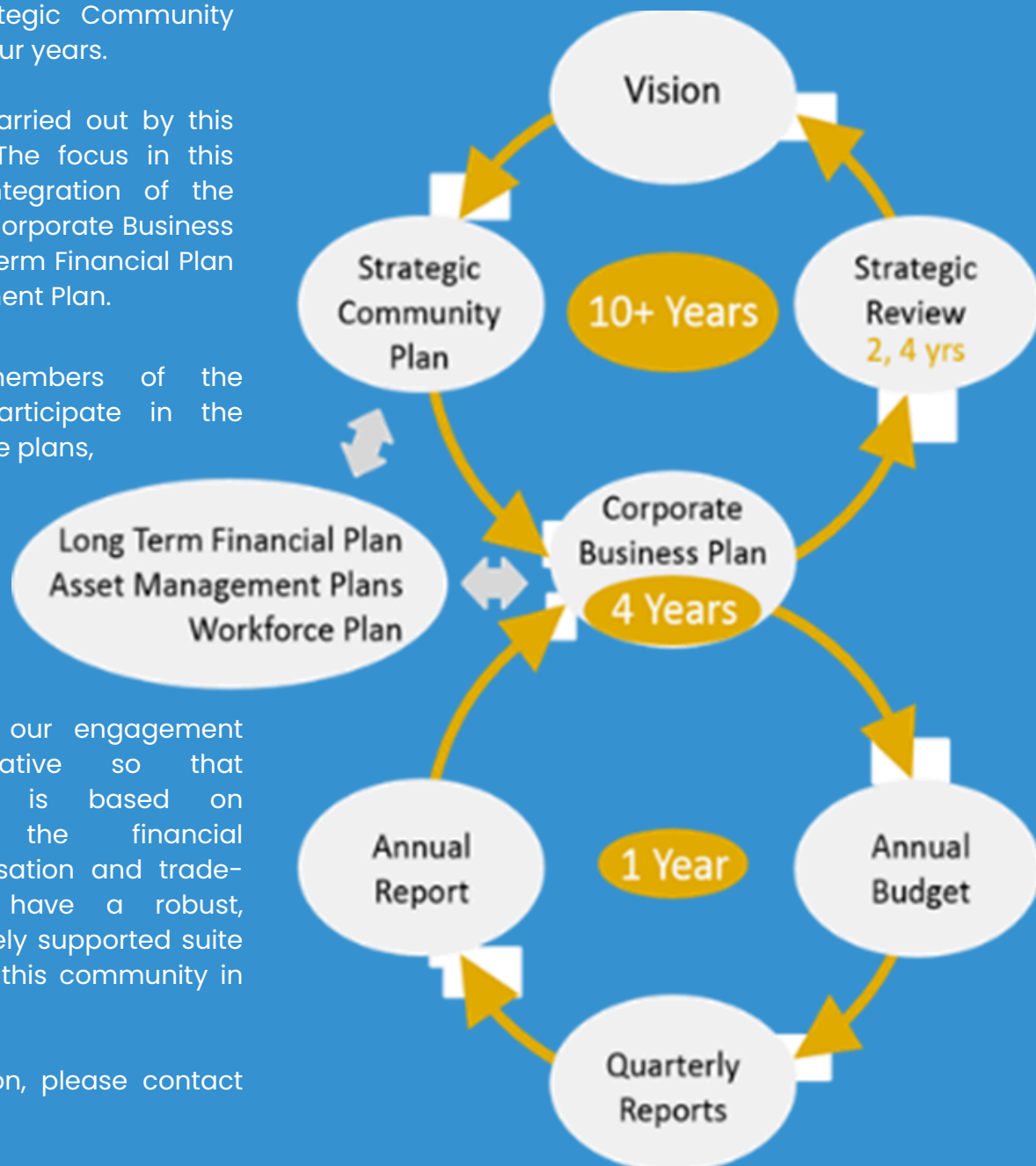
It is critical that Council has sound planning in place to meet the future needs of the community. It is also a legislative requirement that a full review of the Strategic Community Plan is done every four years.

A full review was carried out by this Council in 2023. The focus in this review was the integration of the Strategic Plan and Corporate Business Plan with the Long Term Financial Plan and Asset Management Plan.

We hope all members of the community will participate in the process so that these plans, that influence and inform Council decision-making truly reflects the aspirations of residents.

We aim to make our engagement processes informative so that community input is based on awareness of the financial implications, prioritisation and trade-offs required to have a robust, affordable, and widely supported suite of plans that serve this community in the long term.

For more information, please contact the Shire CEO.



Department Highlights



People, Culture & Systems

What our Mission is: Supporting Our People and Systems

The People, Culture, and Systems team drives organisational success by managing recruitment, staff development, well-being, governance, WHS, records, ICT systems, and property leasing. Through fostering a positive work environment and ensuring compliance, they enhance operational efficiency and strengthen the Shire's capacity to serve the community.

Empowering Growth: Building Skills for a Stronger Community

The Shire delivered 212 training opportunities focused on Work Health and Safety, core skill development, and capacity building. Programs like Safety Training, as well as Local Government and Plant Technology certifications, enhanced both staff and community capabilities. By offering free training to students and community members, the Shire increased local employability and strengthened workforce resilience.



Building a Skilled and Supported Workforce

The Shire prioritised workforce development by ensuring 90% of recruitments adhered to its Recruitment Policy, promoting transparent and inclusive hiring. Sixteen staff members acted in higher roles as part of succession planning efforts, fostering leadership and internal growth. Role-specific training and ongoing professional development further supported a culture of continuous improvement and skill-building.

Fostering Workplace Health and Safety

The Shire maintained a strong focus on workplace health and safety, with no notifiable incidents reported in 2023-2024. Ongoing WHS training ensured employees understood their safety responsibilities, reducing risks and promoting well-being. These initiatives contributed to a safe work environment and reinforced a culture of safety and resilience across the organisation.



Strengthening Governance and Property Management

The Shire effectively managed property leasing and grants, ensuring all leases were compliant with policies and public assets were utilized properly. No breaches of grant conditions or MOUs were recorded, demonstrating strong governance practices. These efforts reflect our commitment to transparency, accountability, and efficient resource management, maintaining robust governance structures.

Enhancing Records Management

The Shire improved records management by providing comprehensive training during onboarding and through ongoing role-specific refresher courses. These initiatives ensured staff understood legislative requirements and document-handling procedures. By integrating records management into daily operations, the Shire enhanced compliance and efficiency, contributing to better overall governance and operational standards.

Upgrading ICT for Operational Excellence

The Shire upgraded its IT systems to boost performance and support various departments, addressing approximately 1,380 ICT assistance requests. These improvements have enhanced productivity, user satisfaction, and operational efficiency across the organisation. The ongoing development of ICT infrastructure ensures staff have the tools needed to deliver services effectively and meet community needs.

Tourism & Economic Development

What our Mission is: Growing Tourism and Our Economy

The Tourism and Economic Development team drives economic growth by fostering business development and enhancing vibrancy across the Shire. By facilitating partnerships and reducing barriers for businesses, they help make Carnarvon a more attractive and supportive investment destination.

Our sustainable livelihoods create a community that can flourish into the future

The Shire continues to support sustainable livelihoods through community-focused projects and partnerships. The Carnarvon Story Trail Project is in development to strengthen the town's identity as a tourism destination, with funding actively being sought. The Shire secured several grants this year, including the Local Government Resilience Fund, WA Bicycle Network Grants, and LotterysWest funding, to enhance community infrastructure and recreational spaces.

Community-driven initiatives, such as tree planting, murals, and verge pickups, were complemented by the Real Carnarvon media campaign, aimed at shifting negative perceptions. This contributed to the Shire winning the 2024 Bronze Top Tourism Award in the Small Town category. Additionally, the Shire completed a RED grant-funded project to build two new homes and is advocating for future housing development, with plans for 100 new dwellings to address long-term housing needs.

The Shire also entered an MOU with the GDC and Friends of Bibbawara Bore to develop the bore as a community and tourism asset. With grant funding secured, the project is progressing toward the design phase to ensure it becomes a valuable resource for both residents and visitors.



Facilitating an economy that fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grow our horizons.

The Shire fosters investment and productivity by supporting local businesses through the Business Friendly Local Government Program and its Business Concierge service, which assisted 32 contacts and 21 service interactions this year. In collaboration with GDC, Business After Hours workshops were delivered to 11 local businesses, and two Growing the Gascoyne forums attracted over 130 attendees, focusing on primary industries and tourism sectors. These events received positive feedback, fostering collaboration and sustainable growth.

A new Partnership Program was launched to encourage external sponsorship of community projects, with Rio Tinto, Tremor Earthmoving, and the Chamber of Commerce and Industry joining as partners.



Community & Cultural Development

What our Mission is: Nurturing our Community and Culture

We support our community to flourish by creating, maintaining and activating spaces for the community. We deliver programs for our whole community from youth to seniors. We help enable good health and promote lifelong learning. We showcase our inclusive identity through our history and diversity. We believe this raises Carnarvon's reputation and appeal as a place to live, work, play and invest.



Our equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701.

The Shire continues contributing to various local solutions for a safer and more unified Carnarvon. The Community Connectors program was provided with 3 Youth Officers and supplies for support 4 evenings per week. Various activities were also run through the Mayu-Mia Youth Hub including Mural Paintings, dance workshops, cooking classes, discos, movie nights, Boys and Girls groups, Night Hoops and school breakfasts. On average around 21 youth attended each session – a roughly 30% increase in attendance over last year.

For the broader community the Shire makes facilities available for hire by agencies and community groups such as the library collaboration spaces which were booked for 367 hours during the year (a 17% annual increase).

Our educational opportunities from early childhood to adulthood are tailored and relevant to the individual.

The library and gallery spaces continued with expanded opening hours and 19,824 users passed through the library doors during the year (a 10% annual increase). Library staff responded to 695 enquires on subjects as diverse as reference queries, e-resources and general knowledge assistance to visitors.

Repeat programs like Story Time and Crafty Bookworms were consistently attended with 1579 attendees across the year for residents under 18. Adult programs like the Book Club and Film Club had over 130 attendees across the year. Individual events for kids and adults like school visits and author talks attracted 723 attendees across the year for under-18's. Events like Library Lovers and Book Week had 448 attendees across the year for adults. When combined with after school programs and school holidays events (run almost every day) more than 3700 attendances were recorded for over 190 events during the year.

For those facing challenges, the Home Library Service provided 57 patrons materials over the year. The Library also provides access to e-books and magazines through platforms like Libby, Kanopy and BorrowBox. GUC students were provided administrative, pastoral and academic support, web conferencing and quiet spaces to study.



Our community acknowledges our history and celebrates our diverse cultures.

The Shire ran a large number of events to celebrate history and diversity across the year including Australia Day, R U OK Day, NAIDOC Week, Seniors Week, Science Week, Remembrance/ANZAC day Womens Week and the Christmas Street Party.



The Library maintains its local history collection and responded to 60 enquires via phone, email and in person. The gallery hosted events such as Jila Kujarra and Yinggarda Portraits, Tributaries and Post Cards from the Edge with approximately 380 attendees (of all ages) across 8 events.

Local artists such as Darryl Bellotti, Naomi McMahon, Raymond Edney, Karla Tittums and Gosia Taylor have been employed in producing local artworks at Egan St and the Shire Offices. Connections with local artists were established through development opportunities with Sonia Henry, the Jila Kujarra and Yinggarda Portraits and St Mary's Visual Arts group.



The Shire has entered the Reconciliation Action Plan : Innovate phase and continues to work methodically through the action plan. These included hosting National Recognition Week events and forming a RAP Committee to work with Yinggarda Aboriginal Corporation and Nganhurra Thanardi Garrbu Aboriginal Corporation representatives.

Our community is engaged, inclusive and supportive.

Through its Community Growth Fund the Shire distributed over \$75,000 (as well as in kind contributions) to 21 community groups over 3 rounds of applications this year.

The Shire also continues engage with the community on issues of significance in different ways with different parts of the community during the year. This included gathering feedback on the Mainstreet revitalisation, designs for the Youth Precinct Pump Track, Egan St mural, Skate Park revitalisation and membership to the Reconciliation Implementation Committee.



Our holistic health care facilities provide services from the womb to the grave.

In collaboration with local partners, Lydia's Health and Fitness, Marie Gane Nutrition, Younion Yoga, and Gosia Taylor Art, the Shire of Carnarvon delivered a series of wellbeing activities for 132 participants along the Fascine for Womens Health Week.

Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grow our horizons.

Several events were run to activate spaces and boost economic activity in town this year including weekend markets at the Civic Centre, free movies over school holidays, the This Life Arts Festival and the Melbourne International Comedy Festival Roadshow.

Infrastructure

What our Mission is: Creating, Maintaining and Improving Infrastructure.

We create, maintain and improve infrastructure to Grow our Horizons. Our infrastructure boosts economic development and protects the human and natural environment. We use infrastructure to enhance our culture and heritage and create livable and beautiful places. We take care of our assets and plan for future opportunities.

Capital Works

Multiple opportunities from large funding programs allowed for delivery of numerous capital improvements for the community's benefit. Some of the stand out projects are:

Robinson Street Reconstruction (Main Street Road and Reticulation)

The full pavement reconstruction of the westbound lane of Robinson Street between Olivia Terrace and Camel Lane was completed this year to assist with better stormwater management.

Harbour Road Heavy Vehicle Upgrade

Harbour Road received an asphalt overlay upgrade at the Carnarvon Road Train Assembly area and Cornish Street to prevent damage to the road surface by heavy vehicles.

Drainage Pump Stations

Both Reynolds Street and Angelo Street pump stations saw new pumps and electrics installed to increase the amount of water that can be pumped and reduce the effects of heavy rainfall events.

Pelican Point Erosion

Completion of hydromulching and seeding (spreading a mixture of water, seed, fertiliser and tracking dye on soil) along a section of the narrow dune coastline of Pelican Point was completed to minimise amounts of drift sand on the road.



Mila Wall Systems gallery Upgrades

Building on the upgrades to the Carnarvon Art Gallery last year, a new Mila-Wall system was installed to allow the same space to be utilised in a variety of ways and accommodate a wide range of exhibitions.

Gascoyne/Lewer Road Shared Bicycle Path

The construction of a 2.5m wide, 750m long concrete bicycle shared path along Gascoyne and Lewer Roads was completed. The construction of this path will provide a safer route for children and families to the nearby Carnarvon Community College.





Pump Track and Skate Park

The Pump Track and surrounding landscape of Hutchinson Park was completed this year combining a two course track for intermediate and advanced riders with an adjacent track for beginners/juniors.

The surrounding landscape upgrades include two shelters, a fountain, painted games, a larger basketball court and soft landscaping treatments. The adjacent Skate Park also received repair works and worked with a local artist and schools to paint a mural that encapsulated Carnarvon.

Road Construction

As part of the Shire's yearly Regional Road Group program, works were completed on Quobba-Gnaraloo Road and Wahroonga-Pimbee Road. The works on both sections involved ripping up the existing pavement, reshaping and reconstructing to an upgraded standard. Continuing to maintain and provide quality road assets throughout our unsealed network remains a focus of the Shire.

Reinstatement of Flood Damaged Roads

In early 2021 and 2022, the Shire suffered damage to various road assets from flood events. The Shire was approved for approximately \$13,453,259 in funding for the repair of damage to reinstate to pre-disaster condition for these roads.

These works are now complete and the focus will now move to repairing the effects of another flood event resulting from Ex-Tropical Cyclone Lincoln on other roads in our network. This claim is estimated to receive \$3,500,000 in funding for the reinstatement works to pre-disaster condition in the coming years.

Bush Fire Water Tanks

The infrastructure services team helped the Community and Emergency Services team deliver the installation of three bulk water tanks the blowholes, the Brown Range refuse facility and Manberry Station. These tanks are vital in having water available at remote and regular locations for bushfire action and prevention.



Operations

In addition to capital project delivery, the Infrastructure department has responsibility to maintain and operate existing infrastructure that provides services to the community. These include parks and gardens, roads and drainage, waste management, building services and fleet operations.

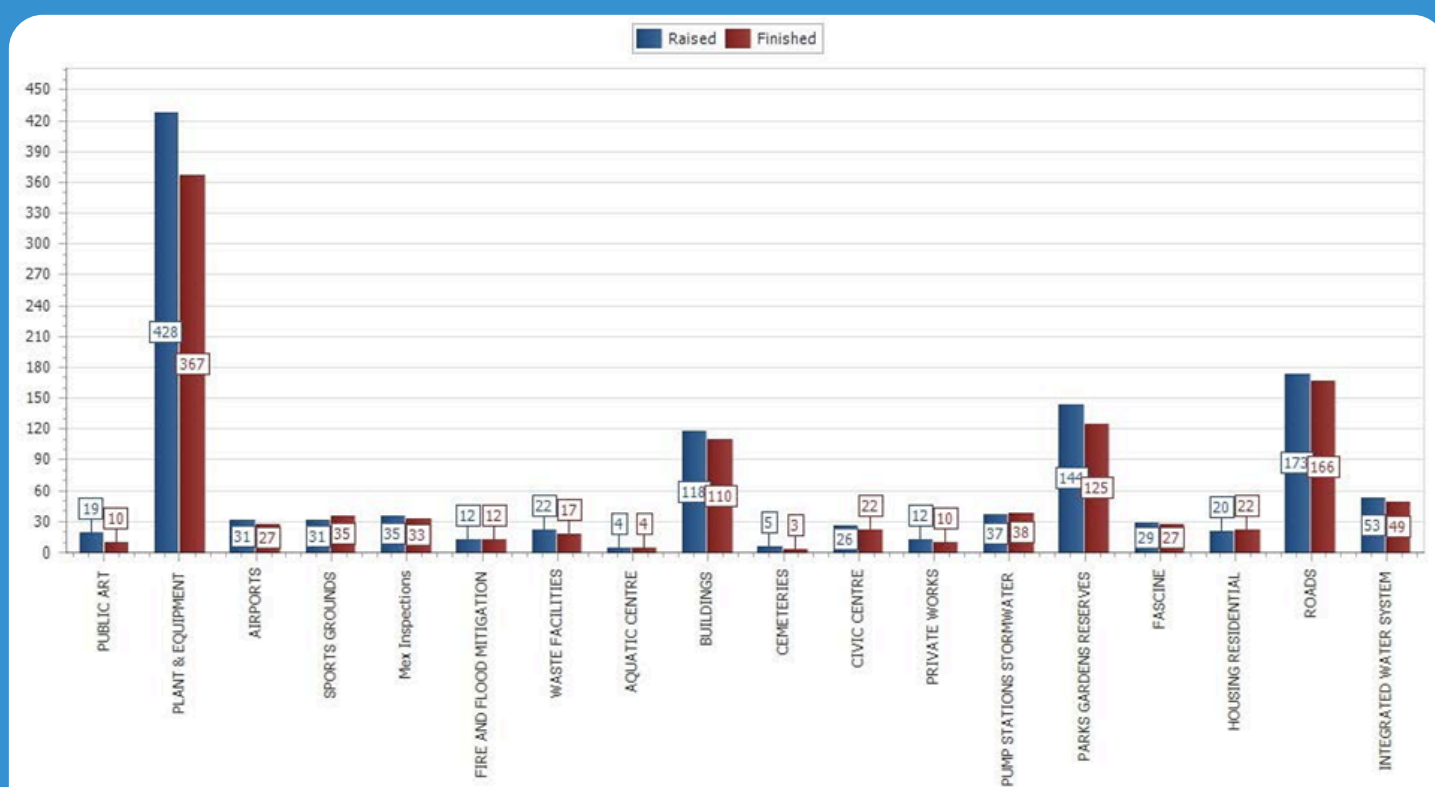
The Shire uses a scheduling and management system that is semi-automated to:

- Record and identify infrastructure defects;
- Process and allocate work order requests;
- Schedule recurring preventative maintenance, inspections and works;
- Track, document and record completed work orders; and
- Monitor performance indicators.

This system does not reflect every piece of work completed by the Infrastructure Services team. Daily tasks like collection and processing of kerbside residential rubbish and more complex capital works as described earlier are also not captured within this system but remain part of delivering essential community services that are often taken for granted.

The graph below shows all of the Shire's Work Orders managed for this financial year. Over the period 1200 work orders were raised with a 90% finishing rate.

This represents a substantial 33% increase in work orders compared to the previous year but the finishing rate only slipped by 6% compared to last year. This is a credit to the small team of dedicated, predominantly long-term residents who have kept our community assets maintained, working and accessible to the community.



Planning & Regulation

What our Mission is: Managing Orderly Growth and Development.

We use a planning perspective to maintain and manage orderly growth and development for a safe, healthy and sustainable community. We provide professional prompt, and predictable regulation and education to our internal partners and external customers.

Our sustainable livelihoods create a community that can flourish into the future.

The Shire has a legal responsibility to maintain the existing residential density coding and zoning according to Local Planning Scheme.

The Strategy that sits behind it was amended and updated this year and it provides for opportunities for increased density in areas of high accessibility and amenity, such as the Fascine or areas surrounding the town centre.

To prepare for future changes the Shire has developed a Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) to protect the natural advantages of the region.

Our infrastructure, housing and amenities are high quality and accessible.

Making sure infrastructure and housing within the Shire is orderly, high quality and sustainable is a duty the Shire continues to ensure through its planning and regulation services.

Specifically, the Shire was able to amend and update the structure plan with DBCA and GDC for the Coral Bay settlement. The plan now includes place making and road upgrades suitable for it's special status as a resort town.

Our community is engaged, inclusive and supportive.

The Shire has endorsed a Public Open Space Strategy in order to identify areas of land and parks that are potentially underutilised and that could better meet the open space needs of our community into the future.



Our community acknowledges our history and celebrates our diverse cultures.

As a region with a long European and Indigenous heritage the Shire works to acknowledge this through:

- Preserving the Shire's heritage sites via sourcing funding to update the local heritage list and incorporate into the Local Planning Strategy.
- Collaborate with the Heritage Committee to facilitate the protection of heritage sites such as the One Mile Jetty.
- Educate relevant property owners in response to enquiries about the protection and management of their heritage assets.

Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grow our horizons.

The Shire continues to support tourism and horticulture and the supporting infrastructure through planning tools. This includes working with Department of Lands to establish and formalise informal camping, to meet increasing demand for nature based camping along the Gascoyne coast.

The Shire is currently investigating and influencing the upcoming legislated Horticultural Standards through Local Government Horticulture Standards Regulatory Working Group.



Community Safety & Wellbeing

What our Mission is: Assessing and Managing risk to Community Health.

We assess and manage risks to public health, safety and well-being to promote a healthy environment for our community. We provide environmental health-related regulation and programs within the district including guidance and education, and we assist the Shire in its own activities that have relevance to environmental health.



Pest Control – Mosquitos and Mesquite

February rains and king tides in July provided ideal breeding conditions for saltmarsh mosquitoes. Monitoring of lifecycles assisted targeted larviciding over more than 6 hectares to suppressed saltmarsh mosquitoes outbreaks.

Breeding sites at the golf course and airport perimeter drain were also treated to minimise ponding and breeding.

A funded project to control the mesquite pest weed throughout the entire lower Gascoyne commenced during the year with the cultural heritage approval process and comprehensive mapping of the problem.



Environmental Health Approvals and Investigations

The Shire has a duty to make sure proposed activities and infrastructure are safe and legal in a prompt and responsive way. This year:

- 13 caravan park/camping grounds were licensed across the region.
- 3 lodging houses were registered.
- 14 new or amended food businesses in the Shire were registered as well as 4 new food trailers and 3 new home-based businesses.
- 6 houses were investigated in response to complaints about maintenance or damage. A demolition notice was also issued for a badly vandalized house.
- 14 other general complaints were investigated around noise, dust, odour, rubbish, flies, spray drift and asbestos.

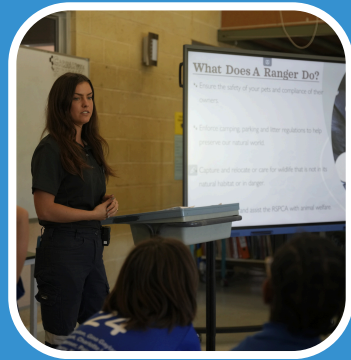
Environmental Health Inspections

The following legislated inspections were also completed this year including

- 15 food businesses.
- 3 caravan park/camping grounds.
- 5 septic systems.
- Monthly aquatic facility water quality tests and sampling totaling 79 water tests/samples over the year.
- Monthly recycled water testing and sampling for the Carnarvon Recycled Water Scheme.
- Bimonthly sampling of Fascine/Gascoyne waters at 8 different sites.
- Chemical analysis at 2 artesian bores (Airport and Bibbawarra), 2 alluvial waters (GWC and Water Corporation), river water and 3 waste facility monitoring bores.
- The Brown Range and Coral Bay Waste Facilities.

Ranger Services

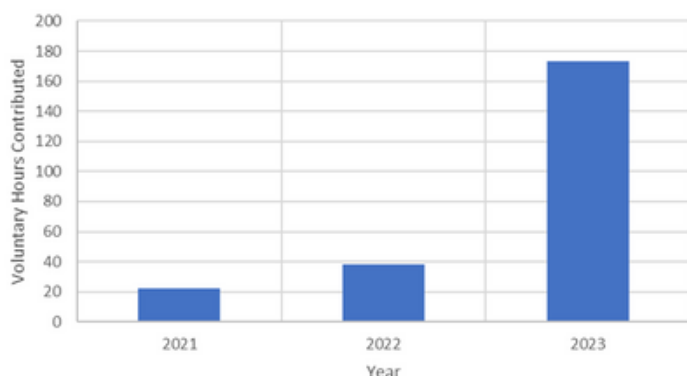
The Shires Rangers have had a busy year with planned and scheduled activities such as outreach to local schools, ongoing sterilisation programs and registering 275 of Carnarvon's dog and cats. Rangers are also available to respond to resident requests and monitor safety in the region. They responded to 578 requests with the majority concerning dog and domestic animal concerns although fires and snakes were also a significant concern.



During their duties they were forced to impound 160 stray animals although two thirds returned to owners or rehomed. Infringement and warning notices were also issued on 163 occasions most typically for illegal camping and parking. Animals other than domestic pets were also cared for with a joey, emu, 2 sheep and 3 goats were returned to their homes this year.



Hours Contributed to Community Emergency Services



Emergency Services

Preparation and response to emergencies has gone from strength to strength over the last few years. A recruitment drive was met with organisation improvements driven by the Emergency Services Manager such as the introduction of a BFB Policy, an annual refresher training program, improvements to the Station and quarterly BBQs for members and families.

The Gascoyne River Bush Fire Brigade won the 2023 award for the volunteer group of the year in the Shire and membership has grown from 5 members in 2022 to 21 members currently. Members are active and attend the Town Markets and training sessions every second week. Last summer the Bushfire Volunteers attended every fire incident without need for Shire staff to man the fire trucks saving the Shire around \$70 000 in wages on the previous year.

Since the introduction of paid Voluntary Emergency Services Leave in 2022 employees have contributed 305 hours to the emergency community groups and the fraction of the Shire's workforce volunteering for community emergency service groups has risen from around 5% to 35%.

Executive

What our Mission is: Fostering high performing people and building good relationships.

We encourage an environment of safe, high performing people who work in a strategic and holistic way in service to the residents of the Shire. We build and maintain good relationships internally and externally through modelling and living our values.

Promoting and adhering to our customer service charter to make sure our whole organisation responds to customer service requests in a timely and effective way that is in accordance with our CARECHIP values.

For the 2023-24 year there were 1027 total requests made to the Shire (a 26% increase on last year). Two thirds of these were made by residents and the majority (86%) of all requests were directed to the Ranger or Infrastructure departments. Typically half of all requests are resolved within 3 days, three quarters within 2 weeks and it is extremely rare for requests to be unresolved after 1- 2 months.

Enabling Good Governance

The Strategic Community Plan was created by the Community Jury and endorsed by Council in 2022. The Corporate Business Plan that springs from this was updated during the year to account for the fact that over half of the nominated actions had been accomplished over the last two years.

All delegations were maintained and all registers and minutes were published on the Shire website. All agendas, registers, minutes were produced in a timely, accessible and correct manner and every Ordinary Council Meetings were livestreamed.

The Shire conducted a successful local government election in October 2023 and hosted a Candidate Forum in the week leading up to the election. Candidates were able to elaborate on their positions and respond to questions from a live and in-person audience.



Informing and lobbying State and Federal Government on issues affecting our community.

Numerous meetings and correspondence were conducted with State and Federal government agencies both reactively and proactively. Meetings and communications were held from the political to the Director General and lower levels. This has led to the incorporation of Carnarvon perspectives on different types of issues such as anti social behaviour, housing, alcohol restrictions, crime, safe transport etc). This awareness raising was assisted by documents like the Intensive Family & Community Intervention Strategy, the On Our Horizons documents and the 100 Houses Report.

Supporting Community Organisations

The Shire continues to employ a Community Emergency Services Manager to oversee emergency events and encourage local participation. Promotion of the Shire Voluntary Emergency Services Leave policy boosted staff contributions by 40% (to 170 hours) and staff participation to 35%. The Shire also provides a 10 year nominal lease to St John Ambulance and the Senior Citizens Club.

The Shire also assists multiple external organisations through financial and in-kind contributions. Examples include; grants from the Community Growth Fund; providing administrative support to the GDC; and waiving airport fees for the Carnarvon Race Club.



Build and maintain good community relationships through a range of activities and communication.

More than 200 press releases and social media posts informing the community were made during the year with over 3000 reactions.

The Real Carnarvon media campaign (in conjunction with a refreshed Shire website) has seen a reduction in negative impressions of Carnarvon.

More engaging activities such as design consultations and surveys were conducted on a number of projects like the Main Street activation, Pump Track, and urban art installations.

Engagements with Traditional Owners were also present across multiple projects over the year including the CBD revitalisation, Administrative Building, Skate Park and Egan Street upgrades and the Bibbawarra Bore development.

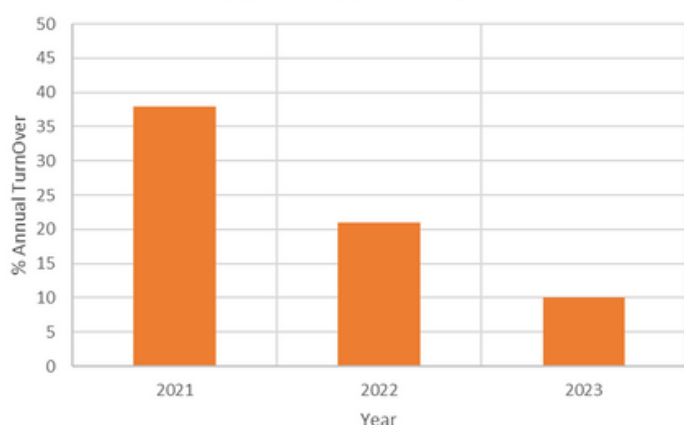
Be a positive role model for how to create an effective and sustainable local organisation.

Increased retention and attraction of staff allows the Shire to more efficiently and effectively deliver the goals of the 2022-2032 Community Strategic Plan.

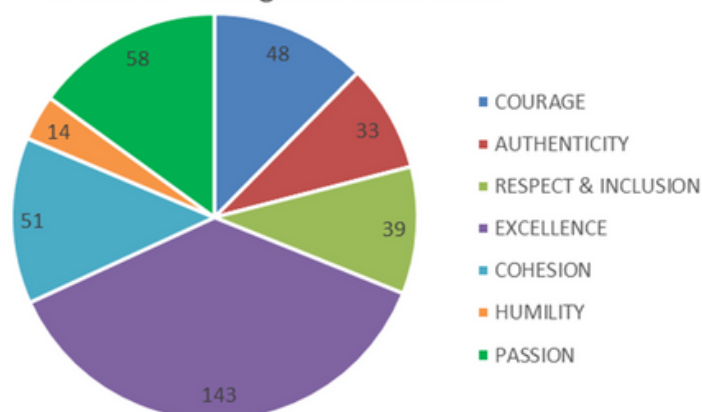
Changes to workplace culture and conditions has seen staff turnover decline from a third of the workforce to approximately 10% per annum. Staff morale and workplace atmosphere have anecdotally jumped and 2023-2024 saw a record number of job applicants for positions across all levels in the organisation.

Over the last two years there were 386 nominations of staff who had demonstrated Carnarvon's Corporate Social Values (CARECHIP) and were recognised through monthly awards.

Staff Annual Turnover



CARECHIP Categories 2022-2024



Finance

What our Mission is: Facilitate sound financial management

We facilitate smooth financial flows between the Shire, our customers and ratepayers. We ensure the Shire is soundly internally financially managed at a strategic and operational level.

The Shire has met its legislated financial requirements this year by adhering to its Purchasing and Procurement Policy, Regional Price Preference Policy and procuring in a transparent and consistent manner to get the best value outcomes in life-cycle costing, quality and safety. The Shire also strives to release its rates notices and collect them on schedule but with regard to financial hardship and exemptions for charitable purposes. At the same it pays the majority of its debtor accounts promptly and accurately.

Taken together these processes allow the Shire to adhere to its Revenue Strategy (adopted in the previous financial year), inform its financial decisions and frame the budget every year.

At a high level the diagrams below show the current breakdown of where the Shire's income comes from and how it is spent to meet the Community's Strategic objectives.

Where every \$100 of spending comes from



Grants \$60



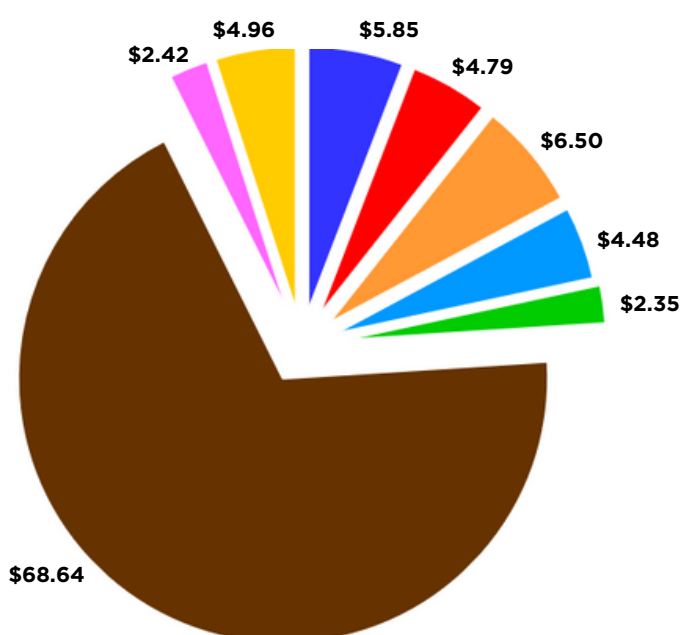
Fees, Charges and Other \$25



Rates \$15



How every \$100 of spending is allocated to community objectives



Our community acknowledges our history and celebrates our diverse cultures.

Our sustainable livelihoods create a community that can flourish into the future.

Our community is engaged, inclusive and supportive.

Our holistic health care facilities provide services from the womb to the grave.

Our equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701.

Our educational opportunities from early childhood to adulthood are tailored and relevant to the individual.

Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grow our horizons.

Our infrastructure, housing and amenities are high quality and accessible.

For more information on the Community Objectives visit <https://www.carnarvon.wa.gov.au/documents/88/strategic-community-plan-2022-2032> and for how we are meeting them through our Corporate Business Plan visit https://www.carnarvon.wa.gov.au/Profiles/carnarvon/Assets/ClientData/Carnarvon_Corporate_Business_Plan_180624.pdf. * Figures for 2023-24 FY.

Statutory Reports



Employee Remuneration

Council has one designated senior employee position in accordance with section 5.37 of the Local Government Act 1995. For the year ended 30 June 2023 this is the Chief Executive Officer.

Employees

The Shire of Carnarvon also employs approximately 65 full time equivalent (FTE) staff. These include an array of multi-skilled staff for road maintenance and construction, maintenance town parks and gardens, finance, governance, statutory planning, statutory health and building services, ranger services, waste management, asset management, community development and youth services, airport operations, tourism and entertainment, administration, maintenance and cleaning of public buildings. Regulation 19B of the Local Government (Administration)

Employee Salary

Regulations 1996 requires the annual report to contain the details of the number of employees of the local government entitled to an annual salary of \$100,000 or more in bands of \$10,000 for each such band over \$100,000.

Salary Range	2023-24
\$100,000 to \$109,999	5
\$110,000 to \$119,999	3
\$120,000 to \$129,999	9
\$130,000 to \$139,999	
\$140,000 to \$149,999	
\$150,000 to \$159,999	1
\$160,000 to \$169,999	1
\$170,000 to \$179,999	
\$180,000 to \$189,999	
\$190,000 to \$199,999	
\$200,000 to \$209,999	
\$210,000 to \$219,999	
\$220,000 to \$229,999	
\$230,000 to \$239,999	1



Disability Access & Inclusion Plan

The Disability Services Act 1993 requires all local governments and selected State Government agencies to develop a Disability Access and Inclusion Plan (DAIP).

Aspect	Details
Objective	Ensure that people with disabilities have the same opportunities as others to access services, facilities, and information provided by the Shire of Carnarvon.
Legislation	The Disability Services Act 1993 (amended 2004) mandates the Shire to develop and implement a Disability Access and Inclusion Plan (DAIP).
Access Outcomes	The DAIP focuses on seven key outcomes to promote accessibility and inclusion in services, facilities, and employment opportunities.
Key Outcomes	<p>Outcome 1: Equal access to Shire services and events.</p> <p>Outcome 2: Accessibility to buildings and facilities.</p> <p>Outcome 3: Accessible information.</p> <p>Outcome 4: Equal customer service.</p> <p>Outcome 5: Inclusive complaint mechanisms.</p> <p>Outcome 6: Public consultation opportunities.</p> <p>Outcome 7: Inclusive employment opportunities.</p>
Achievements (2022-23)	<ul style="list-style-type: none"> - Installed accessible paths, ramps, and toilets in key locations. - Reviewed and updated public consultation strategies. - Provided DAIP training for staff. - Undertaken community consultation for the DAIP 2024 – 2027 - Adjusted lighting levels to accommodate sensitivities, based on feedback during DAIP consultations at the Library and Art Gallery. - Offered virtual reality experiences in the library and expanded to the Woolshed, available free of charge to individuals with disabilities. - Established a space for individuals with disabilities to create and sell artwork, gaining retail experience while completing TAFE certificates. - Developed a program with Volunteering WA to support individuals with disabilities in discovering volunteer opportunities and provide organisation support.
Challenges Identified	<ul style="list-style-type: none"> - Limited resources for widespread implementation. - Difficulty in reaching marginalised groups for consultation.
Future Focus	<ul style="list-style-type: none"> - Expand training for staff and elected members. - Collaborate with community groups to identify barriers. - Regularly review progress.



Outcome	Actions Undertaken (2022-23)
Outcome 1: People with disabilities have the same opportunities as others to access the services and events provided by the Shire.	Ensured Shire events were inclusive by providing accessible seating and parking. Reviewed service delivery practices to accommodate diverse needs.
Outcome 2: People with disabilities have the same opportunities to access the buildings and facilities of the Shire.	Installed ramps and handrails in key public facilities. Improved pathways in high-traffic areas. Conducted accessibility audits of buildings and spaces.
Outcome 3: People with disabilities receive information from the Shire in formats that enable them to access it as readily as others.	Updated the website to ensure compliance with accessibility standards (WCAG). Provided printed materials in large print and easy-to-read formats upon request.
Outcome 4: People with disabilities receive the same level and quality of service from Shire staff as others.	Delivered disability awareness training to staff. Introduced inclusive service protocols to guide interactions with people with disabilities.
Outcome 5: People with disabilities have the same opportunities as others to make complaints to the Shire.	Reviewed the complaint system to ensure accessibility. Added options for submitting complaints via phone, email, or in-person.
Outcome 6: People with disabilities have the same opportunities to participate in any public consultation conducted by the Shire.	Conducted consultations in accessible venues. Offered alternative consultation methods, including online surveys and individual meetings.
Outcome 7: People with disabilities have the same opportunities as others to obtain and maintain employment with the Shire.	Reviewed recruitment practices to remove barriers. Added flexible work arrangements to accommodate individual needs. Promoted inclusive employment policies to staff.

State Records Act

The Shire of Carnarvon's Recordkeeping Plan (RKP) was reviewed and amended 7 April 2020, and approved by the State Records Commission on 7 August 2020.

The RKP demonstrates the Shire's commitment to accurate and compliant recordkeeping practices as per the State Records Act 2000. The RKP is published to the Shire website.

The next review of the RKP will be due in August 2025.

Official Conduct Report

The *Local Government Act 1995* requires the Shire to report on the number of official conduct complaints recorded under section 5.121 of the *Local Government Act 1995* during a financial year. The Shire of Carnarvon did not receive any complaints of this nature that resulted in action under section 5.110 (6)(b) or (c) during the 2023/2024 financial year.



National Competition Policy Statement

The State Government has a Competition Principles Agreement in place, which is binding on local government. This agreement requires the Shire of Carnarvon to carry out a number of procedures and include a report on the matter in Annual Report.

The three areas that affect Local Government are:

- 1. Competitive Neutrality - To remove benefits (and costs) which accrue to Government business as a result of their public ownership.
- 2. Structural Reform - Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.
- 3. Legislation Review - To review legislation that restricts competition.

The full requirements of the package are contained in a statement issued by the Department of Local Government and Communities.

Competitive Neutrality Statement

There are ways in determining if there is a “significant business enterprise” undertaken by the Local Government, namely:

- 1. Is revenue received from external sources that exceeds \$200,000 per annum? (In determining this amount, Council has been advised to disregard grant income, internal charges, and statutory fees).
- 2. Would any benefits be realised from the implementation of competitive neutrality that exceeds costs?

From an examination of the revenue statement for the Shire of Carnarvon for the subject period there is no apparent activity that satisfies this first part of the test, and therefore the principles of competitive neutrality do not apply to any of Council activities during the 2023/2024 financial year.

Freedom of Information Statement

The Shire of Carnarvon is subject to the provisions of the Freedom of Information Act 1992.

The Shire of Carnarvon supports open and accountable local government and will endeavour to make information available promptly and at the least possible cost.

Whenever possible, documents will be provided outside the FOI process.

If information is not routinely available, the Freedom of Information Act 1992 provides the right to apply for documents held by the Shire and to enable the public to ensure that personal information in documents is accurate, complete, up to date and not misleading.

The Shire processed 3 Freedom of Information (FOI) requests in 2023-24 (see table below)

Date Received	Applicant	Personal Information	Personal Information Amendment	Non Personal Information	Decision (Full/Edited)	Exemption	Internal Review Conducted	Fees Imposed
15 September 2023	ACE Environmental	No	No	Yes	Full	No	No	\$30.00
9 November 2023	Edmund Dorey – Re Dog	No	No	Yes	Edited	No	No	\$30.00
20 December 2024	Sharend Parusnath	No	No	Yes	Full	No	No	\$30.00

Structural Reform

In this area, the Council has no monopoly activities. What is basic to the function of restructuring public monopolies is the splitting or division of the regulatory role from the service provision role. To address the question of monopoly, the following test has been applied to each activity:

1. Definition: In regards to this service, does the Council have "exclusive or near exclusive control of the market supply of this service?"

2. Dual Function: Does the Council have both a regulatory and supply function in this area of activity?

3. Willing competitors: If the Council tendered for the supply of this service in the open market, is it likely that there would be a supplier willing to perform this service?

The Council does not have a dual function role in any of the following services:

- Airport operations
- Swimming pool
- Parks and gardens
- Roads
- Recreation services
- Cemetery

When reviewed, these functions appear to have substance to the sole provider argument. However, there are two areas that may be considered competitive, being:

- Waste collection
- Nature Based Camp Areas

Arguably, although the waste collection and nature based camping does have willing local competitors, it is considered Council does not present as anti-competitive and a disadvantage for the private sector, but rather complementary to the private sector to meet public demand

Information about Capital Grants, Subsidies and Contributions

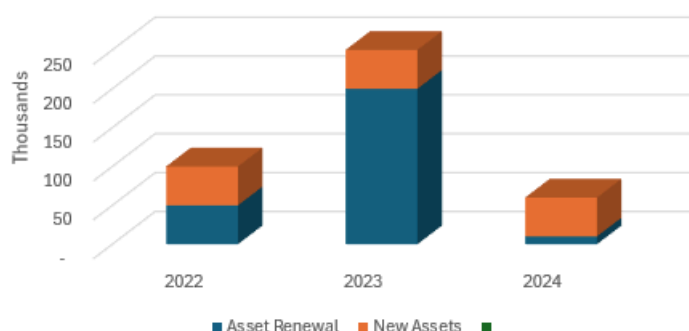
Regulation 19BE of the Local Government (Administration) Regulations 1996 outlines the reporting requirements for capital grants, subsidies, and contributions in a local government's annual report, as specified under section 5.53(2)(i) of the Local Government Act 1995.

From the financial year beginning on or after 1 July 2022, local governments must disclose the amounts of capital grants, subsidies, and contributions received specifically for replacing or renewing assets. These amounts must be reported for the current financial year and the two preceding financial years.

The regulation defines "renew" as the process of returning an asset to its original state through rebuilding, repairing, or restoring. The term "replace" is clarified to exclude any upgrades or replacement with a different version of the asset.

This reporting requirement provides the community with information on public funds received and how much has been allocated to asset renewal or replacement.

Capital grants, subsidies and contributions for
Creating and renewing assets



2023–24 Financial Statements

For the year ended 30 June 2023



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

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

Unity, Humanity, Nature

A connected community across leaders, cultures and generations

A future for every young person

A job-rich economy, built on local strengths

A still-natural environment, looked after and used

The Shire of Carnarvon acknowledges the Yingarrda people as the Traditional Custodians of this land which we work and live on. We pay our respects to their Elders past, present and emerging and extend this respect to all Aboriginal people and their ongoing connection to this Country.

Principal place of business:
3 Francis Street
Carnarvon WA 6701



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

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

STATEMENT BY CEO

The attached draft financial report of the Shire of Carnarvon 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 9th day of December 2024



Chief Executive Officer

Amanda Dexter

Name of Chief Executive Officer

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

	NOTE	2024 Actual	2024 Budget	2023 Actual
		\$	\$	\$
Revenue				
Rates	2(a),25	7,155,122	6,955,265	6,679,100
Grants, subsidies and contributions	2(a)	11,322,024	7,564,910	16,989,565
Fees and charges	2(a)	3,416,150	3,561,650	3,586,416
Interest revenue	2(a)	474,245	130,000	149,660
Other revenue	2(a)	539,827	300,694	498,560
		22,907,368	18,512,519	27,903,301
Expenses				
Employee costs	2(b)	(9,038,311)	(7,991,365)	(8,141,450)
Materials and contracts		(10,091,204)	(13,510,057)	(14,226,124)
Utility charges		(891,068)	(915,163)	(870,095)
Depreciation		(9,134,944)	(8,334,555)	(8,555,020)
Finance costs	2(b)	(113,496)	(109,113)	(56,272)
Insurance		(684,264)	(595,713)	(553,806)
Other expenditure	2(b)	(784,323)	(414,819)	(363,738)
		(30,737,610)	(31,870,785)	(32,766,505)
		(7,830,242)	(13,358,266)	(4,863,204)
Capital grants, subsidies and contributions	2(a)	5,006,311	9,276,105	3,988,473
Profit on asset disposals		13,006	36,296	16,426
Loss on impairment of asset		(9,961)	(58,000)	0
Fair value adjustments to financial assets at fair value through profit or loss	4	2,942	0	6,451
		5,012,298	9,254,401	4,011,350
Net result for the period		(2,817,944)	(4,103,865)	(851,854)
Other comprehensive loss for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	9(a),16	0	0	(31,699,108)
Total other comprehensive loss for the period	16	0	0	(31,699,108)
Total comprehensive loss for the period		(2,817,944)	(4,103,865)	(32,550,962)

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

William Buck Audit (WA) Pty Ltd

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

	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	13,493,183	11,951,376
Trade and other receivables	5	1,872,166	2,311,438
Inventories	6	54,228	35,957
Other assets	7	303,327	824,435
TOTAL CURRENT ASSETS		15,722,904	15,123,206
NON-CURRENT ASSETS			
Trade and other receivables	5	147,798	126,999
Other financial assets	4	145,549	142,607
Property, plant and equipment	8(a)	32,309,641	32,323,846
Infrastructure	9(a)	273,025,842	274,284,942
Right-of-use assets	11(a)	204,457	516,684
TOTAL NON-CURRENT ASSETS		305,833,287	307,395,078
TOTAL ASSETS		321,556,191	322,518,284
CURRENT LIABILITIES			
Trade and other payables	12	2,482,986	1,413,625
Other liabilities	13	2,307,126	1,987,080
Lease liabilities	11(b)	137,938	351,698
Borrowings	14	432,714	283,785
Employee related provisions	15	1,033,082	998,516
TOTAL CURRENT LIABILITIES		6,393,846	5,034,704
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	68,543	194,510
Borrowings	14	2,158,964	1,595,677
Employee related provisions	15	136,395	77,006
TOTAL NON-CURRENT LIABILITIES		2,363,902	1,867,193
TOTAL LIABILITIES		8,757,748	6,901,897
NET ASSETS		312,798,443	315,616,387
EQUITY			
Retained surplus		56,138,535	59,027,588
Reserve accounts	28	3,969,258	3,898,149
Revaluation surplus	16	252,690,650	252,690,650
TOTAL EQUITY		312,798,443	315,616,387

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



SHIRE OF CARNARVON
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		60,893,021	2,884,570	284,389,758	348,167,349
Comprehensive income for the period					
Net result for the period		(851,854)	0	0	(851,854)
Other comprehensive loss for the period	16	0	0	(31,699,108)	(31,699,108)
Total comprehensive loss for the period		(851,854)	0	(31,699,108)	(32,550,962)
Transfers from reserve accounts	28	2,320,459	(2,320,459)	0	0
Transfers to reserve accounts	28	(3,334,038)	3,334,038	0	0
Balance as at 30 June 2023		59,027,588	3,898,149	252,690,650	315,616,387
Comprehensive income for the period					
Net result for the period		(2,817,944)	0	0	(2,817,944)
Total comprehensive loss for the period		(2,817,944)	0	0	(2,817,944)
Transfers from reserve accounts	28	494,933	(494,933)	0	0
Transfers to reserve accounts	28	(566,042)	566,042	0	0
Balance as at 30 June 2024		56,138,535	3,969,258	252,690,650	312,798,443

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

William Buck Audit (WA) Pty Ltd



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

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		6,929,170	6,491,701
Grants, subsidies and contributions		11,746,686	15,739,935
Fees and charges		3,796,789	3,550,899
Interest revenue		474,245	149,660
Goods and services tax received		607,647	612,788
Other revenue		539,827	498,560
		24,094,364	27,043,543
Payments			
Employee costs		(9,209,189)	(7,745,088)
Materials and contracts		(8,310,019)	(16,694,056)
Utility charges		(891,068)	(870,095)
Finance costs		(113,496)	(56,272)
Insurance paid		(684,264)	(553,806)
Goods and services tax paid		(551,905)	(753,189)
Other expenditure		(784,323)	(377,680)
		(20,544,264)	(27,050,186)
Net cash provided by (used in) operating activities	17(b)	3,550,100	(6,643)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(1,453,696)	(1,630,625)
Payments for construction of infrastructure	9(a)	(6,124,286)	(5,310,011)
Capital grants, subsidies and contributions		5,165,585	3,004,485
Proceeds from sale of property, plant & equipment		34,871	22,427
Net cash provided by (used in) investing activities		(2,377,526)	(3,913,724)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(283,784)	(161,000)
Payments for principal portion of lease liabilities	27(d)	(342,983)	(330,980)
Proceeds from new borrowings	27(a)	996,000	1,821,053
Net cash provided by (used in) financing activities		369,233	1,329,073
Net increase (decrease) in cash held		1,541,807	(2,591,294)
Cash at beginning of year		11,951,376	14,542,670
Cash and cash equivalents at the end of the year	17(a)	13,493,183	11,951,376

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

William Buck Audit (WA) Pty Ltd



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

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	6,843,155	6,669,732	6,389,423
Rates excluding general rates	25	311,967	285,533	289,677
Grants, subsidies and contributions		11,322,024	7,564,910	16,989,565
Fees and charges		3,416,150	3,561,650	3,586,416
Interest revenue		474,245	130,000	149,660
Other revenue		539,827	300,694	498,560
Profit on asset disposals		13,006	36,296	16,426
Fair value adjustments to financial assets at fair value through profit or loss	4	2,942	0	6,451
		22,923,316	18,548,815	27,926,178
Expenditure from operating activities				
Employee costs		(9,038,311)	(7,991,365)	(8,141,450)
Materials and contracts		(10,091,204)	(13,510,057)	(14,226,124)
Utility charges		(891,068)	(915,163)	(870,095)
Depreciation		(9,134,944)	(8,334,555)	(8,555,020)
Finance costs		(113,496)	(109,113)	(56,272)
Insurance		(684,264)	(595,713)	(553,806)
Other expenditure		(784,323)	(414,819)	(363,738)
Loss on asset disposals		(9,961)	(58,000)	0
		(30,747,571)	(31,928,785)	(32,766,505)
Non-cash amounts excluded from operating activities	26(a)	9,202,113	8,356,259	8,687,827
Amount attributable to operating activities		1,377,858	(5,023,711)	3,847,500
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		5,006,311	9,276,105	3,988,473
Proceeds from disposal of assets		34,871	98,636	22,427
		5,041,182	9,374,741	4,010,900
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(1,453,696)	(3,748,283)	(1,630,625)
Purchase and construction of infrastructure	9(a)	(6,124,286)	(10,879,813)	(5,310,011)
		(7,577,982)	(14,628,096)	(6,940,636)
Amount attributable to investing activities		(2,536,800)	(5,253,355)	(2,929,736)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	996,000	1,996,000	1,821,053
Transfers from reserve accounts	28	494,933	1,045,702	2,320,459
		1,490,933	3,041,702	4,141,512
Outflows from financing activities				
Repayment of borrowings	27(a)	(283,784)	(283,785)	(161,000)
Payments for principal portion of lease liabilities	27(d)	(342,983)	(351,698)	(330,980)
Transfers to reserve accounts	28	(566,042)	(329,962)	(3,334,038)
		(1,192,809)	(965,445)	(3,826,018)
Amount attributable to financing activities		298,124	2,076,257	315,494
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	7,824,352	8,200,809	6,591,094
Amount attributable to operating activities		1,377,858	(5,023,711)	3,847,500
Amount attributable to investing activities		(2,536,800)	(5,253,355)	(2,929,736)
Amount attributable to financing activities		298,124	2,076,257	315,494
Surplus or deficit after imposition of general rates	26(b)	6,963,534	0	7,824,352

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

SHIRE OF CARNARVON
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF CARNARVON

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 Carnarvon which is a Class 2 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 were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 *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 above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
 - Expected credit losses on financial assets - note 5
 - Measurement of employee benefits - note 15
- Fair value hierarchy information can be found in note 23

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 of the financial report.

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

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

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

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

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

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

These amendments may result in additional disclosures in the case

SHIRE OF CARNARVON
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
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Fees and Charges -Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled Refunds limited to exceptional circumstances - not usually provided	On payment
Fees and Charges - Memberships	Gym and pool membership	Over time	Payment in full in advance		On payment and issue of access card
Fees and charges for other goods and services	Cemetery services, library fees, rental income, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Fees and Charges -Sale of stock	Aviation fuel, Diesel fuel and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods
Other Revenue - Reimbursements	On- charge of expenses & Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

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	7,155,122	0	7,155,122
Grants, subsidies and contributions	11,322,024	0	0	0	11,322,024
Fees and charges	3,416,150	0	0	0	3,416,150
Interest revenue	0	0	0	474,245	474,245
Other revenue	539,827	0	0	0	539,827
Capital grants, subsidies and contributions	0	5,006,311	0	0	5,006,311
Total	15,278,001	5,006,311	7,155,122	474,245	27,913,679

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	6,679,100	0	6,679,100
Grants, subsidies and contributions	16,989,565	0	0	0	16,989,565
Fees and charges	3,586,416	0	0	0	3,586,416
Interest revenue	0	0	0	149,660	149,660
Other revenue	498,560	0	0	0	498,560
Capital grants, subsidies and contributions	0	3,988,473	0	0	3,988,473
Total	21,074,541	3,988,473	6,679,100	149,660	31,891,774

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Interest on reserve account funds	157,081	25,138
Other interest revenue	317,164	124,522
	474,245	149,660

Fees and charges relating to rates receivable

Charges on instalment plan	8,177	7,392
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The 2024 original budget estimate in relation to:
Charges on instalment plan was \$7,500.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	50,000	40,700
- Other services – Grant acquittals	5,700	5,850
- Other services – Regulation 17 review	12,000	0
	67,700	46,550

Employee Costs

Employee benefit costs	8,680,759	7,917,314
Other employee costs	357,552	224,136
	9,038,311	8,141,450

Finance costs

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	27(a)(d)	113,496	56,272
		113,496	56,272

Other expenditure

Impairment losses on rates and statutory receivables		138,749	12,766
Impairment losses on trade receivables		286,748	13,942
Donations - Community growth fund		89,419	81,502
Councillor Allowances	20(a)	211,164	199,388
Sundry expenses		58,243	56,140
		784,323	363,738

SHIRE OF CARNARVON
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		13,493,183	11,951,376
Total cash and cash equivalents	17(a)	13,493,183	11,951,376
Held as			
- Unrestricted cash and cash equivalents		7,217,209	6,093,109
- Restricted cash and cash equivalents	17(a)	6,275,974	5,858,267
		13,493,183	11,951,376

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

	2024 \$	2023 \$
Non-current assets		
Financial assets at fair value through profit or loss	145,549	142,607
	145,549	142,607
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	142,607	136,156
Movement attributable to fair value increment	2,942	6,451
Units in Local Government House Trust - closing balance	145,549	142,607

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.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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

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

Financial assets at fair value through profit or loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 21.

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

5. TRADE AND OTHER RECEIVABLES

	Note	2024 \$	2023 \$
Current			
Rates and statutory receivables		1,483,133	1,087,750
Trade receivables		614,849	991,775
Other receivables		34,034	28,787
GST receivable		156,816	212,558
Receivables for employee related provisions	15	8,451	11,377
Allowance for credit losses of rates and statutory receivables		(134,384)	0
Allowance for credit losses of trade receivables	21(b)	(293,616)	(20,809)
Other receivables Accrued Interest		2,883	0
		1,872,166	2,311,438
Non-current			
Rates and statutory receivables		113,317	92,518
LSL Receivable	15	34,481	34,481
		147,798	126,999

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

	Note	30 June 2024 Actual \$	30 June 2023 Actual \$	1 July 2022 Actual \$
Trade and other receivables from contracts with customers		611,749	963,643	350,905
Contract assets	7	303,327	824,435	0
Allowance for credit losses of trade receivables	21(b)	(293,616)	(20,809)	(6,868)
Total trade and other receivables from contracts with customers		621,460	1,767,269	344,037

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 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 including 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.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 21.

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

6. INVENTORIES

	2024	2023
Current	\$	\$
Fuel and materials	15,175	2,193
Visitor centre stock	39,053	33,764
	54,228	35,957
The following movements in inventories occurred during the year:		
Balance at beginning of year	35,957	27,397
Inventories expensed during the year	(232,552)	(58,611)
Additions to inventory	250,823	67,171
Balance at end of year	54,228	35,957

MATERIAL ACCOUNTING POLICIES

General

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

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

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

7. OTHER ASSETS

Other assets - current
 Contract assets

2024	2023
\$	\$
303,327	824,435
303,327	824,435

MATERIAL ACCOUNTING POLICIES

Contract assets

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

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land	Buildings - specialised	Buildings - non-specialised	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$		\$	\$	\$
Balance at 1 July 2022	5,343,500	23,113,202	1,452,191	29,908,893	273,386	1,856,967	32,039,246
Additions	0	774,501	90,065	864,566	44,919	721,140	1,630,625
Disposals	0	0	0	0	0	(6,002)	(6,002)
Depreciation	0	(944,074)	(29,760)	(973,834)	(48,290)	(317,899)	(1,340,023)
Balance at 30 June 2023	5,343,500	22,943,629	1,512,496	29,799,625	270,015	2,254,206	32,323,846
Comprises:							
Gross balance amount at 30 June 2023	5,343,500	25,753,546	1,601,300	32,698,346	478,306	3,360,266	36,536,918
Accumulated depreciation at 30 June 2023	0	(2,809,917)	(88,804)	(2,898,721)	(208,291)	(1,106,060)	(4,213,072)
Balance at 30 June 2023	5,343,500	22,943,629	1,512,496	29,799,625	270,015	2,254,206	32,323,846
Additions	0	500,931	0	500,931	54,183	898,582	1,453,696
Disposals	0	0	0	0	0	(31,826)	(31,826)
Depreciation	0	(981,458)	(36,667)	(1,018,125)	(50,930)	(367,020)	(1,436,075)
Balance at 30 June 2024	5,343,500	22,463,102	1,475,829	29,282,431	273,268	2,753,942	32,309,641
Comprises:							
Gross balance amount at 30 June 2024	5,343,500	26,254,477	1,601,300	33,199,277	532,489	4,144,648	37,876,414
Accumulated depreciation at 30 June 2024	0	(3,791,375)	(125,471)	(3,916,846)	(259,221)	(1,390,706)	(5,566,773)
Balance at 30 June 2024	5,343,500	22,463,102	1,475,829	29,282,431	273,268	2,753,942	32,309,641

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable or estimated market data for similar properties.	Independent Valuation	June 2020	Price per hectare/market borrowing rate
Buildings - specialised	3	Cost approach using current replacement cost.	Independent Valuation	June 2020	Construction costs and current conditions (level 2), residual values and remaining useful life assessments (level 3) inputs
Buildings - non- specialised	2	Market approach using recent observable or estimated market data for similar properties.	Independent Valuation	June 2020	Observable or estimated open market values / price per square metre
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment	N/A	Cost	Not Applicable		Not Applicable
Plant and equipment	N/A	Cost	Not Applicable		Not Applicable

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Other infrastructure drainage	Other infrastructure bridges	Other infrastructure footpaths	Other infrastructure parks and ovals	Other infrastructure carparks	Other infrastructure	Other infrastructure airport	Other infrastructure - works in progress	Other infrastructure levee system	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	224,821,592	22,108,235	7,009,676	9,410,585	13,518,526	626,814	11,124,628	10,744,609	0	8,202,600	307,567,265
Additions	2,995,573	264,069	0	0	613,585	233,276	656,055	506,624	40,829	0	5,310,011
Revaluation increments / (decrements) transferred to revaluation surplus	(62,521,054)	17,777,547	2,177,582	(4,434,120)	0	(155,564)	(1,321,306)	2,875,284	0	13,902,523	(31,699,108)
Depreciation	(4,949,657)	(313,274)	(152,000)	(204,319)	(297,737)	(20,227)	(258,540)	(655,622)	0	(41,850)	(6,893,226)
Transfers	132,191	0	(1,097,676)	0	(13,834,374)	(132,191)	14,835,351	(2,968,005)	96,699	2,968,005	0
Balance at 30 June 2023	160,478,645	39,836,577	7,937,582	4,772,146	0	552,108	25,036,188	10,502,890	137,528	25,031,278	274,284,942
Comprises:											
Gross balance at 30 June 2023	237,562,816	77,092,721	10,242,042	11,177,600	0	803,250	42,324,783	16,705,680	137,528	49,681,203	445,727,623
Accumulated depreciation at 30 June 2023	(77,084,171)	(37,256,144)	(2,304,460)	(6,405,454)	0	(251,142)	(17,288,595)	(6,202,790)	0	(24,649,925)	(171,442,681)
Balance at 30 June 2023	160,478,645	39,836,577	7,937,582	4,772,146	0	552,108	25,036,188	10,502,890	137,528	25,031,278	274,284,942
Additions	4,097,402	357,935	0	245,250	0	0	1,401,056	22,643	0	0	6,124,286
Depreciation	(3,926,169)	(995,502)	(134,024)	(224,091)	0	(44,122)	(753,044)	(1,058,028)	0	(248,406)	(7,383,386)
Transfers	0	0	0	40,829	0	0	96,699	0	(137,528)	0	0
Balance at 30 June 2024	160,649,878	39,199,010	7,803,558	4,834,134	0	507,986	25,780,899	9,467,505	0	24,782,872	273,025,842
Comprises:											
Gross balance at 30 June 2024	241,660,218	77,450,656	10,242,042	11,463,679	0	803,250	43,822,538	16,728,323	0	49,681,203	451,851,909
Accumulated depreciation at 30 June 2024	(81,010,340)	(38,251,646)	(2,438,484)	(6,629,545)	0	(295,264)	(18,041,639)	(7,260,818)	0	(24,898,331)	(178,826,067)
Balance at 30 June 2024	160,649,878	39,199,010	7,803,558	4,834,134	0	507,986	25,780,899	9,467,505	0	24,782,872	273,025,842

The revaluation movements in 2022-23 reflect movements to unit rates of assets since the last valuation was performed in 2018 and revised assessments of assets' useful lives by the independent valuer. In addition, there is an impact of the differences in the valuation methodologies used in the 2018 and 2023 valuations as these were performed by different valuers.

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

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using current replacement cost (Gross revaluation method)	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure drainage	3	Cost approach using current replacement cost (Gross revaluation method)	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure bridges	3	Cost approach using current replacement cost (Gross revaluation method)	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure footpaths	3	Cost approach using current replacement cost (Gross revaluation method)	Management Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure parks and ovals	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure carparks	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure airport	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure levee system	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

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

10. FIXED ASSETS

(a) 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	10 to 80 years
Furniture and equipment	1 to 25 years
Plant and equipment	1 to 25 years
Sealed roads and streets	
- formation	Not depreciated
- pavement	50 years
Seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
- formation	Not depreciated
- pavement	50 years
- gravel sheet	12 years
Formed roads	
- clearing and earthworks	Not depreciated
- construction/roadbase	50 years
Infrastructure - Footpaths	50 to 90 years
Infrastructure - Drainage	20 to 75 years
Infrastructure - Parks & Ovals	10 to 50 years
Infrastructure - Other Infrastructure	Various
Infrastructure - Bridges	50 years
Infrastructure - Levee System	200 years
Infrastructure - Airport	25 to 75 years
Right of use assets - plant and equipment	Based on remaining term of lease
Right of use assets - furniture and equipment	Based on remaining term of lease

(b) Temporarily Idle or retired from use assets

	2024	2023
	\$	\$
Plant and equipment	0	76,601

(b) Fully Depreciated Assets in Use

	2024	2023
	\$	\$
The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.		
Buildings - specialised	16,847	15,587
Furniture and equipment	54,382	54,382

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable Value

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

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

Revaluation

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

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

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

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

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

Gains or losses on disposal

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

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

11. LEASES

(a) Right-of-Use Assets

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

	Note	Right-of-use assets - furniture and equipment \$	Right-of-use assets - plant and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2022		14,397	544,492	558,889
Additions		210,548	69,018	279,566
Depreciation		(10,062)	(311,709)	(321,771)
Balance at 30 June 2023		214,883	301,801	516,684
Gross balance amount at 30 June 2023		227,403	1,604,945	1,832,348
Accumulated depreciation at 30 June 2023		(12,520)	(1,303,144)	(1,315,664)
Balance at 30 June 2023		214,883	301,801	516,684
Additions		0	3,256	3,256
Depreciation		(74,396)	(241,087)	(315,483)
Balance at 30 June 2024		140,487	63,970	204,457
Gross balance amount at 30 June 2024		227,403	881,656	1,109,059
Accumulated depreciation at 30 June 2024		(86,916)	(817,686)	(904,602)
Balance at 30 June 2024		140,487	63,970	204,457

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

	2024 Actual \$	2023 Actual \$
Depreciation on right-of-use assets	(315,483)	(321,771)
Finance charge on lease liabilities	(12,329)	(12,887)
Total amount recognised in the statement of comprehensive income	(327,812)	(334,658)
Total cash outflow from leases	(355,312)	(343,867)
(b) Lease Liabilities		
Current	137,938	351,698
Non-current	68,543	194,510
	206,481	546,208

Secured liabilities and assets pledged as security

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

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 asset for a period of time in exchange for consideration.

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

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

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

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 10 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 CARNARVON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 ATO liabilities - PAYG
 Bonds and deposits held
 Other payables - Accrued Expenses

2024	2023
\$	\$
2,048,263	763,611
149,218	93,372
43,659	374,930
66,438	0
104,550	100,151
70,858	81,561
2,482,986	1,413,625

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 CARNARVON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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13. OTHER LIABILITIES

Current

Contract liabilities
Capital grant/contributions liabilities
Other Liabilities - Visitor Centre deposits

	2024	2023
	\$	\$
Contract liabilities	1,300,437	1,113,113
Capital grant/contributions liabilities	1,006,279	847,005
Other Liabilities - Visitor Centre deposits	410	26,962
	2,307,126	1,987,080
Reconciliation of changes in contract liabilities		
Opening balance	1,113,113	1,729,274
Additions	1,300,437	1,113,113
Revenue from contracts with customers included as a contract liability at the start of the period	(1,113,113)	(1,729,274)
	1,300,437	1,113,113
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	847,005	1,830,993
Additions	1,006,279	847,005
Revenue from capital grant/contributions held as a liability at the start of the period	(847,005)	(1,830,993)
	1,006,279	847,005

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.

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

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

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

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

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		432,714	2,158,964	2,591,678	283,785	1,595,677	1,879,462
Total secured borrowings	27(a)	432,714	2,158,964	2,591,678	283,785	1,595,677	1,879,462

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the general funds of the Shire of Carnarvon.

The Shire of Carnarvon has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

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

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).

Information regarding exposure to risk can be found at Note 21.

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

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	500,074	485,749
Long service leave	411,246	398,630
	911,320	884,379
Employee related other provisions		
Employment on-costs	121,762	114,137
	121,762	114,137
Total current employee related provisions	1,033,082	998,516
Non-current provisions		
Employee benefit provisions		
Long service leave	121,419	69,552
Employment on-costs	14,976	7,454
	136,395	77,006
Total non-current employee related provisions	136,395	77,006
Total employee related provisions	1,169,477	1,075,522

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

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

	Note	2024	2023
		\$	\$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		989,971	1,013,793
More than 12 months from reporting date		136,574	15,870
Expected reimbursements from other WA local governments	5	42,932	45,859
		1,169,477	1,075,522

Expected reimbursements of employee related provisions from other WA local governments included within other receivables	5	42,932	45,858
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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 CARNARVON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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16. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	13,702,208	0	13,702,208	13,702,208	0	13,702,208
Revaluation surplus - Buildings - non- specialised	3,119,068	0	3,119,068	3,119,068	0	3,119,068
Revaluation surplus - Furniture and equipment	246,839	0	246,839	246,839	0	246,839
Revaluation surplus - Plant and equipment	1,436,222	0	1,436,222	1,436,222	0	1,436,222
Revaluation surplus - Infrastructure - roads	157,686,308	0	157,686,308	220,207,362	(62,521,054)	157,686,308
Revaluation surplus - Other infrastructure drainage	39,925,224	0	39,925,224	22,147,677	17,777,547	39,925,224
Revaluation surplus - Other infrastructure bridges	4,153,062	0	4,153,062	1,975,480	2,177,582	4,153,062
Revaluation surplus - Other infrastructure footpaths	4,165,174	0	4,165,174	8,599,294	(4,434,120)	4,165,174
Revaluation surplus - Other infrastructure carparks	116,204	0	116,204	271,768	(155,564)	116,204
Revaluation surplus - Other infrastructure	902,784	0	902,784	2,224,090	(1,321,306)	902,784
Revaluation surplus - Other infrastructure airport	10,218,408	0	10,218,408	7,343,124	2,875,284	10,218,408
Revaluation surplus - Other infrastructure levee system	17,019,149	0	17,019,149	3,116,626	13,902,523	17,019,149
	252,690,650	0	252,690,650	284,389,758	(31,699,108)	252,690,650

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

17. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	Note	2024 Actual \$	2023 Actual \$
Cash and cash equivalents	3	13,493,183	11,951,376
Restrictions			
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	6,275,974	5,858,267
		6,275,974	5,858,267
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts		3,244,258	3,173,149
Unspent loans (held in reserves)	27(c)	725,000	725,000
Total restricted reserve accounts	28	3,969,258	3,898,149
Contract liabilities	13	1,300,437	1,113,113
Capital grant liabilities	13	1,006,279	847,005
Total restricted financial assets		6,275,974	5,858,267

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

Net result		(2,817,944)	(851,854)
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(2,942)	(6,451)
Depreciation/amortisation		9,134,944	8,555,020
(Profit)/loss on sale of asset		(3,045)	(16,426)
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		418,473	(828,217)
(Increase)/decrease in other assets		521,108	(824,435)
(Increase)/decrease in inventories		(18,271)	(8,560)
Increase/(decrease) in trade and other payables		1,069,361	(1,590,208)
Increase/(decrease) in employee related provisions		93,955	204,638
Increase/(decrease) in other liabilities		320,046	(1,635,665)
Capital grants, subsidies and contributions		(5,165,585)	(3,004,485)
Net cash provided by/(used in) operating activities		3,550,100	(6,643)

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	200,000	200,000
Bank overdraft at balance date	0	0
Credit card limit	13,000	13,000
Credit card balance at balance date	(10,998)	(1,530)
Total amount of credit unused	202,002	211,470

Loan facilities

Loan facilities - current	432,714	283,785
Loan facilities - non-current	2,158,964	1,595,677
Total facilities in use at balance date	2,591,678	1,879,462

Unused loan facilities at balance date	725,000	725,000
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SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

18. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire of Carnarvon has one registered contamination site and two other sites with possible sources of contamination.

The Shire of Carnarvon Airport is a registered contamination site, with the classification "contaminated - restricted use". The current use of the site as an airport fits within this classification and is deemed a suitable use. Remediation works were conducted in 2012 removed the primary sources of contamination, and remaining hydrocarbon concentration levels are decreasing over time through biodegradation and are expected to continue to reduce naturally.

Possible sites of contamination are:

- Shire of Carnarvon Coral Bay Landfill Site
- Shire of Carnarvon Brown Range Landfill Site

The Shire has a licence to operate the Coral Bay Landfill site that expires in 2036. An assessment was undertaken in 2023/2024 that required action to increase the lifespan of the site. The Shire received approval from Department of Water and Environmental Regulation to reduce the buffer zone increasing the capacity of the landfill facility by approximately 3-5 years, noting that the lifespan increase is only an estimate at this stage and could increase or decrease depending on a variety of factors.

The Shire has a licence to operate the Brown Range Landfill site that expires in 2034 however the Shire projects the capacity of the facility will not be reached for approximately 50 years. The Shire will apply to extend the licence at the appropriate time.

While the licences do not have a specific requirement to rehabilitate the sites at the end of their useful lives the Shire has been progressively capping active cells at both sites therefore remediation on decommissioning of either site is unlikely to be extensive. It is likely that the sites will become registered contaminated sites on decommissioning with use restrictions applicable.

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

19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	5,096,923	1,533,303
- plant & equipment purchases	737,769	737,769
	5,834,692	2,271,072
Payable:		
- not later than one year	5,834,692	2,271,072
The capital expenditure projects relate to:		
Blowholes Development	90,377	148,340
Fascine Projects	832,705	63,514
Robinson St Reconstruction	-	887,770
Youth Precinct Revitalisation Project	-	433,679
Administration Roof Replacement	146,000	-
Housing Development - Northwater	1,365,920	-
Civic Centre Refurbishment	420,721	-
Tramway Bridge Improvements	844,041	-
Various Roadworks	1,397,159	-
	5,096,923	1,533,303

SHIRE OF CARNARVON
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		48,303	48,303	46,896
President's meeting attendance fees		18,750	18,750	17,484
		67,053	67,053	64,380
Deputy President's annual allowance		12,076	12,076	11,724
Deputy President's meeting attendance fees		18,750	18,750	17,484
		30,826	30,826	29,208
All other council member's meeting attendance fees		112,501	112,500	105,016
All other council member's travel and accommodation expenses		784	25,000	784
		113,285	137,500	105,800
	20(b)	211,164	235,379	199,388

(b) Key Management Personnel (KMP) Compensation

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

	Note	2024 Actual	2023 Actual
		\$	\$
Short-term employee benefits		633,702	545,161
Post-employment benefits		88,778	57,994
Employee - other long-term benefits		11,270	48,964
Employee - termination benefits		73,406	0
Council member costs	20(a)	211,164	199,388
		1,018,320	851,507

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 CARNARVON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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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
	\$	\$
Materials and contracts (road works)	0	512,206
Short term employee benefits - other related parties	55,644	121,674

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

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

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.

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

21. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2024					
Cash and cash equivalents	1.29%	13,493,183	0	7,491,015	6,002,168
2023					
Cash and cash equivalents	0.51%	11,951,376	0	4,931,977	7,019,399

Sensitivity

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

	2024	2023
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	74,910	49,320

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs.

The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 27(a).

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

(b) Credit risk

Trade and Other Receivables

The Shire's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies.

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

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

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2023 or 1 July 2024 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

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

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2024					
Trade receivables					
Expected credit loss	25%	90%	96%	100%	
Gross carrying amount	409,424	101,251	102,784	1,390	614,849
Loss allowance	102,449	91,553	98,224	1,390	293,616
30 June 2023					
Trade receivables					
Expected credit loss	0%	0%	0%	66%	
Gross carrying amount	952,097	7,782	337	31,559	991,775
Loss allowance	0	0	0	20,809	20,809
	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2024					
Other receivables (Rates)					
Expected credit loss	0.00%	0.00%	0.00%	41%	
Gross carrying amount	712,344	273,542	172,777	324,470	1,483,133
Loss allowance	0	0	0	134,384	134,384
30 June 2023					
Other receivables (Rates)					
Expected credit loss	0.00%	0.00%	0.00%	0%	
Gross carrying amount	611,075	12,184	185,468	279,023	1,087,750
Loss allowance	0	0	0	0	0

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

(b) Credit risk

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

	Trade receivables		Rates receivables		Contract Assets	
	2024 Actual	2023 Actual	2024 Actual	2023 Actual	2024 Actual	2023 Actual
Opening loss allowance as at 1 July	\$ 20,809	\$ 6,868	\$ 0	\$ 0	\$ 0	\$ 0
Increase in loss allowance recognised in profit or loss during the year	286,748	13,938	138,749	0	0	0
Receivables written off during the year as uncollectible	0	0	4,365	12,766	0	0
Unused amount reversed	(13,941)	3	(8,730)	(12,766)	0	0
Closing loss allowance at 30 June	293,616	20,809	134,384	0	0	0

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

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

Contract Assets

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

SHIRE OF CARNARVON
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21. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

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

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
<u>2024</u>	\$	\$	\$	\$	\$
Trade and other payables	2,482,986	0	0	2,482,986	2,482,986
Borrowings	531,152	2,396,649	0	2,927,802	2,591,678
Lease liabilities	137,938	68,543	0	206,481	206,481
	<u>3,152,076</u>	<u>2,465,192</u>	<u>0</u>	<u>5,617,269</u>	<u>5,281,145</u>
<u>2023</u>					
Trade and other payables	1,413,625	0	0	1,413,625	1,413,625
Borrowings	351,211	1,326,017	447,990	2,125,218	1,879,462
Lease liabilities	351,698	194,510	0	546,208	546,208
	<u>2,116,534</u>	<u>1,520,527</u>	<u>447,990</u>	<u>4,085,051</u>	<u>3,839,295</u>

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

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

On 30 July 2024, Regional Express Holdings Limited ("REX") was placed into voluntary administration by its Directors due to concerns about the company's solvency. As at 30 June 2024, the Shire of Carnarvon ("the Shire") was owed \$382,459 by REX for landing fees at the Shire's airport. In early July, the Shire received a payment of \$95,711 reducing the outstanding debt to \$286,748

As at 30 June 2024, the Shire had no indication that the amounts owed by REX would not be collected. The amounts due to the Shire are recorded as Trade and Other Receivables.

Subsequent to REX entering administration, and with the realisation that the amount receivable is likely to be unrecoverable, an allowance for credit losses related to the amounts owed by REX has been recognised in the Shire's financial accounts as at 30 June 2024. The amount of any potential return to creditors remains unknown; however, the Shire's assessment is conservative, in that no material return to unsecured creditors is likely.

SHIRE OF CARNARVON
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23. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

AASB 13 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.

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

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

24. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

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

Objective	Description
Governance To provide a decision making process for the efficient allocation of scarce resources.	Administration and operations of facilities and services to members of Council. Other costs which relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.
General purpose funding To collect general revenue to allow for the provision of services.	Rates activity, general purpose grants, banking costs and interest revenue.
Law, order, public safety To provide services to help ensure a safer community.	Supervision of various local laws, fire prevention, emergency services, CBD security, administration of the Crime Prevention Plan.
Health To provide an operational framework for good community health.	Food quality and pest control, inspections and infant health. This function also provides for the implementation of the Healthy Lifestyles model.
Education and welfare community in these areas.	Support pre-school facilities and assistance of seniors and retirement villages. This function also provides for Youth Strategy and the accounting of the Carnarvon Youth Co-Ordinating Networks finance as part of the agreement.
Housing To meet the needs of the Shire of Carnarvon Staff.	Staff Housing.
Community amenities To provide sanitary and essential services required by the community. To provide land development strategies and to process land development activities. Environmental sustainability.	Refuse collection services, operation of refuse site, administration of town planning scheme, cemetery services and maintenance, environmental protection services and land development services.
Recreation and culture To establish and manage efficiently infrastructure and resources which will help the social well being of the community.	Operations of the Civic Centre (Camel Lane), aquatic centre and beach areas, regional library service, cultural and heritage services and facilities, reserves, parks and gardens.
Transport To provide effective and efficient transport services to the community.	Maintenance of streets, roads, footpaths, street lighting, airport.
Economic services To help promote and market the Shire of Carnarvon to the world and improve the economic well being. To ensure building development regulations are adhered to.	Noxious weed control, tourism and area promotion, building control and services.
Other property and services To ensure works programs are operating efficiently.	Private works operations, public works operations and plant operations.

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

24. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2024 Actual	2023 Actual
	\$	\$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	131,629	11,507
General purpose funding	7,376,040	6,615,340
Law, order, public safety	54,411	103,860
Education And Welfare	183	28,285
Health	18,329	54,386
Housing	9,403	2,471
Community amenities	2,201,840	2,316,116
Recreation and culture	121,997	123,706
Transport	1,105,158	1,034,700
Economic services	441,804	428,653
Other property and services	140,498	217,589
	11,601,292	10,936,613
Grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	174,358	10,000
General purpose funding	5,863,034	7,745,378
Law, order, public safety	506,004	198,266
Education And Welfare	534,442	340,419
Health	13,547	22,490
Housing	48,000	0
Community amenities	219,124	160,114
Recreation and culture	1,240,942	951,703
Transport	7,539,241	10,341,692
Economic services	189,643	1,207,976
	16,328,335	20,978,038
Total Income	27,929,627	31,914,651
Expenses		
Governance	(1,895,164)	(1,563,743)
General purpose funding	(490,779)	(209,017)
Law, order, public safety	(1,506,721)	(1,455,411)
Education And Welfare	(1,297,433)	(896,797)
Health	(544,316)	(476,657)
Housing	(92,035)	(121,472)
Community amenities	(2,751,424)	(2,477,000)
Recreation and culture	(5,211,873)	(4,693,038)
Transport	(13,821,812)	(17,502,665)
Economic services	(1,607,854)	(2,060,137)
Other property and services	(1,528,160)	(1,310,568)
Total expenses	(30,747,571)	(32,766,505)
Net result for the period	(2,817,944)	(851,854)
(c) Total Assets		
Governance	5,093,723	3,679,834
General purpose funding	9,817,272	9,825,313
Law, order, public safety	1,411,680	2,190,578
Health	124,041	130,856
Education and welfare	1,750,072	1,816,772
Housing	647,063	646,369
Community amenities	28,188,416	28,534,551
Recreation and culture	36,731,933	36,611,576
Transport	227,850,359	226,486,695
Economic services	374,427	282,798
Other property and services	2,315,476	1,997,239
Unallocated	7,251,729	10,315,703
	321,556,191	322,518,284

SHIRE OF CARNARVON
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FOR THE YEAR ENDED 30 JUNE 2024

25. RATING INFORMATION

(a) General Rates

RATE TYPE		Rate in	Number of Properties	2023/24 Actual Rateable Value	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
Rate Description	Basis of valuation	\$		\$	\$	\$	\$	\$	\$	\$	\$
Residential	Gross rental valuation	0.121408	1,288	22,369,849	2,715,878	(10,948)	2,704,930	2,715,879	5,000	2,720,879	2,632,077
Commercial/Industrial	Gross rental valuation	0.112456	266	15,856,830	1,783,195	44,861	1,828,056	1,783,196	5,000	1,788,196	1,734,265
Special Use/Rural	Gross rental valuation	0.121408	56	1,826,232	221,719	(2,129)	219,590	221,719	5,000	226,719	216,371
Mining	Unimproved valuation	0.267618	51	935,694	250,409	172,876	423,285	250,409	5,000	255,409	232,085
Pastoral	Unimproved valuation	0.121816	31	3,109,820	378,826	140	378,966	378,966	5,000	383,966	366,205
Intensive Horticultural	Unimproved valuation	0.027939	170	22,500,000	628,628	0	628,628	628,628	7,500	636,128	574,490
Total general rates			1,862	66,598,425	5,978,655	204,800	6,183,455	5,978,797	32,500	6,011,297	5,755,493
Minimum payment		\$									
Residential	Gross rental valuation	1,265	394	3,228,366	498,410	0	498,410	498,410	0	498,410	485,060
Commercial/Industrial	Gross rental valuation	1,265	65	495,298	82,225	0	82,225	82,225	0	82,225	72,452
Special Use/Rural	Gross rental valuation	1,265	48	377,783	60,720	0	60,720	60,720	0	60,720	57,716
Mining	Unimproved valuation	464	15	13,095	6,960	0	6,960	6,960	0	6,960	7,650
Pastoral	Unimproved valuation	1,265	9	30,700	11,385	0	11,385	11,385	0	11,385	11,052
Intensive Horticultural	Unimproved valuation	1,265	0	0	0	0	0	0	0	0	0
Total minimum payments			531	4,145,242	659,700	0	659,700	659,700	0	659,700	633,930
Total general rates and minimum payments			2,393	70,743,667	6,638,355	204,800	6,843,155	6,638,497	32,500	6,670,997	6,389,423
Specified Area Rates		Rate in \$									
Coral Bay	Gross rental valuation				297,736	0	297,736	277,933	0	277,933	275,078
Ex-gratia Rates											
Dampier Bunbury Pipeline					14,231	0	14,231	7,600	0	7,600	14,599
Total amount raised from rates (excluding general rates)				0	311,967	0	311,967	285,533	0	285,533	289,677
Concessions							0	(1,265)	0	(1,265)	0
Total Rates							7,155,122	6,922,765	32,500	6,955,265	6,679,100
Rate instalment interest							24,603			25,000	22,092
Rate overdue interest							97,580			60,000	80,880

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.

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

26. DETERMINATION OF SURPLUS OR DEFICIT

		2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
Note	2023/24 (30 June 2024 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	(13,006)	(36,296)	(16,426)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(2,942)	0	(6,451)
Add: Loss on disposal of assets	9,961	58,000	0
Add: Depreciation	9,134,944	8,334,555	8,555,020
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(20,799)	0	(14,474)
Employee benefit provisions	93,955	0	170,158
Non-cash amounts excluded from operating activities	9,202,113	8,356,259	8,687,827
(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	28	(3,969,258)	(3,182,409)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14	432,714	0
- Current portion of lease liabilities	11(b)	137,938	0
- Employee benefit provisions	15	1,033,082	744,176
Total adjustments to net current assets		(2,365,524)	(2,438,233)
Net current assets used in the Statement of Financial Activity			
Total current assets		15,722,904	3,943,746
Less: Total current liabilities		(6,393,846)	(1,505,513)
Less: Total adjustments to net current assets		(2,365,524)	(2,438,233)
Surplus or deficit after imposition of general rates		6,963,534	0

SHIRE OF CARNARVON
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27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal		Principal		Principal		Principal at 30 June 2024	Principal		Principal	
		Principal at 1 July 2022	New Loans During 2022-23	Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Repayments During 2023-24		Principal at 1 July 2023	New Loans During 2023-24	Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Airport Corrective Works		219,409	0	(46,208)	173,201	0	(47,628)	125,573	173,201	0	(47,628)	125,573
Plant and Equipment		0	1,821,053	(114,792)	1,706,261	0	(236,156)	1,470,105	1,706,261	0	(236,157)	1,470,104
Heavy Plant		0	0	0	0	760,000	0	760,000	0	760,000	0	760,000
Light Fleet		0	0	0	0	236,000	0	236,000	0	236,000	0	236,000
Housing		0	0	0	0	0	0	0	0	1,000,000	0	1,000,000
Total Borrowings	14	219,409	1,821,053	(161,000)	1,879,462	996,000	(283,784)	2,591,678	1,879,462	1,996,000	(283,785)	3,591,677

All loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
						\$	\$	\$
Airport Corrective Works		216	WATC	3.05%	24/11/2026	(13,363)	(4,922)	(8,847)
Plant and Equipment		217	WATC	3.79%	12/12/2029	(76,878)	(71,909)	(34,538)
Heavy Plant		219	WATC	4.34%	12/04/2031	(8,369)	(3,595)	0
Light Fleet		220	WATC	4.26%	12/04/2029	(2,557)	(2,000)	0
Housing			WATC			0	(15,000)	0
Total Finance Cost Payments						(101,167)	(97,426)	(43,385)

* WA Treasury Corporation

SHIRE OF CARNARVON
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27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
				%	\$	\$	\$	\$	\$	\$
Heavy Plant	WATC	Debenture	7	4.34%	760,000	760,000	(760,000)	(760,000)	129,304	0
Light Fleet	WATC	Debenture	5	4.26%	236,000	236,000	(236,000)	(236,000)	28,490	0
Housing	WATC	Debenture			0	1,000,000	0	(1,000,000)	0	0
					996,000	1,996,000	(996,000)	(1,996,000)	157,794	0

* WA Treasury Corporation

(c) Unspent Borrowings

Particulars	Institution	Date Borrowed	Unspent Balance 1 July 2023	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2024
			\$	\$	\$	\$
Plant and Equipment	WATC	12/12/2022	725,000	0	0	725,000
			725,000	0	0	725,000

* WA Treasury Corporation

(d) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal			Principal				Principal			
		Principal at 1 July 2022	New Leases During 2022-23	Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Repayments During 2023-24	Principal at 30 June 2024
Plant and equipment		583,101	69,018	(321,327)	330,792	3,256	(270,819)	63,229	330,792	0	(279,534)	51,258
Furniture and equipment		14,521	0	(4,098)	10,423	0	(4,222)	6,201	10,423	0	(4,222)	6,201
IT Equipment		0	210,548	(5,555)	204,993	0	(67,942)	137,051	204,993	0	(67,942)	137,051
Total Lease Liabilities	11(b)	597,622	279,566	(330,980)	546,208	3,256	(342,983)	206,481	546,208	0	(351,698)	194,510

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term
Photocopier			Richo	2.6%	30/11/2025	(671)	(254)	(378)	4 years
IT Equipment			Integrated ITC		30/05/2026	(5,675)	(6,092)	(614)	3 years
Vehicles and Plant			Easifleet/SGFleet	Various	Various	(5,983)	(5,341)	(11,895)	Various
Total Finance Cost Payments						(12,329)	(11,687)	(12,887)	

SHIRE OF CARNARVON
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28. 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 legislation/agreement												
(a) Sar Coral Bay Waste Reserve Equity	72,477	280,853	(277,933)	75,397	72,477	278,305	(277,933)	72,849	71,876	601	0	72,477
	72,477	280,853	(277,933)	75,397	72,477	278,305	(277,933)	72,849	71,876	601	0	72,477
Restricted by council												
(b) Leave Reserve	353,388	14,241	0	367,629	353,388	1,813	0	355,201	330,201	23,187	0	353,388
* (c) Plant Reserve	940,529	69,929	0	1,010,458	940,529	36,855	(737,769)	239,615	192,501	748,028	0	940,529
(d) Waste Disposal Reserve	153,537	6,187	0	159,724	153,537	788	0	154,325	153,359	178	0	153,537
(e) Mosquito Management Reserve	10,240	413	0	10,653	10,240	53	0	10,293	6,174	4,066	0	10,240
(f) Asset Upgrades and Renewal Reserve	565,314	121,780	(217,000)	470,094	565,314	2,900	0	568,214	0	755,314	(190,000)	565,314
(g) Emergency Management Reserve	289,013	11,646	0	300,659	289,013	1,483	0	290,496	0	289,013	0	289,013
(h) Fascine Upgrade and Renewal Reserve	395,030	15,918	0	410,948	395,030	2,027	(30,000)	367,057	0	395,030	0	395,030
(i) Strategic Projects Reserve	926,460	37,332	0	963,792	926,460	4,753	0	931,213	0	926,460	0	926,460
(j) Blowholes Reserve Management Funds	132,829	5,352	0	138,181	132,829	681	0	133,510	0	132,829	0	132,829
(k) Airport Renewal and Upgrade Reserve	59,332	2,391	0	61,723	59,332	304	0	59,636	0	59,332	0	59,332
(l) Staff Housing Reserve	0	0	0	0	0	0	0	0	700,701	0	(700,701)	0
(m) Civic Centre Reserve	0	0	0	0	0	0	0	0	60,529	0	(60,529)	0
(n) Information Technology Reserve	0	0	0	0	0	0	0	0	107,090	0	(107,090)	0
(o) Airport Reserve	0	0	0	0	0	0	0	0	59,316	0	(59,316)	0
(p) Surge/Fascine Wall Reserve	0	0	0	0	0	0	0	0	414,537	0	(414,537)	0
(q) Town Planning Reserve	0	0	0	0	0	0	0	0	1,451	0	(1,451)	0
(r) Fascine Dredging Reserve	0	0	0	0	0	0	0	0	84,712	0	(84,712)	0
(s) Flood Mitigation Reserve	0	0	0	0	0	0	0	0	11,889	0	(11,889)	0
(t) Otc/Nasa Reserve	0	0	0	0	0	0	0	0	21,373	0	(21,373)	0
(u) Blowholes Reserve	0	0	0	0	0	0	0	0	2,751	0	(2,751)	0
(v) Land & Infrastructure Development Reserve	0	0	0	0	0	0	0	0	224,916	0	(224,916)	0
(w) Asset Management Reserve	0	0	0	0	0	0	0	0	38,905	0	(38,905)	0
(x) Emergency Response Reserve	0	0	0	0	0	0	0	0	265,463	0	(265,463)	0
(y) Country Roads Grading Reserve	0	0	0	0	0	0	0	0	135,062	0	(135,062)	0
(z) Property Infrastructure Reserve	0	0	0	0	0	0	0	0	1,764	0	(1,764)	0
	3,825,672	285,189	(217,000)	3,893,861	3,825,672	51,657	(767,769)	3,109,560	2,812,694	3,333,437	(2,320,459)	3,825,672
	3,898,149	566,042	(494,933)	3,969,258	3,898,149	329,962	(1,045,702)	3,182,409	2,884,570	3,334,038	(2,320,459)	3,898,149

* Includes \$725,000 of loan funds not expected to be utilised until 30/6/2024.

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:

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28. RESERVE ACCOUNTS (Continued)

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) Sar Coral Bay Waste Reserve Equity	To be used for maintenance and capital costs associated with Coral Bay refuse site.
Restricted by council	
(b) Leave Reserve	To fund the current annual and long service leave requirements.
(c) Plant Reserve	To fund the acquisition of new plant as per the Plant Replacement program.
(d) Waste Disposal Reserve	To be used for maintenance or capital expenditure at Brown Range Refuse Site. Annual transfer being revenue as raised by waste charge, less actual expenditure (excluding depreciation) on Carnarvon waste management facilities and service.
(e) Mosquito Management Reserve	To be used for the purpose of delivering services to assist in mosquito management within the Shire of Carnarvon, which includes funding from the Department of Health.
(f) Asset Upgrades and Renewal Reserve	To fund the upgrade and renewal of existing assets.
(g) Emergency Management Reserve	To be used in the preparation for and providing immediate assistance, relief and recovery to the community in response to an emergency within the Shire of Carnarvon.
(h) Fascine Upgrade and Renewal Reserve	To fund the upgrades and renewal of Fascine Infrastructure.
(i) Strategic Projects Reserve	To fund development of strategic projects and new infrastructure.
(j) Blowholes Reserve Management Funds	To fund the implementation of the Blowholes Reserve management plan
(k) Airport Renewal and Upgrade Reserve	To fund upgrades and renewal at the Carnarvon Airport.
(l) Staff Housing Reserve	Closed in 2022-23
(m) Civic Centre Reserve	Closed in 2022-23
(n) Information Technology Reserve	Closed in 2022-23
(o) Airport Reserve	Closed in 2022-23
(p) Surge/Fascine Wall Reserve	Closed in 2022-23
(q) Town Planning Reserve	Closed in 2022-23
(r) Fascine Dredging Reserve	Closed in 2022-23
(s) Flood Mitigation Reserve	Closed in 2022-23
(t) Otc/Nasa Reserve	Closed in 2022-23
(u) Blowholes Reserve	Closed in 2022-23
(v) Land & Infrastructure Development Reserve	Closed in 2022-23
(w) Asset Management Reserve	Closed in 2022-23
(x) Emergency Response Reserve	Closed in 2022-23
(y) Country Roads Grading Reserve	Closed in 2022-23

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29. TRUST FUNDS

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

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Public Open Space Deposits	140,374	0	0	140,374
Private Works	138,034	0	0	138,034
Security Deposits	100,000	0	(100,000)	0
	378,408	0	(100,000)	278,408



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Shire of Carnarvon

To the Council of the Shire of Carnarvon

Opinion

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

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

In my opinion, the financial report:

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

Basis for opinion

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

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

Other information

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

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

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

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 Carnarvon 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.



Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
11 December 2024